WILCON DEPOT

2021

ANNUAL REPORT

TATAG
WILCON

TABLE OF CONTENTS

04 Corporate Profile

06 Vison & Mission

09 Branches Nationwide

13 Store Openings

16 Company Highlights

18 Founder's Message

20 President's Message

24 Financial Highlights

27 Management Discussion & Analysis

35 Board of Directors

40 Advisory Board

41 Officers

44 Corporate Governance

51 Awards

58 Audited Financial Statements

113 Sustainability Report

CORPORATE PROFILE

WILCON DEPOT, INC. (PSE: WLCON) is the Philippines' leading home improvement and construction supplies retailer. It caters to the fast-growing segment of middle-to-high income homeowners whose needs range from new home construction, renovation, repair and maintenance to furnishing and design. Wilcon is top-of-mind among homebuilders and homeowners looking to build or renovate their homes with its complete spectrum of home improvement product offerings.

Wilcon carries local and international brands of tiles, sanitary wares and plumbing, hardware and tools, electrical and lighting, paints and building materials, and also household items such as furniture and home interiors, appliances and houseware, among others. Despite having a huge collection of products, Wilcon offers ease and comfort in shopping through its organized and clutter-free environment.

Wilcon traces its roots to 1977 when its founder, Mr. William T. Belo, opened his first branch, a modest 60-sqm hardware store, in Quezon City. He gradually expanded the pioneer Wilcon branch as business picked up, opening three more Metro Manila branches with an average size of 2,400 sqm from 1989 to 1995.

CORPORATE PROFILE

Wilcon's first foray outside Metro Manila was in 2002 when it opened a branch in Davao City. In its continued efforts to find ways of delivering the best service to its customers, Wilcon built its first depot-format store in Las Piñas in 2003. The depot-format is a pioneering concept for the industry at that time, at 10,000 sqm in size, with a more comprehensive product selection. The depots offered a more comfortable shopping experience with free parking, air-conditioned stores, reliable delivery service and knowledgeable sales personnel. Over the next 18 years, Wilcon rapidly expanded its operation with the opening of 62 more depot format stores around the country.

In its initial years, the business operated under several corporate entities based on the geographical location of the branches and store formats. The companies were then consolidated into Wilcon Builders Depot, Inc. (WBDI), to achieve economies of scale and promote operational efficiencies, which was completed in 2013.

On December 17, 2015, the Company, Wilcon Depot, Inc. (WDI) was incorporated to operate the retail business of WBDI, which was renamed to Wilcon Corporation (WC) in November 2016. WDI commenced operations on April 1, 2016 upon transfer of the retail operations of the parent company and was listed on the Philippine Stock Exchange on March 31, 2017. WDI was included in the Philippine Stock Exchange Index on October 11, 2021.

In 2023, the Company amended its name to include Do It Wilcon, mainly to expand market share by targeting customers who require easy access to a basic range of tools and materials for simple housing repairs and maintenance.

The Company plans to put up Do It Wilcon in community centers or malls and will eventually change all Home Essentials stores to Do It Wilcon stores. It also introduced Bargain Centers as additional distribution channel for pruned items.

As of December 31, 2025, Wilcon has 18 branches spread all over the Metro, 86 stores in the provinces, and 10 of which are Do It Wilcon – with a total of 104 operating stores nationwide, and is now known as the country's leader in home improvement and construction retail store.

It has been the company's goal to offer consumers not only with top-grade quality products, but also, with utmost customer satisfaction. Wilcon revolutionized the construction-supply industry as it committed itself to providing convenient shopping and excellent services such as air-conditioned shops, ample parking spaces, coffee shops (for depot outlets), delivery services, interior design consultation, recreation corner for children, tile-cutting services, product installations, and repairs.

These helped Wilcon in having a strong reputation and industry leadership that made the company a household name for construction-supply industry for 49 years.

MISSION & VISION

OUR MISSION

To help people build, improve, and refine their homes for a sustainable and comfortable life.

OUR VISION

Our vision is to become the preferred company in our industry for all our key stakeholders: our customers, our partners, our employees, our shareholders, the environment and the society we live in.

To deserve the trust and respect our key stakeholders place in us, we at Wilcon differentiate ourselves by the standard of excellence and commitment we adhere to.

For our customers, we are committed to delivering products and solutions of superior quality and providing excellent and reliable service.

For our partners, we are committed to nurturing a winning network of suppliers in order to create mutual and enduring value.

For our employees, we are committed to create an environment that respects their dignity as persons, cultivates knowledge and talent, and empowers them to be the best they can be through continuous career and development opportunities.

For our shareholders, we are committed to maximize long – term returns to shareholders that can enable growth and prosperity in the business, and in turn, provide more opportunities for our employees and more solutions to our customers.

For the environment that supports the life we live on this planet, we are committed to promoting and innovating practical solutions that protect and manage the use of our natural resources by continuously providing eco-friendly products, adopting technologies and business practices, and shaping the behavior of our customers for better environmental impacts of the business.

For the society we live in, we are committed to contributing the best expertise, knowledge, skills, and resources to promote stronger, safer and more sustainable homes and buildings for all kinds of people.

OUR RESPONSIBILTY

We have a responsibility to be a reliable, trustworthy, and excellent source of innovative solutions for the homes and buildings of our customers.

Fully embracing our corporate responsibility starts with being attentive to the needs of our customers and stakeholders, treating all our partners fairly, developing a comfortable work environment and upholding the spirit and practice of our values in every area of the business.

OUR VALUES

Collaboration

Customer Delight

Integrity to Stakeholders

Excellence in Customer Experience

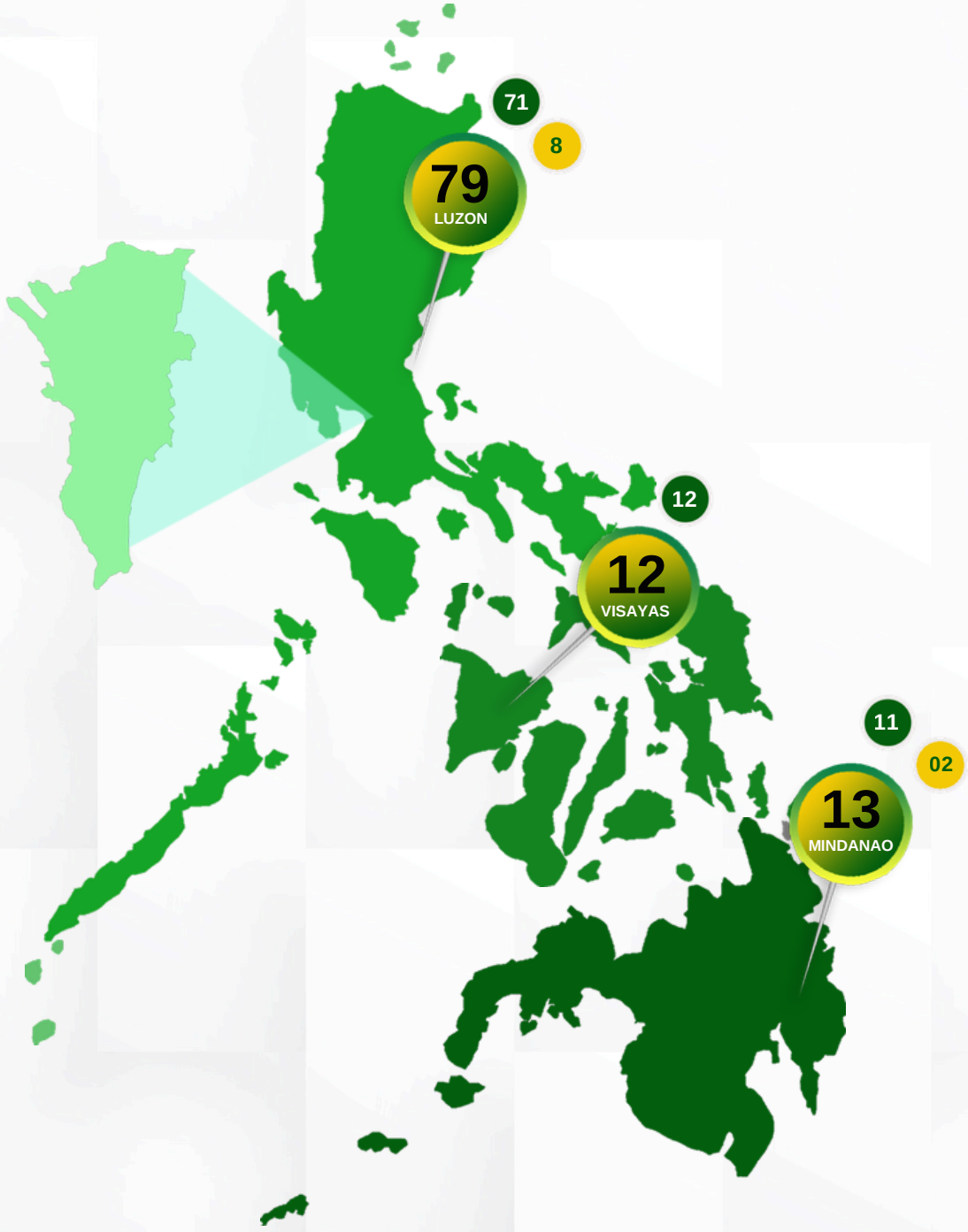
Innovation

Leadership

Loyalty to customers and the company

BRANCHES NATIONWIDE

BRANCHES NATIONWIDE



DEPOTS

DO-IT-WILCON/
HOME ESSENTIALS

104
STORES NATIONWIDE

BRANCHES NATIONWIDE

METRO MANILA (DEPOT)

1. QUEZON AVENUE
2. ALABANG
3. LIBIS
4. BALINTAWAK
5. PASONG TAMO
6. QUIRINO
7. FILINVEST
8. SUCAT
9. FAIRVIEW
10. VALENZUELA CITY
11. WILCON IT HUB
12. CAPITOL, COMMONWEALTH

LUZON (DEPOT)

13. TARLAC
14. MEXICO, PAMPANGA
15. DAU
16. DOLORES, SAN FERNANDO, PAMPANGA
17. CALAMBA
18. TAYTAY
19. BATANGAS
20. BALIUAG
21. ANTIPOLO
22. DASMARINAS
23. LAOAG
24. KAWIT
25. SAN PABLO
26. VILLASIS
27. BACOOR, CAVITE
28. STA. ROSA, LAGUNA
29. CABANATUAN
30. SILANG, CAVITE
31. NAGA
32. LIPA, BATANGAS

LUZON (DEPOT)

33. TAYABAS, QUEZON
34. GENERAL TRIAS
35. PUERTO PRINCESA
36. SAN ISIDRO, ANTIPOLO
37. STO. TOMAS, BATANGAS
38. IGUIG, CAGAYAN VALLEY
39. DARAGA, ALBAY
40. SAN JOSE DEL MONTE
41. CALUMPIT, BULACAN
42. CABUYAO, LAGUNA
43. OLONGAPO
44. SAN JUAN, TAYTAY
45. ISABELA
46. SORSOGON
47. PILA, LAGUNA
48. MAYAMOT, ANTIPOLO
49. GAPAN, NUEVA ECIJA
50. LEMERY, BATANGAS
51. BANTAY, ILOCOS SUR
52. ABUCAY, BATAAN
53. CALAPAN
54. BAUANG, LA UNION
55. SAN JOSE, NUEVA ECIJA
56. PANIQUI, TARLAC
57. GUIGUINTO, BULACAN
58. ROSARIO, BATANGAS
59. SAN NICOLAS, SAN FERNANDO, PAMPANGA
60. STA. MARIA, BULACAN
61. NAIC, CAVITE
62. TUY, BATANGAS
63. STA. BARBARA, PANGASINAN
64. LA TRINIDAD, BENGUET
65. PALA-PALA CAVITE
66. PAGBILAO, QUEZON
67. LUBAO, PAMPANGA
68. TUBA, BENGUET
69. SAN CARLOS, PANGASINAN
70. BACNOTAN, LA UNION
71. SBMA

104

STORES NATIONWIDE

BRANCHES NATIONWIDE

DO IT WILCON

1. MUÑOZ
2. PASAY
3. MINDANAO AVENUE
4. CITY CENTER
5. STA. MESA
6. P.TUAZON, CUBAO
7. TAGAYTAY
8. LUMBIA, CAGAYAN DE ORO
9. MORONG, RIZAL
10. VALENCIA, BUKIDNON

VISAYAS (DEPOT)

72. MANDAUE
73. TALISAY
74. BACOLOD
75. ILOILO
76. TACLOBAN
77. STA. BARBARA, ILOILO
78. MAKATO, AKLAN
79. ORMOC, LEYTE
80. DAUIS, BOHOL
81. ROXAS, CAPIZ
82. VILLAMONTE, BACOLOD
83. CORDOVA, CEBU

MINDANAO (DEPOT)

84. BUTUAN
85. CAGAYAN DE ORO
86. ZAMBOANGA
87. GENERAL SANTOS
88. PANACAN, DAVAO
89. OPOL, CAGAYAN DE ORO
90. TAGUM, DAVAO
91. MALAYBALAY, BUKIDNON
92. LUMBIA, CAGAYAN DE ORO
93. ILIGAN CITY
94. VALENCIA, BUKIDNON

104

STORES NATIONWIDE

2025 STORE OPENINGS

2025 STORE OPENINGS

DEPOT

TUBA, BENGUET

MARCH 7, 2025

Wilcon marks a strong start to 2025 with the grand opening of its latest branch in Tuba, Benguet on March 7. This new store strengthens Wilcon's presence in the province, following the successful launch of its first Benguet branch in La Trinidad in September 2024. With this expansion, Wilcon Depot continues to bring high-quality home improvement and construction solutions closer to more communities in Northern Luzon.

DO IT WILCON (DIW)

P. TUAZON, CUBAO

MARCH 28, 2025

Wilcon is making a grand return to the metro with the opening of its newest Do It Wilcon (DIW) store in P. Tuazon, Cubao, on March 28, 2025. This exciting milestone marks Wilcon's 11th store in Quezon City, strengthening its presence in the capital and reinforcing its commitment to bringing high-quality home and building solutions closer to Filipino homeowners and industry professionals. With this expansion, Wilcon now celebrates its 102nd branch nationwide.

DEPOT

CORDOVA, CEBU

MAY 23, 2025

Wilcon continues to solidify its presence in the Visayas region with the opening of its 103rd store nationwide on May 23, 2025. This is the company's third branch in Cebu-this time in the thriving municipality of Cordova. Following the success of its Mandaue and Talisay locations, Wilcon Depot Corodova represents a significant stride in the company's ongoing expansion. With this newest store, Wilcon continues to deliver its renowned brand of home improvement excellence even closer to more Filipino households.

2025 STORE OPENINGS

DEPOT REOPENING

BALIUAG, BULACAN

JUNE 27, 2025

The Baliuag branch reopened with renewed strength on June 27, offering a wide selection of trusted home improvement solutions and construction products for builders, homeowners, and dreamers alike. First opened on August 10, 2021, the Baliuag branch quickly became a go-to destination for Baliuageños & Bulaceños looking to improve their living spaces.

DEPOT

SAN CARLOS, PANGASINAN

JULY 25, 2025

The Philippines' leading home improvement and construction supply retailer decided to open in bustling San Carlos, Pangasinan, marking its third branch in the province alongside Villasis and Sta. Barbara.

DEPOT

BACNOTAN, LA UNION

OCTOBER 24, 2025

Wilcon successfully opened its doors to residents, professionals, and DIYers in Barangay San Martin, Bacnotan, La Union on October 24. The long-standing retail business brings home-building solutions closer to the community offering a wide array of home improvement and construction supplies that were previously harder to access in the area.

PREMIER DEPOT

SBMA

DECEMBER 19, 2025

As the year draws to a close, Wilcon strengthens its presence with the significant opening of the first Wilcon Premier in the Subic Bay Metropolitan Authority (SBMA), on December 19, 2025. Established within the scenic landscapes and commercial progress of the Subic Bay Freeport Zone. This expansion is intended to catapult the region's growth and development. An inspiring finale that not only concludes the year but also welcomes a new beginning.

COMPANY HIGHLIGHTS

TRADITIONAL TRADE (1977-2001)

- Small hardware store format
- Wholesale and retail operations

INTRODUCED AND EXPANDED DEPOT FORMAT (2002-2008)

- Converted into a modern trade channel
- Pure retail operations offering a complete spectrum of home improvement products

MAJOR RE-BRANDING/ EVOLUTION OF WILCON LOGO AND BRAND (2009-2014)

- Re-conceptualized of the smaller-size into separate format labeled “Home Essentials”
- Consolidation of operations under one entity (Wilcon Builders’ Depot, Inc., now Wilcon Corporation)
- Enhanced exclusive and in-house brand offerings

WILCON DEPOT, INC. WAS ESTABLISHED ON DECEMBER 17, 2015 (2015-2016)

- Retail business was transferred from Wilcon Corporation to Wilcon Depot, Inc. on April 1 2016

INITIAL PUBLIC OFFERING OF WDI (2017-2020)

- WDI went public in March 31, 2017
- Roll-out of the five-year 29-depot expansion plan.

COMPLETION OF PLAN (2021)

- Completed the 29-depot expansion plan in the 1st Quarter, three (3) Quarters ahead of schedule.

45TH YEAR CELEBRATION (2022-2023)

- Celebrated 45 years in the business on October 27, 2022.
- Launching of Do It Wilcon format

COMPLETED ITS 100-STORE TARGET IN DECEMBER 2024, ONE YEAR AHEAD OF TARGET. (2024)

1ST PREMIER OUTLET DEPOT (2025)

- Wilcon has gone beyond 100 stores, opening its first Premier Outlet Depot branch in Subic Bay Freeport Zone.

FOUNDER'S MESSAGE

WILLIAM T. BELO

FOUNDER'S MESSAGE

Dear Fellow Shareholders,

The past year has been a pivotal one for our company. After several challenging periods, this was the year that we finally saw a turnaround in our operating and financial results. We achieved modest full-year net sales growth of 3.7% with sales reaching P35.4 billion. We recorded a stronger performance in the second half of 2025 where net sales grew 7.9% year-on-year. We also returned to quarterly earnings growth in the second half, delivering a 26.0% increase in net income for the period. Net income for the year totaled P2.4 billion.

The recovery we witnessed was not accidental. It is the direct result of the deliberate changes we made to our business strategies – from optimizing our product portfolio and strengthening customer relationships to enhancing operational efficiency. We are now clearly seeing the positive outcomes of these efforts.

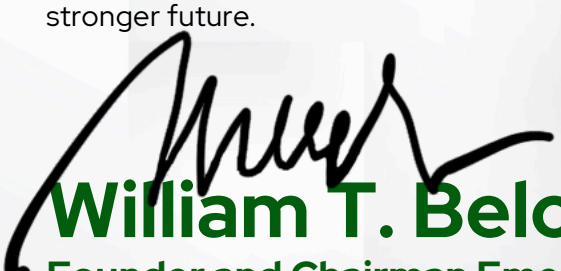
None of this would have been possible without the dedication, resilience, and hard work of our employees. Throughout the year, our teams demonstrated outstanding commitment, adaptability, and a shared determination to deliver results. Their collective effort has been the driving force behind our turnaround, and I extend my deepest gratitude to every member of our Wilcon family.

We also remain thankful to our valued customers and our partner-suppliers, for their continued trust and patronage. Their confidence in us has been instrumental as we navigated the recovery phase.

While we are encouraged by our achievements this year, we remain mindful that the road ahead will bring both opportunities and challenges. Moving forward, we will continue with the proven strategies that have brought the company to where it is today. This means:

- Evolving our store network in a disciplined manner – selectively expanding into the right markets while strengthening and optimizing our strongest existing locations;
- Actively managing our product portfolio to drive sustainable improvements in both performance and margins;
- Continuously enhancing every customer touchpoint to improve efficiency, scalability, and meaningful engagement; and
- Strengthening our brand equity to build lasting demand and greater pricing power over the long term.

We are committed to building on the momentum we have gained, maintaining strong execution, and positioning the company for sustainable long-term growth.
Thank you for your continued support and belief in our vision. Together, we look forward to an even stronger future.



William T. Belo
Founder and Chairman Emeritus

PRESIDENT'S MESSAGE

LORRAINE BELO-CINCOCHAN

PRESIDENT'S MESSAGE

Dear Shareholders,

The year 2025 will be remembered as a landmark year of transformation and recovery for Wilcon. After a period of market headwinds and internal repositioning, we successfully turned the corner in the second half, delivering a robust financial performance for the two-quarter period that underscores the strength of our strategy and the resilience of our business model.

Buoyed by this momentum, we are confidently doubling down on our core strategic pillars to drive sustainable, long-term value creation:

Disciplined evolution of the store network

We are pursuing a disciplined evolution of our store network, striking a careful balance between selective growth and the protection and optimization of our existing strengths. Rather than expanding aggressively, we are growing where it truly counts—focusing on high-potential locations—while doubling down on the successful stores we already operate. Our priority remains nurturing and elevating our current network, ensuring steady, thoughtful expansion that will not compromise the performance of our established stores.

We achieved full year total net sales of P35.4 billion, marking a modest but encouraging 3.7% year-on-year growth, especially that it was driven by a stronger 7.9% growth in the second half. We continued to expand our store network in the locations that matter most, while rationalizing the portfolio by closing unprofitable branches. We expect that this disciplined approach will enable us to concentrate resources on high-performing locations, drive stronger same-store sales, and deliver improved profitability across the network.Our same store sales grew 4.3% in the second half, reversing the 4.9% decline from the first half. For the year, we opened six new branches while closing two and had one re-opening, finishing the year with 104 branches. We invested over 60% of our P2.27 billion total capital expenditure for the year on these new stores and warehouses. The remaining balance was spent on store renovations and IT infrastructure. For 2026 as we look forward to continuing on with our strategy we are allotting P2.59 billion for capital expenditure on eight new stores, renovations of select old stores and continuous upgrading of our IT infrastructure.

Portfolio-led product and margin management

In parallel, we are applying portfolio-led product and margin management to drive sustainable improvements in returns. By continuously refining our product mix and optimizing margins with improved precision, we ensure that every item contributes meaningfully to long-term profitability. We continued to refine our offerings by rationalizing underperforming SKUs and introducing innovative, higher-margin products aligned with emerging consumer trends. This optimization initiative improved inventory turnover and lifted average ticket sizes.

We acknowledge that short-term margin pressure is expected as we reposition our core products to strike the right balance between volume and gross margin rate, aligning with current market preferences and identifying the sweet spot for maximum contribution margin. Ultimately, this will allow us to shift our product mix toward higher-margin items, delivering higher-quality sales and stronger long-term profitability.

PRESIDENT'S MESSAGE

In 2025, while gross profit rose to P13.7 billion from P13.3 billion in 2024, gross profit margin contracted to 38.6% mainly due to the remarkable growth of lower-margin product categories, outpacing the growth of our core higher-margin products. The turnaround in the sales of our core products in the second half meanwhile contributed to the improvement in ticket sizes during the period.

Continuous evolution of customer touchpoints

We are also continuously evolving our customer touchpoints to enhance efficiency, scalability, and engagement. This involves upgrading all ways customers interact with us—making the experience smoother, more intuitive, and more personal—while building systems and processes capable of supporting rapid growth without sacrificing service quality.

Through rigorous cost management and continuous streamlining of our supply chain processes while ensuring level of service remained uncompromised, increases in operating expenses was kept to a minimum and attributed primarily to expansion-related expenses.

Operating expenses for the year, including lease-related interest expense totaled P10.8 billion, 3.7% higher year-on-year. The increase was driven mainly by depreciation and amortization, manpower expenses and repairs and maintenance partly offset by the decline in trucking, supplies and taxes and licenses.

Strengthening brand equity

Finally, we are strengthening our brand equity to support higher-quality demand and greater pricing power over time. By deepening the emotional and perceptual value of our brand, we are fostering stronger customer loyalty, reducing reliance on discounting, and creating a foundation for sustainable, premium sales well into the future.

We intensified our marketing efforts with data-driven digital campaigns, strategic influencer collaborations, and the continued enhancement of our customer loyalty program. In addition to our targeted ABCDE loyalty program, which focuses on professionals and contractors, we collaborated with the Overseas Workers Welfare Association to provide similar perks to Overseas Filipino Workers as our ABCDE members enjoy. These initiatives delivered uplift in brand awareness, which is expected to lead to customer acquisition, and repeat purchase frequency.

We finished the year with a net income of P2.4 billion, lower by 3.3% year-on-year, but our strong second half earnings growth of 26% provides an excellent platform to build on our strategic initiatives and serves as compelling evidence of their effectiveness.

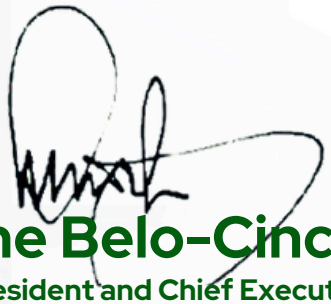
The tangible results we are seeing today are the direct outcome of the hard work, dedication, and adaptability demonstrated by our employees across all levels of the organization. Their commitment to excellence has been instrumental in turning strategic intent into measurable performance. I extend my sincere appreciation to every member of our Wilcon family.

PRESIDENT'S MESSAGE

I would also like to thank our customers for their continued loyalty, our suppliers for their partnership, and our shareholders for their unwavering support during our journey of renewal.

Looking forward, we remain cautiously optimistic. While the external environment continues to evolve, our strengthened balance sheet, improved operational capabilities, and clear strategic focus position us favorably to capitalize on future growth opportunities. We will maintain disciplined capital allocation, invest prudently in high-return initiatives, and stay agile in responding to changing market dynamics.

We are excited about the road ahead and are fully committed to delivering superior returns and long-term value for all our stakeholders.



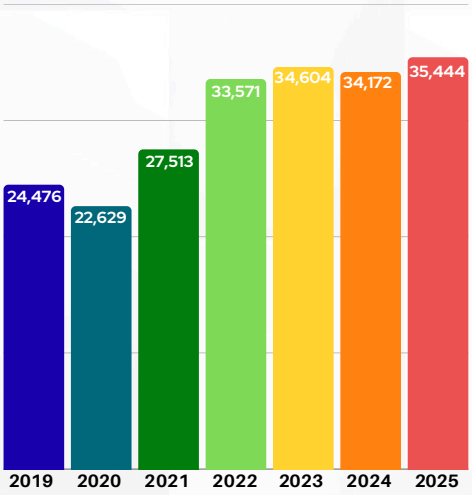
Lorraine Belo-Cincochan
Director, President and Chief Executive Officer

FINANCIAL HIGHLIGHTS

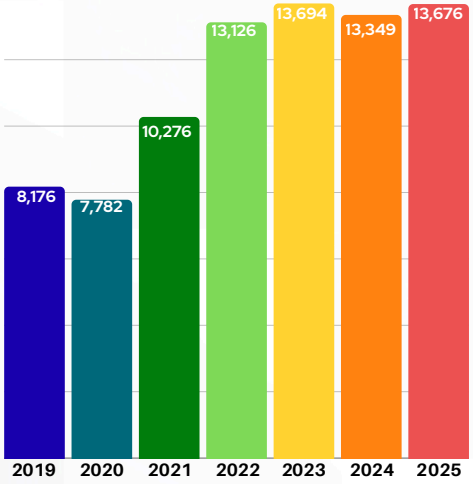
FINANCIAL HIGHLIGHTS

FOR THE YEAR (IN PHP MILLIONS)

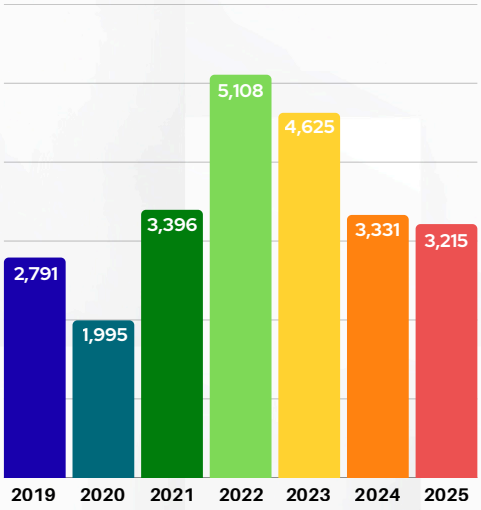
NET SALES



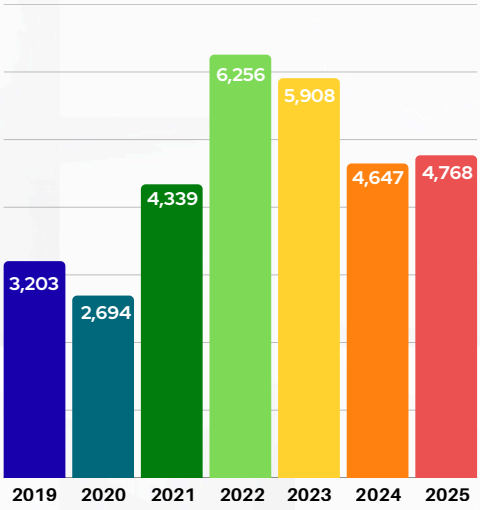
GROSS INCOME



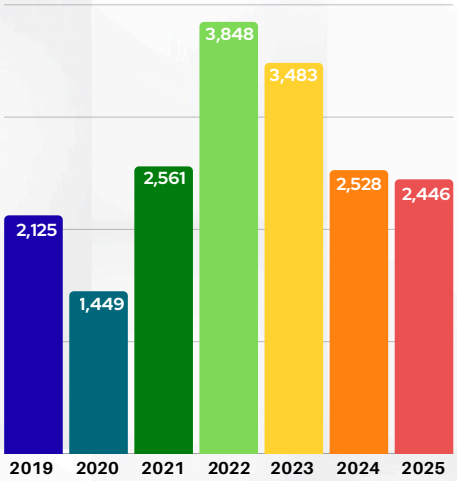
EBIT



EBITDA



NET INCOME

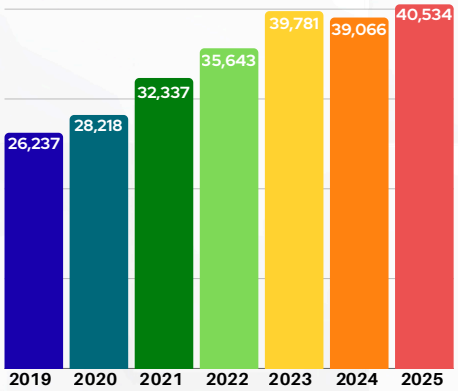


FINANCIAL HIGHLIGHTS

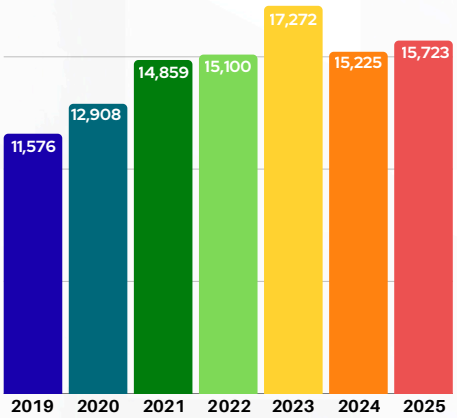
AS AT DECEMBER 31, 2024 (IN PHP MILLIONS)

BALANCE SHEET

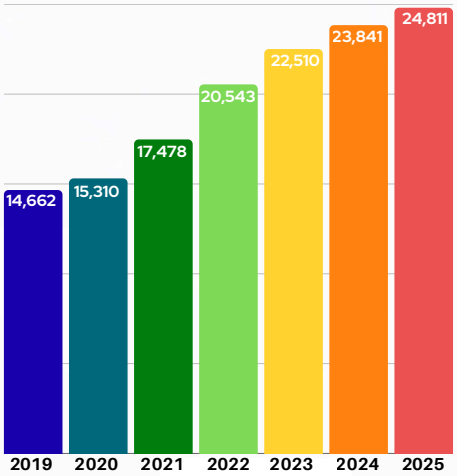
TOTAL ASSETS



TOTAL LIABILITIES

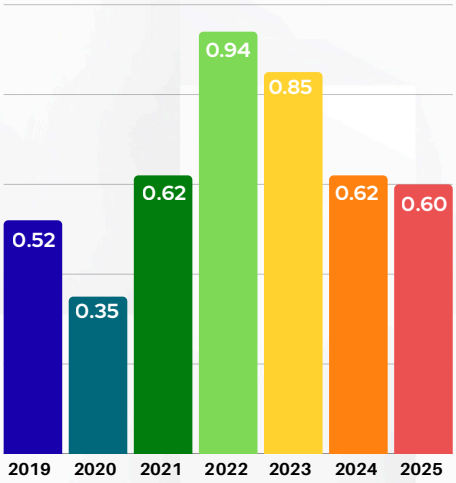


TOTAL STOCKHOLDERS' EQUITY

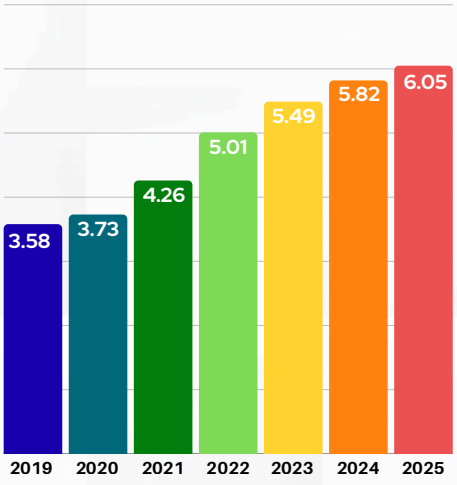


PER SHARE

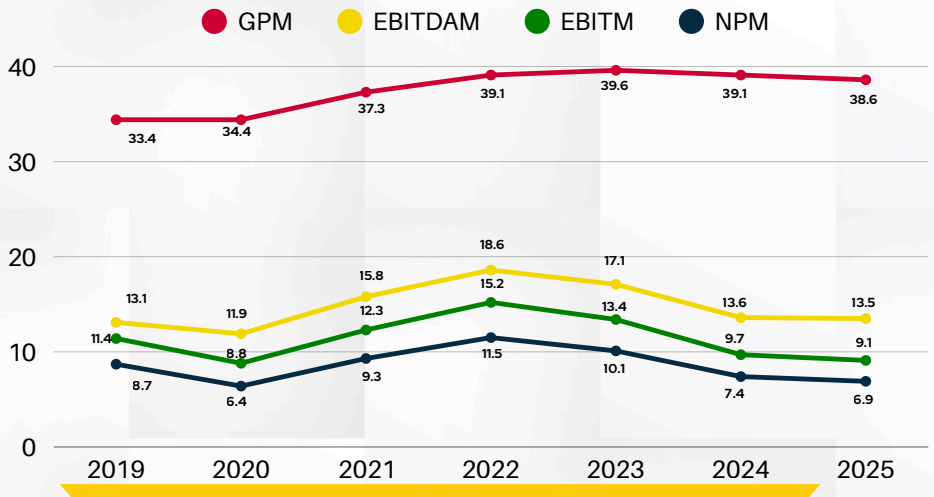
BASIC EARNINGS



BOOK VALUE



HISTORICAL MARGINS



MANAGEMENT'S DISCUSSION & ANALYSIS

RESULTS OF OPERATIONS FOR YEAR ENDED DECEMBER 31, 2025 COMPARED WITH THE YEAR ENDED DECEMBER 31, 2024

The Company reported a net income of ₱2,446 million for the year ended 2025, reflecting a decline of ₱83 million or 3.3%, compared to ₱2,528 million in 2024. Net margins for the respective periods were 6.9% and 7.4%. The decline in net income was primarily attributable to higher operating expenses, partially offset by an increase in gross profit.

Net Sales

Net sales for the year ended 2025 amounted to ₱35,444 million, representing an increase of ₱1,272 million, or 3.7%, compared to the same period last year. Sales from new stores accounted for 3.9%, while comparable (same-store) sales declined by 0.3%.

The Company concluded the year with a total of 104 stores, following the opening of six (6) new locations, comprising five (5) depot-format stores and one (1) Do-It-Wilcon (DIW) store. Of these newly established branches, five (5) are located in Luzon and one (1) in the Visayas.

The year-end store count reflects the closure of Home Essentials – Ali Mall and DIW South Park Mall during the same period.

On a per-format basis, sales from depot-format stores, which accounted for 96.3% of total net sales, increased by ₱1,307 million, or 4.0%, to ₱34,136 million from ₱32,829 million in 2024. The increase was primarily attributable to the contribution of new depots, as same-store sales growth was flat at 0.0%.

The smaller-format stores, DIW, which include the original Home Essentials stores, recorded net sales of ₱1,123 million, representing an increase of ₱127 million, or 12.8% year-on-year. The growth was primarily driven by the additional branch opened in March 2025, while comparable (same-store) sales for the format increased by 6.8%. As a result, the format's contribution to total net sales rose to 3.2% for the year, compared to 2.9% in the same period in 2024.

The remaining 0.5% of totalnet sales was attributed to project sales or sales to major institutional accounts, amounting to ₱185 million,a decrease of ₱162 million or 46.8% year-on-year.

Gross Profit

Gross profit for the year 2025 increased by ₱328 million, or 2.5%, reaching ₱13,677 million, compared to ₱13,349 million in 2024. The gross profit margin declined slightly to 38.6%, from 39.1% in the previous year. The increase in gross profit was primarily driven by higher sales volume, partially offset by a contraction in the gross profit margin relative to the prior year.

RESULTS OF OPERATIONS FOR YEAR ENDED DECEMBER 31, 2025 COMPARED WITH THE YEAR ENDED DECEMBER 31, 2024

Operating Expenses

Operating expenses increased to ₱10,139 million for the period, rising by ₱342 million, or 3.5% from the prior year's ₱9,798million. The increase is attributable mainly to expansion-related operating expenses, such as depreciation and amortization, salaries, wages, and employee benefits, outsourced services, utilities, and repairs and maintenance, partly offset by the decline in trucking, rent, supplies, and advertising expenses.

Interest Expense

Interest expense increased by ₱48 million, or 7.1%, totaling ₱715 million for the period, compared to ₱667 million in the prior year. This increase is attributable to additional leases for new stores. All interest expense represents non-cash interest charged on lease liabilities recognized for the period, following the Company's adoption of PFRS16 on leases.

Other Income (Charges)

Other income (charges) for the year ended 2025 totaled ₱424 million, representing a decrease of ₱59 million, or 12.3%, from ₱483 million in 2024. The decline was primarily attributable to lower supplier rebates, partially offset by higher rental income. Non-operating interest income decreased by ₱4 million during the period.

Earnings Before Interest and Tax (EBIT) / Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

Adjusting the 2025 and 2024 depreciation and amortization to exclude right-of-use (ROU) depreciation and interest expense on lease liability and consider these as rent expense, EBITDA and EBIT are as follows:

1. EBITDA as at December 31, 2025, reached ₱4,768 million, or 13.5% of net sales, increased by 2.6% from the ₱4,647 million, or 13.6% of net sales, recordedas at December 31, 2024.
2. EBIT for the year 2025 is ₱3,215 million or 9.1% of net sales, decreased by 3.5% from ₱3,331 million, or 9.7% of net sales, year-on-year.

The increase in EBITDA, alongside a decline in EBIT, was primarily driven by higher gross profit, partially offset by an increase in operating expenses and a reduction in other income.

Income Tax Expense

The Company's income tax expense decreased by ₱38 million or 4.6% to end at ₱801 million for the year 2025 from the ₱839 million incurred during the same period last year. Thedecrease is due mainly to lower taxable income.

RESULTS OF OPERATIONS FOR YEAR ENDED DECEMBER 31, 2025 COMPARED WITH THE YEAR ENDED DECEMBER 31, 2024

Calamity Loss

During the third quarter of 2025, the Company sustained damages due to an earthquake affecting its branches in Butuan, Agusan del Norte and Tagum, Davao del Norte on October 10, 2025, and a typhoon that affected its Mandaue branch on November 3, 2025. The Company recorded total damages amounting to ₱52.5 million, primarily related to merchandise inventories. On December 29, 2025, the Company received an estimated partial insurance claim amounting to ₱25.0 million, which is subject to final adjustment and is expected to be settled in 2026.

Financial Condition as at December 31, 2025

Liquidity

In 2025, the Company reported an increase of ₱97 million, or 1.6%, in net cash provided by operating activities compared to 2024. This improvement was primarily driven by an increase in working capital, including a reduction in trade receivables and advances to suppliers, partially offset by higher inventory purchases. Net cash used in investing activities decreased by ₱1,351 million, or 34.6%, mainly due to the maturity of short-term investments and lower capital expenditures. Cash used in financing activities amounted to ₱3,577 million, primarily for lease obligations and dividend payments.

As a result, the Company's current ratio strengthened from 2.84:1.00 to 2.88:1.00.

As at December 31, 2025, the cash and cash equivalents, as well as short-term investments, totaled ₱2,571 million, representing an increase of ₱390 million, or 17.9%, from the balance as at December 31, 2024. The increase was primarily attributable to lower capital expenditures and a reduction in trade receivables, partially offset by higher inventory purchases.

Capital Expenditure

The Company's capital expenditures totaled ₱2,270 million in 2025, with the majority of the funds allocated to renovating and building new stores and warehouses.

Capital Resources

The Company continues to have easy access to the debt markets for both its working capital and long- term funding requirements having remained bank debt-free and with preferential lines with the Philippines' top banks.

The company's liabilities consist mostly of trade payables and lease liabilities recognized pursuant to the adoptionof PFRS 16 – Leases.The company has no existing lease or other contracts with material contingent liability that will adversely affect the company's operations or the implementation of its strategic initiatives.

RESULTS OF OPERATIONS FOR YEAR ENDED DECEMBER 31, 2025 COMPARED WITH THE YEAR ENDED DECEMBER 31, 2024

KEY PERFORMANCE INDICATORS	AS AT DECEMBER 31, 2025	AS AT DECEMBER 31, 2024
Sales	35,444,304,895	34,172,031,761
EBIT – Adjusted / Treating Interest on Lease Liability as Rent Expense[1]	3,214,596,488	3,331,303,888
EBITDA – Adjusted / Treating ROU Depreciation and Interest on Lease Liability as Rent Expense[2]	4,767,647,314	4,646,848,686
EBIT Margin - Treating Interest on Lease Liability as Rent Expense[3]	9.07%	9.75%
EBITDA Margin- Treating ROU Depreciation and Interest on Lease Liability as Rent Expense[4]	13.45%	13.06%
	As at December 31, 2025	**As at December 31, 2024**
Return on Equity Ratio[5]	9.86	10.61
Current Ratio[6]	2.88	2.84
Debt to Equity Ratio[7]	0.63	0.64

1. Income before tax add net interest expenseless lease interest expense
2. Income before tax add net interestexpense and depreciation and amortization less lease interest expense and depreciation on ROU assets
3. EBIT / Net Sales
4. EBITDA / Net Sales
5. Net Income/ Total Equity
6. Current Assets/ Current Liabilities
7. Total Liabilities / Total Equity

MATERIAL CHANGES(+/-5%) IN THE FINANCIAL STATEMENTS

Statement of Financial Position as at December 31, 2025, and December 31, 2024

1. Aggregate cash and short-term investments increased by ₱390 million, or 17.9%, from ₱2,180 million at the close of 2024 to ₱2,571 million as at December 31, 2025. The increase was primarily attributable to favorable working capital movements, including a reduction in trade receivables, partially offset by higher inventory purchases.
2. Trade and other receivables totaled ₱336 million as at December 31, 2025, ₱192 million or 36.4% lower than the ₱528 million balance as at December 31, 2024. The decline was primarily driven by the collection of claims receivable related to a fire incident, amounting to 119 million, as well as collections from trade sales.
3. Advance payments to suppliers for merchandise ordered decreased by ₱157 million or 49.2% from ₱319 million at the close of 2024 to ₱162 million as at December 31, 2025. This decrease was primarily due to the receipt of merchandise inventory from suppliers.

RESULTS OF OPERATIONS FOR YEAR ENDED DECEMBER 31, 2025 COMPARED WITH THE YEAR ENDED DECEMBER 31, 2024

MATERIAL CHANGES(+/-5%) IN THE FINANCIAL STATEMENTS

Statement of Financial Position as at December 31, 2025, and December 31, 2024

4. Merchandise Inventories increased by ₱691 million or 4.9% from ₱14,249 million at the close of 2024 to ₱14,940 million as at December 31, 2025. The growth was primarily driven by higher inventory purchases during the year.
5. Property and equipment increased by ₱735 million or 6.1% from ₱11,946 million at the close of 2024 to ₱12,681 million as at December 31, 2025. This growth was primarily driven by capital expenditures for store network expansion, partially offset by depreciation recognized year-to-date.
6. Net deferred tax assets increased by ₱80.0 million or 12.4% from ₱644 million at the close of 2024 to ₱724 million as at December 31, 2025, due to the impact of PFRS16 accounting and allowance for inventory obsolescence accounting.
7. The current portion of lease liability decreased by ₱115 million or 12.4% from ₱934 million at the close of 2024 to ₱819 million as at December 31, 2025, due mainly to a higher number of leases approaching their contract end.
8. Income tax payable increased by ₱7 million or 6.0% from ₱118 million at the close of 2024 to ₱125 million as at December 31, 2025, mainly due to year-to-date income taxes.

Income Statement Items

1. Interest expense increased by ₱48 million or 7.1%, to a total of ₱715 million for the period from the prior year's ₱667 million, primarily due to additional leases for new stores. All interest expense represents non-cash interest charged on lease liability recognized for the period in relation to the adoption by the Company of PFRS 16 on leases.

2. Other income (charges) for the year ended 2025 amounted to ₱424 million, a decrease of ₱59 million, or 12.3%, compared to ₱483 million in the prior year. The decline was primarily attributable to lower supplier rebates, partially offset by higher rental income. On the other hand, non-operating interest income decreased by ₱4 million.

3. The Company's income tax expense decreased by ₱38 million or 4.6% to end at ₱801 million for the year 2025 from the ₱839 million incurred during the same period last year. The decrease is due mainly to lower taxable income.

RESULTS OF OPERATIONS FOR THE QUARTER ENDED DECEMBER 31, 2025, COMPARED WITH THE QUARTER ENDED DECEMBER 31, 2024

The Company recorded a net income of ₱580 million for the fourth quarter of 2025, an increase of ₱169 million, or 41.3%, compared to the ₱411 million reported in the same period in 2024. Net margins for the quarter were 6.4% and 4.8%, respectively. The growth was primarily driven by higher gross profit, partially offset by higher operating expenses.

Net Sales

The Company recorded net sales of ₱9,107 million for the three months ended December 31, 2025, representing an increase of ₱616 million, or 7.3%, from ₱8,491 million in the same period in 2024. The growth was driven by a 3.3% contribution from new stores and a 3.8% increase in comparable (same-store) sales.

Sales from the depot-format stores accounted for the majority of total net sales, amounting to ₱8,766 million, or 96.3%, for the fourth quarter of 2025. This represents an increase of ₱586 million, or 7.2%, compared to ₱8,180 million in the fourth quarter of 2024. The growth was driven by a 3.8% increase in comparable (same-store) sales and a 3.2% contribution from new depots.

The smaller format, DIW, recorded net sales of ₱294 million, accounting for 3.2% of total net sales. It reported an increase of ₱36 million, or 13.8%, during the fourth quarter of 2025 compared to the same period of ₱258 million in the previous year. This growth was primarily driven by the contribution of new Do-It-Wilcon branches.

The remaining 0.5% of net sales was attributed to project sales, or sales to major institutional accounts, amounting to ₱48 million. This represents a decrease of ₱6 million, or 11.0%, compared to the same period in the prior year, when sales totaled ₱53 million.

During the fourth quarter, the Company opened two (2) new locations in Bacnotan, La Union, and within the Subic Bay Metropolitan Authority. During the same period, the DIW – Southpark branch was closed. As a result, the Company ended the quarter with a total of 104 stores.

Gross Profit

Gross profit increased by ₱384 million or 11.9% year-on-year to total ₱3,601 million for the quarter, with a gross profit margin rate of 39.5%. The improvement in gross profit was primarily driven by higher sales and an expansion in gross profit margin of 160 basis points compared to the same period last year.

Operating Expenses

Operating expenses for the fourth quarter of 2025 increased to ₱2,737 million, up by ₱84 million or 3.2% from ₱2,653 million in the same period in 2024. The increase was primarily driven by higher business volume and expansion-related expenses, particularly depreciation and amortization, repairs and maintenance, outsourced services and trucking, partially offset by reductions in supplies, salaries, wages, and employee benefits, rent, and advertising expenses.

RESULTS OF OPERATIONS FOR THE QUARTER ENDED DECEMBER 31, 2025, COMPARED WITH THE QUARTER ENDED DECEMBER 31, 2024

Interest Expense

Interest expense during the fourth quarter of 2025 amounted to ₱177 million, higher by ₱9 million or 5.6% from the ₱168 million generated in 2024. The increase relates to non-cash interest charges on lease liabilities recognized during the period, following the Company's adoption of PFRS 16 on leases.

Other income (Charges)

Other income (charges) for the fourth quarter of 2025 amounted to ₱82 million, a decrease of ₱65 million or 44.3% from the ₱147 million in the same period of 2024. This decline was primarily attributable to income recognized from fire insurance claims in 2024. Non-operating interest income, meanwhile, increased by ₱1 million.

Earnings Before Interest and Tax (EBIT) / Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)

Adjusting the 2025 and 2024 depreciation and amortization to exclude right-of-use (ROU) depreciation and interest expense to exclude interest on lease liability and consider these as rent expense, EBITDA and EBIT are as follows:

1. EBITDA for the quarter ended December 31, 2025, totaled ₱1,163 million, or 12.8% of net sales, higher by ₱314 million or 37.0% from the 2024 balance of ₱849 million, or 10.0% of net sales.
2. EBIT for the fourth quarter of 2025 is ₱756 million or 8.3% of net sales, higher by ₱224 million or 42.1% from the prior year's same period level of ₱532 million or 6.3% of net sales.

Income Tax Expense (Benefit)

The Company's income tax expense increased by ₱56 million or 42.1% to end at ₱189 million in the last quarter of 2025, versus ₱133 million incurred during 2024.

MATERIAL CHANGES (+/-5%) IN THE FINANCIAL STATEMENTS

Income Statement for the quarter ended December 31, 2025, compared with the quarter ended December 31, 2024

1. Other income (charges) for the fourth quarter of 2025 amounted to ₱82 million, lower by ₱65 million or 44.3% from the ₱147 million generated in 2024. This decline was primarily attributable to income recognized from the fire insurance claims in 2024.
2. The Company's income tax expense increased by ₱56 million or 42.1% to end at ₱189 million for the fourth quarter of 2025 from the ₱133 million incurred during the same period last year. The increase is due mainly to higher taxable income.

BOARD OF DIRECTORS, ADVISORY BOARD & OFFICERS

BOARD OF DIRECTORS

RICARDO S. PASCUA
CHAIRMAN

Ricardo S. Pascua has been an Independent Director of the Company since September 2016. He is now the Chairman of the Company elected on June 16, 2025. He was Vice Chairman of the Board and President and CEO of Metro Pacific Corporation from January 2000 until his retirement in December 2001, a position he held also from January 1993 to July 1995. In between, he was Vice Chairman and CEO of Fort Bonifacio Development Corporation. He was concurrently an Executive Director of First Pacific Company Ltd. from 1982 to 2001 and as such served in the boards of companies such as Smart Communications, Inc., United Commercial Bank in San Francisco, California, First Pacific Bank in Hong Kong and 1st eBank in Manila. Mr. Pascua started his career in Bancom Development Corporation as Asst. Vice President in 1972 and was assigned in Bancom International Ltd. in Hong Kong as Senior Manager in 1975.

Currently, Mr. Pascua serves as an independent director in various corporations and foundations. He is likewise involved in several businesses as Chairman of the Board of Caelum Developers Inc., Facilities & Property Management Technologies, Inc., Ascension Phildevelopers, Inc.; Chairman of the Executive Committee of Phoenix Land Inc. and a Director in Boulevard Holdings, Inc., Central Luzon Doctor's Hospital, Costa de Madera Corp. and Quicksilver Satcom Ventures, Inc.; and the President of Bancom II Consultants, Inc. Mr. Pascua has a Master of Business Management from Asian Institute of Management obtained in 1971 and he finished his bachelor's degree majoring in Economics (Cum Laude) from the Ateneo de Manila University in 1969.

Lorraine Belo-Cincochan is a Director, President and the Chief Executive Officer of Wilcon Depot, Inc. She has held various positions in the family business starting out as a trainee under her father who was then president of Wilcon. In 2000, she headed the company's IT department that resulted in the beginnings of the company's digital transformation journey of Wilcon's key processes. From 2003 to 2005, she was assigned to manage the daily operations of the first ever large format Wilcon Depot branch as a Manager-trainee where she gained real world experience in retail operations. She was then appointed as Executive Vice President for Operations in 2005 and in 2006 became the Company's Executive Financial Officer, holding the position until March, 2016. In 2018, she was recognized as one of the 2018 Forbes Asia Emergent Women Honorees.

LORRAINE BELO - CINCOCHAN
DIRECTOR, PRESIDENT, AND CHIEF EXECUTIVE OFFICER

BOARD OF DIRECTORS

Mark Andrew Y. Belo is a Director and EVP - Treasurer of the Company and the President and Chief Executive Officer of WC from March 2016 to the present. He served as the Chief Financial Officer of the Company from 2016 to March 2019. Under WC, he was Assistant Vice-President for Business Development from 2015 to March 2016 and Executive Project Management Head from January 2013 to March 2015. He was also assigned in various positions under Wilcon Builders Supply, Inc. from July 2004 to August 2007. He is currently the President of Coral-Agri Venture Farm Inc. He graduated from the University of Asia & the Pacific in 2004 with a Bachelor's Degree in Industrial Economics.

MARK ANDREW Y. BELO

DIRECTOR, AND EVP - TREASURER

Careen Y. Belo is a Director and EVP - Chief Product Officer of the Company. She is concurrently a Director of WC, the Executive Vice President for Product Development of Coral-Agri Venture Farm Inc., Executive Officer of Crocodylus Porosus Phil Inc. and President of The Meatplace Inc. She held various positions in the business having been a Business Development Manager from 2004 to 2007 of WC, Marketing and Sales Assistant from 2007 to 2014 and Executive Financial Audit Manager from 2014 to March, 2016. Ms. Belo obtained her Bachelor of Science in Management from the University of Asia & the Pacific in 2005.

CAREEN Y. BELO

DIRECTOR, AND EVP - CHIEF PRODUCT OFFICER

BOARD OF DIRECTORS

ROLANDO S. NARCISO
INDEPENDENT DIRECTOR

Rolando S. Narciso has been an Independent Director of the Company since September 2016. He is currently the Vice President for Industry Affairs of Philippine Galvanizers and Coaters Association which is affiliated with the Philippine Iron and Steel Institute. He was a former Director and Chairman of St. Joseph Group from 2015 to 2019 and a former Director and Officer of New Kanlaon Construction, Inc. from 2004 to 2014. He was President and Chief Operating Officer of Steel Corporation of the Philippines from 1998 to 2004. Before the National Steel Corporation was privatized, Mr. Narciso was its President and Chief Operating Officer from 1989 to 1995 and, concurrently from 1989, was a Director of Refractories Corp. of the Phils. and Semirara Coal Corp. up to 1994 and Integrated Air Corp. up to 1993. From 1974 to 1988, he held various positions in National Steel and other subsidiaries of the National Development Company.

He also held various positions in the Esso (now Exxon) Group of Companies in the Philippines and abroad from 1967 to 1974. Mr. Narciso is a member of professional organizations such as the Financial Executives Institute and the Management Association of the Philippines. He obtained his Master in Business Management and Bachelor of Science in Business Administration degrees from the Ateneo de Manila University in 1967 and 1965, respectively.

Delfin "Jing" L. Warren, has been an Independent Director of the Company since May 2017. He is the founder, main principal, and current Chairman of the 1ISA Group, a leading loyalty management company in the country. He was the former CEO of PT Darya-Varia Laboratoria, a major publicly listed pharmaceutical company in Indonesia under the First Pacific Group. He also held senior positions in various international companies such as First Pacific Commodities Holdings, Ltd., The Hibernia Bank of San Francisco, PT Indo Ayala Leasing (Indonesia), and Bancom Philippine Holdings, Inc. Jing obtained his Bachelor of Science in Chemical Engineering degree at De La Salle College, Manila in 1971. He was a former member of the Board of Trustees of De La Salle University and a former president of the De La Salle Alumni Association.

DELFIN "JING" L. WARREN
INDEPENDENT DIRECTOR

BOARD OF DIRECTORS

EVELYN R. SINGSON
INDEPENDENT DIRECTOR

Evelyn R. Singson is an independent director of the Company, elected on June 16, 2025. She is currently the Vice Chairman and President of Dusit Thani Philippines, Inc.; the Director and President of Gilt-Edged Properties Inc. and La Bella Lifestyle Properties, Inc. and Director and Treasurer of Four Treasures Development Corp. She is also involved in various socio – civic professional organizations such as Parish Pastoral Council for Responsible Voting (PPCRV), of which she is the National Chairperson; she is also the Trustee and Treasurer of Institute of Solidarity in Asia (ISA), TOWNS (The Outstanding Women in the (Nation's Service) Foundation, National Music Competitions for Young Artists Foundation Inc. (NAMCYA); Trustee and President of Philippine Center for Population and Development Inc. (PCPD) and Center for Healthy Solutions and Innovations Philippines, Inc. (CHSI); Trustee and Member of the Executive Committee of Shareholders' Association of the Philippines (SharePHIL) and Vice Chair of MAP Arts and Culture Committee of the Management Association of the Philippines (MAP). Ms. Singson is a certified public accountant and obtained her Bachelor of Science in Commerce, Magna Cum Laude from Assumption Convent and her Masters in Business Administration, Dean's List, from the Kellogg School of Business Northwestern University.

ADVISORY BOARD

WILLIAM T. BELO
CHAIRMAN EMERITUS

William T. Belo is the Chairman Emeritus of the Company. He is the founder of the Wilcon business and brand. He was Chairman and/or President of all Wilcon companies established and/or acquired from 1977 to 2016 including the parent, WC. Currently, he is involved in other business undertakings and serves as Director of Markeenlo Realty Inc., Lomarkeen Realty Inc.; the Chairman of Coral-Agri Venture Farm Inc., Coral Farms, WAJ Realty Development Inc.; and Treasurer of Crocodylus Porosus Philippines Inc. He also serves as the Chairman of Wilcon Builders Foundation Inc. He won the 2013 MVP Bossing Award, a distinction given to outstanding entrepreneurs of the country.

In 2018, he was recognized as an Outstanding Thomasian Engineer, awarded as one of the People of the Year by People Asia and Patriarch of Home Building Retail by the Philippine Retailers Association. In 2019, he was given the UST Engineering Alumni Association Inc. Presidential Award and was recognized as The Manila Times Man of the Year of the Asia Leaders. Mr. Belo graduated from the University of Sto. Tomas in 1968 with a Bachelor of Science degree in Electronics and Communications Engineering.

ROSEMARIE BOSCH-ONG
SEVP - CHIEF OPERATING OFFICER

Rosemarie Bosch-Ong is the Senior Executive Vice President and Chief Operating Officer of the Company. She held this position since 2007 initially under WC, immediately prior, she was Executive Vice President for Sales and Marketing, which she held from 1988 to 2007. She started out in the business as a Purchasing Manager under WBSI from 1983 to 1988. She is also the President of the Wilcon Builders Foundation Inc., which she has headed since 2008. She is a former Director of the Philippine Contractors Association, President of Philippine Retailers Association, a former Treasurer of the Philippine Association of National Advertisers (PANA) Foundation and one of the founding Directors of Proptech Consortium of the Philippines. She is a member of the Board of Trustees of Women Business Council of the Philippines, currently the Chairman of the Committee on Trade of the Philippine Chamber of Commerce and Industry, a regular columnist of The Philippine Star and she was one of the judges of The Final Pitch at CNN Philippines seasons 7 and 8. Ms. Bosch-Ong has recently completed the Programme of Strategy in the Age of Digital Disruption from INSEAD The Business School for the World. She also has a Master's degree in Business Administration from De La Salle University obtained in 2010 and she graduated from the University of the East in 1986 with a Bachelor's Degree in Economics.

OFFICERS

LORRAINE BELO - CINCOCHAN
DIRECTOR, PRESIDENT, AND CHIEF EXECUTIVE OFFICER

ROSEMARIE BOSCH-ONG
SEVP - CHIEF OPERATING OFFICER

MARK ANDREW Y. BELO
DIRECTOR, AND EVP - TREASURER

CAREEN Y. BELO
DIRECTOR, AND EVP - CHIEF PRODUCT OFFICER

ATTY. ARTHUR R. PONSARAN
CORPORATE SECRETARY

ATTY. SHEILA PASICOLAN - CAMERINO
AVP - CORPORATE LAWYER
ASST. CORPORATE SECRETARY
COMPLIANCE OFFICER

OFFICERS

GRACE A. TIONG
SENIOR VICE PRESIDENT - HUMAN RESOURCES

EDEN M. GODINO
SENIOR VICE PRESIDENT - PRODUCT DEVELOPMENT

MICHAEL D. TIONG
VICE PRESIDENT - GLOBAL SOURCING

MARY JEAN G. ALGER
VICE PRESIDENT - INVESTOR RELATIONS

OFFICERS

LAURO D.G. FRANCISCO
CHIEF AUDIT EXECUTIVE

KEITH S. CHAN
VICE PRESIDENT - INFORMATION TECHNOLOGY

JEA S. REYES
VICE PRESIDENT - FINANCE

ALEN E. ALBAN
VICE PRESIDENT - PROJECT SALES

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

On October 23, 2025, the Company was recognized by the Institute of Corporate Directors (ICD) as a top – performing publicly- listed companies in the Philippines under the 2024 ASEAN Corporate Governance Scorecard (ACGS).

In compliance with SEC Memorandum Circulars No. 20-2013 and 2-2015 of the Securities and Exchange Commission mandating all members of the Board of Directors and Key Officers of Publicly Listed Companies to attend a corporate governance training, the members of the Board as well as the officers of the Company on June 16, 2025, attended the corporate governance seminar via Zoom conducted by the Good Governance Advocates and Practitioners of the Philippines.

Board Composition

The Board is composed of seven (7) directors, elected by the Company's stockholders on June 16, 2025, and shall hold office for one (1) year and until their successors are elected and qualified in accordance with the Company's By-Laws. The Board is composed of directors with collective working knowledge, experience or expertise that is relevant to the Company's industry. The Board has an appropriate mix of competence and expertise and that its members remain qualified for their positions individually and collectively, to enable it to fulfill its roles and responsibilities and respond to the needs of the organization based on the evolving business environment and strategic direction.

The Board is composed of the following:

NAME	DIRECTORSHIP	AGE	DATE OF FIRST ELECTION	NO. OF YEARS AS DIRECTOR
Ricardo S. Pascua	Chairman/Independent Director	77	13 September 2016	9
Rolando S. Narciso	Independent Director	79	13 September 2016	9
Delfin L. Warren	Independent Director	75	22 May 2017	8
Evelyn R. Singson	Independent Director	81	16 June 2025	6 Months
Lorraine Belo-Cincochan	Executive Director	46	30 March 2016	9
Mark Andrew Y. Belo	Executive Director	43	30 March 2016	9
Careen Y. Belo	Executive Director	42	30 March 2016	9

The Board oversees the development of and approves the Company's business objective and strategy, and monitors their implementation, in order to sustain the Company's long - term viability and strength.

The Board Members act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the company and all shareholders. To ensure a high standard of best practice for the Company, its stockholders and other stakeholders.

CORPORATE GOVERNANCE

Board Attendance

The Board of Directors had ten (10) meetings held in 2025. The attendance of the members of the Board was duly reported to the SEC and made available on the Company's website. On December 17, 2025, the non-executive directors had a separate meeting with the external auditor and head of the internal audit without any executive present and no significant issues or matters had been discussed.

Board Performance Assessment

On January 22, 2026, the members of the Board conducted an annual board performance assessment. The objectives of the assessment are to evaluate and obtain inputs about the performance of the Board, its members and committees during the last twelve months – January 1, 2025 to December 31, 2025.

Board Training

On June 16, 2025, the members of the Board as well as officers of the Company attended the corporate governance seminar via Zoom conducted by the Good Governance Advocates and Practitioners of the Philippines. This four-hour annual training covered the following topics:

1. Duties, Responsibilities, and Liabilities of a Director
2. Board Best Practices Updates
3. Corporate Governance Cases and Current Trends

Board Diversity

The Company has a Board Diversity Policy because it believes that a diverse Board better understands its customer base and the environment that the business operates in. This promotes different perspectives and ideas and mitigates groupthink to achieve optimal decision-making. Board diversity may refer to distinctions in age, ethnicity, culture, skills, competence, knowledge, gender, among other things.

The Company is committed to the following principles:

- Recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in the attainment of its strategic objectives and maintaining a prudent corporate governance.
- All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge, and candidates will be considered against objective criteria, which the Board as a whole requires to be effective.

Board Independence

The Board is composed of four (4) independent directors. The chairman is also an independent director. The independent directors of the Company possess all the qualifications and none of the disqualification of a regular director. They are independent of the Management, substantial shareholdings and material relations whether it be business or otherwise, which could reasonably be perceived to impede the performance of independent judgment.

CORPORATE GOVERNANCE

Board Committees

To address specific tasks and responsibilities and ensure optimal performance of the Board, the Board had organized seven (7) committees, namely the Executive Committee, the Corporate Governance Committee, the Audit Committee, the Board Risk Oversight Committee, Related Party Transactions Committee, Nomination Committee and the Compensation Committee. The members of the Committees are appointed by the Board annually.

Executive Committee

The Executive Committee is composed of five (5) members of which the Chairman of the Board is the ex-officio Chairman, and the President is the ex-officio Vice Chairman, and three (3) other members elected/designated by the Board.

For 2025, the Executive Committee is composed of the following members:

Chairman	Ricardo S. Pascua
Vice Chairman	Lorraine Belo-Cincochan
Members	Mark Andrew Y. Belo Careen Y. Belo Delfin L. Warren

Audit Committee

The Audit Committee's primary function is to enhance the Board's oversight capability over the Company's financial reporting, internal control system, internal and external audit processes and compliance with applicable laws and regulations. It is composed of three (3) independent directors. The chairman of the Audit Committee is an independent director. The members have adequate understanding and competence of the Company's financial management systems and environment particularly, in the areas of accounting, audit and finance.

The Audit Committee had four (4) meetings in 2025 particularly on March 20, April 30, July 30 and November 12 with 100% attendance of all Audit Committee Members.

Board Risk Oversight Committee

The Board Risk Oversight Committee (BROC) shall be responsible for the oversight of the Company's Enterprise Risk Management system to ensure its functionality and effectiveness. It is composed of three (3) independent directors. The chairman of the Board Risk Oversight Committee is an independent director. The members of the committee have adequate and competent understanding and experience on risk management principles and practices, in addition to thorough knowledge of the Company's Business and industry in which it operates.

CORPORATE GOVERNANCE

Related Party Transactions Committee

The Related Party Transactions Committee shall have the primary function of reviewing all material related party transactions (RPT). It is composed of three (3) independent directors. The chairman of the Related Party Transactions Committee is an independent director.

For 2025, the Audit Committee, Board Risk Oversight Committee and Related Party Transaction Committee are composed of the following members:

Chairman	Evelyn R. Singson
Members	Rolando S. Narciso Delfin L. Warren

Corporate Governance Committee

The Corporate Governance Committee is composed of three (3) independent directors, including the Chairman. The Committee is tasked to assist the Board in the performance of its corporate governance responsibilities. The Committee had two (2) meetings in 2025.

Nomination Committee

The Nomination Committee shall assist the Board in fulfilling its corporate governance and compliance responsibilities. The Committee is composed of three (3) independent directors, including the Chairman. It shall promulgate the guidelines and criteria to govern the conduct of the nomination. The same shall be properly disclosed. The Company is allowed to engage the services of professional search firms or use other external sources of candidates when searching for candidates to the Board of Directors. The Nomination Committee had their meeting twice this year.

Remuneration and Compensation Committee

The Remuneration Compensation Committee is composed of three (3) independent directors, including the Chairman. The Remuneration and Compensation Committee ensures that the compensation policies and practices are consistent with the corporate culture, strategy and business environment under which the Company operates. Recommend a formal and transparent framework of remuneration and evaluation for the members of the Board and the Company's key executives to enable the directors and officers to run the Company and evaluate and recommend to the Board incentives and other equity-based plans designed to attract and retain qualified and competent individuals.

For 2025, the Corporate Governance Committee, Nomination Committee and Remuneration Committee are composed of the following members:

Chairman	Rolando S. Narciso
Members	Delfin L. Warren Evelyn R. Singson

Board Remuneration

All directors attending physically in a board meeting receive a per diem of Forty Thousand Pesos (₱40,000.00) per meeting.

2025 REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF DIRECTORS

The following activities were undertaken by the Audit Committee in 2025 in fulfillment of its primary duties and responsibilities and were reported to the Board:

Financial Reporting

- Reviewed the quarterly financial reports and unaudited financial statements prior to endorsement to the Board for its approval.
- Reviewed the interim annual financial statements and consequently the audited annual financial statements (during the first quarter of the succeeding year) including Management's significant judgments and accounting estimates & adjustments.

Internal and External Audit Processes

- Reviewed the external auditor's report on the Company's audited 2025 financial statements and internal control observations and endorsed these to the Board for approval.
- Reviewed Company Management's endorsement to reappoint Reyes Tacandong & Company (RT&Co.) as external auditor for 2025 based on its performance and proposed audit fees, for concurrence by the Board and approval by the stockholders in the Annual Stockholders' Meeting.
- Reviewed and approved the 2025 interim and year-end External Audit Plan by RT&Co. that includes the audit team, scope of work & deliverables, audit approach, and the key risk areas.
- Reviewed the external auditor's updates on its audit of the Company's 2025 financial statements.
- Noted the Internal Audit Head's annual attestation on organizational independence, objectivity, the sound state of the Company's internal control and risk management, the absence of conflict of interest and of significant or material fraud.
- Reviewed and approved the 2025 Internal Audit Plan and Budget.
- Reviewed, discussed and evaluated Internal Audit's 2024 and 2025 quarterly and year-end accomplishment reports and audit findings, including the status of Company Management's actions to Internal Audit observations and recommendations.
- Conducted executive session separately with the external auditor and the Internal Audit Head (without the presence of any executive directors or members or representatives of Company Management).

CORPORATE GOVERNANCE

Internal Control and Risk Management Processes

- Reviewed reports and updates on the Company's enterprise risk management.
- Evaluated the overall effectiveness of internal control system and risk management in the Company, based on the reasonable assurance provided by Senior Management, Internal Audit/ Chief Audit Executive, and the External Auditor. The Committee is generally satisfied with the systems, processes, and safeguards in place in the Company.

Compliance with Laws and Regulations

- Noted the representation by the Company's Compliance Officer and Senior Management of the absence of significant breach of laws and regulations or involvement in any governmental, legal or arbitration proceedings that may have a material effect on the Company's business, financial position or profitability, as contained and disclosed in the Company's SEC Form 17-A 2025 Annual Report filed on April 1, 2026.

ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS) AWARDEE

AWARDS

2025 WILCON AWARDS

Wilcon Depot continues to lead the home improvement and construction supply industry in the Philippines as it receives two major distinctions at the 2025 Retail Asia Awards- Domestic Retailer of the Year and Hardware Retailer of the Year, held on June 4 at the Marina Bay Sands Expo and Convention Centre in Singapore.

Wilcon remains focused on broadening access to quality home and construction products across the country. It is also exploring new ways to support Filipino households and industries through innovative store concepts, customer-focused services, and sustainable practices that align with the evolving needs of modern shoppers.

Its product line has always been anchored to innovation and sustainability. Wilcon's exclusive and in-house products include Pozzi for trusted bathroom solutions; Hamden Kitchen Appliances, an ideal partner for your kitchen needs; Alphalux, an energy-efficient lighting solutions brand; Kaze, an appliance brand that will help you live in a healthy space; Hills, a trusted brand for construction and electrical power tools; P.Tech, your partner for reliable building materials; Rocersa, Emigres, STN Ceramica, Stylish Spanish Tiles with a contemporary interpretation of a classic style; Arte Ceramiche, Verona Tiles, and Saigres, Asian tiles for a more sophisticated home; Energie Ker, Gardenia Orchide, and Novabell, Sophisticated Italian Tiles; Grohe and Kohler for bathroom and plumbing solutions; Franke, convenient kitchen solutions; and Rubi a partner when it comes to tile cutting necessities; and among many other brands.

Wilcon Takes Home Double Recognition at Retail Asia (June 04, 2025)

The program lauds companies that successfully adapt to challenges such as shifting customer expectations and the rise of e-commerce, all while delivering strong value and sustaining growth. This recognition underscores Wilcon's strong market presence in the Philippines and its ongoing commitment to elevate the retail experience for Filipino homeowners and builders.

This is not Wilcon's first recognition at the Retail Asia Awards. The company has a proven track record of excellence, including its Domestic Retailer back in 2022, and 2023 win for Digital Initiatives of the Year.

This year's double win reaffirms Wilcon's continued focus on meeting the real needs of its customers.
Wilcon grew steadily amid peaks and valleys because it always chose to listen, to care, and to be there for every Filipino dreaming of a better home and a better life.

With a total of 103 stores as of June 2025, Wilcon Depot offers a comprehensive range of products to meet every home improvement need. Its one-stop-shop format is designed for ease and accessibility, complemented by attentive in-store service, robust digital platforms, and helpful marketing tools that guide shoppers in making confident choices for their homes and businesses.

2025 WILCON AWARDS

Wilcon Depot Receives Top Taxpayer Award in Rosario, Batangas (June 06, 2025)

As a gesture of recognition of its continued dedication to community-building and nation-building, Wilcon Depot Rosario, Batangas, was honored as one of the Top 4 Business Taxpayers of the Year 2024 in the Corporate Business Category by the Municipality of Rosario, Batangas.

Apart from showcasing the retailer's business performance, the recognition speaks of Wilcon's strong commitment to corporate social responsibility. By consistently fulfilling its tax obligations, the company directly contributes to the development of local infrastructure, services, and public programs that uplift the quality of life for many Batangueños.

The award was presented during the town's 338th Founding Anniversary celebrations and the vibrant Sinukmani Festival, held on June 6, 2025, at the Rosario Cultural and Sports Center.

Wilcon Depot views this milestone as a badge of honor and a poignant reminder of the profound impact that businesses can have when they operate with purpose and integrity.

Wilcon Depot Honored as One of Bacoor's Top Taxpayers at TOAST 2025 (June 23, 2025)

Wilcon Depot, the Philippines' leading home improvement and construction supplies retailer, proudly adds another meaningful recognition to its name as it was awarded as one of the Top 10 Business Taxpayers of the Year at the Tribute to Outstanding, Admirable, Stellar Taxpayers (TOAST) 2025. The awarding ceremony, held on June 23 at the Trike Gymnasium, New Bacoor City Hall, celebrated businesses that have consistently contributed to the city's development and growth.

Wilcon Depot Bacoor ranked 8th on the prestigious list, solidifying its role as a trusted partner of Bacoor City.

The award was received on behalf of the company by Mr. Allan Majaba, Pollution Control Officer of Wilcon Depot Bacoor, in the presence of Bacoor's key officials, led by City Mayor Strike B. Revilla, Congresswoman Lanie Mercado, and Vice Mayor Rowena Bautista Mendiola.

This recognition goes beyond compliance; it reflects Wilcon Depot's ongoing commitment to responsible business practices and nation-building.

Beyond paying its dues, Wilcon Depot integrates corporate social responsibility into its operations, supporting local communities through job creation, sustainable practices, and community-driven initiatives.

The company's dedication to environmental stewardship, disaster response, and educational support programs underscores Wilcon's commitment to building better communities, not just better homes.

Being part of Bacoor's roster of outstanding taxpayers is a true honor for Wilcon Depot, a sign of its steadfast partnership with the city and a promise to continue contributing to its progress in the years to come.

2025 WILCON AWARDS

Wilcon Depot, the Philippines' leading home improvement and construction supply retailer, proudly supports the 31st National Retail Conference and Expo (NRCE) 2025—marking a key moment in its long-standing partnership with the Philippine Retailers Association (PRA).

NRCE 2025 carries the theme of transformation—highlighting retail leaders who are not only adapting to a changing landscape but actively defining the future. Wilcon Depot believes in the power of collaboration and innovation to shape the future of retail. As the retail sector continues to evolve, the 31st NRCE brings together visionary leaders and trailblazers who are redefining customer engagement, technological integration, and sustainable growth. The conference offers a powerful platform to explore the critical success factors that will drive progress in an ever-changing landscape.

Wilcon Depot Backs Retail Growth at NRCE 2025 (July 31, 2025)

Wilcon Depot SEVP-COO Ms. Rosemarie Bosch-Ong, along with fellow company executives, attended NRCE 2025—demonstrating the company's ongoing dedication to empowering Filipino consumers through sustainable solutions, innovative strategies, and strong partnerships within the retail industry.

Through its active participation, Wilcon Depot continues to forge game-changing partnerships—collaborating with industry leaders and professionals to drive innovation and foster collective growth across the industry.

By showcasing forward-thinking strategies and offering eco-conscious products marked with the "Sustainable Choice" label in stores, Wilcon Depot actively champions NRCE's mission to discover innovation and harness its transformative power—helping build a smarter, more resilient future for Philippine retail.

This commitment goes beyond products. In-store construction and improvement, Wilcon integrates sustainable building practices, including the installation of solar panels in selected branches, energy-efficient LED lighting systems, and the use of eco-friendly materials.

Water-efficient plumbing fixtures and proper waste segregation practices are also implemented to reduce the company's environmental footprint.

Wilcon also empowers its workforce to live sustainably. Through regular internal campaigns and training programs, employees are encouraged to adopt eco-conscious habits—such as minimizing plastic use, conserving electricity and water, and promoting green commuting options when possible. These practices reflect Wilcon's belief that sustainability is not just a feature of their stores, but a shared responsibility and lifestyle.

2025 WILCON AWARDS

Wilcon Depot President and CEO Ms. Lorraine Belo-Cincochan was named as one of **Stargate People Asia's "Women of Style & Substance 2025**" on October 20, 2025, at The Bellevue Manila in Alabang.

Wilcon Depot President and CEO Ms. Lorraine Belo-Cincochan donned a sophisticated rose gold suit that embodied femininity and confidence, fitting the theme "Suit yourselves". This was aimed to defy stereotypes that professionalism, business, and success which are tied to men's tuxedos.

In her speech, she expressed gratitude for the various opportunities she had experienced, which enabled her to foster meaningful relationships with customers and business partners at Wilcon Depot.

"I've been blessed with the opportunity to help build something meaningful—a business grounded in a culture of integrity."

This year's theme, "Suit yourselves," shows women confidently styling themselves with pieces of traditionally male attire: tuxedos and suits. This diversion to stereotypes implies that professionalism, business, and success know no gender when ignited by determination and courage.

In a featured story of Stargate People Asia, Ms. Belo-Cincochan shared that collaboration is a highly important skill to practice in leadership. While it might take time to build ties, every moment is worthwhile for the cultivation of knowledge and connection. When it comes to it, an open mind is important when dealing with people, since understanding different outlooks can expand one's horizons.

Wilcon Depot President and CEO Ms. Lorraine Belo-Cincochan awarded at Stargate People Asia Women of Style & Substance 2025 (October 20, 2025)

The yearly recognition is bestowed on influential Asian women who thrive in diverse vocations such as social work, healthcare, entertainment, and business. This year's lineup of honorees features Solicitor General Darlene Berberabe, Makati Medical Center's Dr. Catherine Teh, journalist Karmina Constantino, Miss Universe Philippines Ahtisa Manalo, DBM Secretary Amenah Pangandaman, St. Luke's Medical Center's Dr. Elsie Pascua, and Wilcon Depot CEO Lorraine Belo-Cincochan.

Wilcon Depot is deeply honored by this extraordinary recognition bestowed upon its President and CEO, Ms. Lorraine Belo-Cincochan. The company remains committed to empowering women who lead with elegance, intelligence, and strength. Under her proactive leadership, Wilcon Depot continues to thrive as a powerhouse, delivering exceptional products and services that improve Filipino lives.

2025 WILCON AWARDS

Wilcon Depot Honored at the 7th Gawad Suhay ng Pag-asa (October 30, 2025)

Wilcon Depot has stood as a strong ally of the school community for years. Its continued participation in Brigada Eskwela and other educational initiatives has helped improve learning spaces and provide essential support to students and teachers. The recognition highlights Wilcon's ongoing efforts to uplift Filipino learners and promote a safe, conducive, and inspiring school environment.

The award affirms Wilcon Depot's meaningful connection with the community. It reflects the company's long-term commitment to creating opportunities that help shape the next generation.

As the country's leading home improvement and construction supply retailer, Wilcon believes that growth begins with strong foundations, both in homes and in education. This partnership with Las Piñas CAA National High School shows how collaboration can build hope and brighter futures.

Wilcon Depot Inc. was among the honorees at the 7th "Gawad Suhay ng Pag-asa" held on October 30, 2025, at the University of Perpetual Help, Las Piñas Campus Auditorium. The event, organized by Las Piñas CAA National High School, gathered partners and stakeholders who were recognized for their steadfast support on education and community welfare.

Representing Wilcon Depot was Ms. Ces Merelos, Operations Manager of Wilcon Depot Las Piñas 1, who graciously accepted the award on behalf of the company.

The Gawad Suhay ng Pag-asa stands is a reminder that every act of generosity no matter how humble, creates ripples of change. For Wilcon Depot, this recognition serves as motivation to continue supporting programs that nurture learning, community, and the Filipino spirit.

At center stage (from L – R) is the HCG Philippines Board of Director Scott Chiu to Wilcon Depot President and CEO Lorraine Belo-Cincochan, EVP – CPO Careen Belo, Audrey Belo, EVP – Treasurer Mark Belo, HCG Philippines Chairman Patrick Chiu and Board of Director Alex Wu.

Present at the event were AVP for sales and operations, Harvy Cruz, Francis Lazaro, Amos Ong, AVP for Sales and Operations Rubylyn Candelaria, Desiree Cuerdo, SEVP – COO Rosemarie Bosch – Ong, AVP for Sales and Operations Catherine Guingab, Erine Borja and Raymund Dolores.

The event was held at the Solaire Grand Ballroom. Influential guests and industry partners arrived in elegant traditional Filipino baro't saya ensembles—an homage to the event's theme, "Rooted in Heritage, Shaped by Innovation."

During the program, HCG expressed its gratitude to Wilcon Depot by presenting a special recognition award in appreciation of the company's consistent support over the years. Even prior to HCG inaugurating its local manufacturing facility, the Belo family of Wilcon Depot believed in the brand's potential. Wilcon supported HCG's locally produced solutions—an early act of trust that contributed significantly to HCG's strong foundation today.

Wilcon Depot Receives Special Recognition at HCG's 30th Anniversary (November 19, 2025)

Wilcon Depot received a special recognition from HCG Philippines during its 30th anniversary celebration. This honor commemorates the companies' longstanding brand partnership, which plays a vital role in strengthening the Philippine home improvement industry.

HCG Chairman Mr. Patrick Chiu and HCG Board Member Mr. Scott Chiu shared heartfelt remarks of gratitude. They expressed deep reverence and tribute to the people, business associates, and communities that have been instrumental to HCG's growth over the past three decades.

HCG Philippines President, Mr. Eugene Lin, also delivered a visionary address, introducing the brand's forward-looking roadmap. He reaffirmed HCG's commitment to delivering world-class home solutions for many more years and announced the launch of new product lines designed to meet evolving customer needs.

Wilcon Depot's continued support for HCG reflects their shared dedication to innovation and their commitment to providing high-quality home improvement solutions to Filipino households.

AUDITED FINANCIAL STATEMENTS

BOA/PRC Accreditation No. 4782
April 14, 2024, valid until June 6, 2026
SEC Accreditation No. 4782-SEC Group A
Issued August 11, 2022
Valid for Financial Periods 2021 to 2025

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INDEPENDENT AUDITORS' REPORT

The Stockholders and the Board of Directors
WILCON DEPOT, INC.
No. 90 E. Rodriguez Jr. Avenue
Brgy. Ugong Norte, Quezon City

Opinion

We have audited the financial statements of WILCON DEPOT, INC. Doing Business under the Name and Style of WILCON DEPOT, WILCON HOME ESSENTIALS, DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT (the Company) (a subsidiary of WILCON CORPORATION Doing Business under the Name and Style of WILCON CITY CENTER) which comprise the statements of financial position as at December 31, 2025 and 2024, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the years ended December 31, 2025, 2024 and 2023, and notes to financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years ended December 31, 2025, 2024 and 2023, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM

Reyes Tacandong & Co. is a member of the RSM network. Each member of the RSM network is an independent accounting and consulting firm, and practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

Sale of goods, net of discounts and returns, amounted to ₱35,444.3 million in 2025. We considered revenue recognition from sale of goods as a key audit matter because of its significant volume and impact on the Company's profitability. The accuracy and completeness of the revenue recognized is dependent on the effectiveness of the Information Technology (IT) general and application controls and the manual controls over revenue recognition.

Our procedures included, among others, an examination of both IT and key manual controls related to revenue to ensure effectiveness and reliability in capturing revenue transactions. We performed substantive analytical review procedures on gross sales, and sales discounts and returns, which involved analyzing trends, and compared the results against expectations based on historical data. We performed cut-off testing to ensure that revenue transactions were recorded in the correct period. We also tested the journal entries posted to the sales accounts to identify any unusual or irregular items.

We also reviewed the related disclosures in Note 2, *Summary of Material Accounting Policy Information*.

Completeness, Existence and Proper Valuation of Merchandise Inventories

Merchandise inventories, net of allowance for inventory write-down and losses, amounted to ₱14,939.9 million as at December 31, 2025. We determined this to be a key audit matter because it represents 37% of the total assets. Additionally, the Company has thousands of stock keeping units (SKU) and maintains an inventory management system to establish the completeness, existence and proper valuation of the SKU.

Our procedures included, among others, the examination of the design and implementation of both IT and key manual controls related to the inventory management system to review their accuracy in maintaining the inventory records. We observed the conduct of the inventory count, performed test of inventory summarization and reconciliation, reviewed the intervening transactions from date of inventory count to financial reporting date, reviewed and tested the inventory costing, and ascertained that merchandise inventories are measured at the lower of cost or net realizable value.

We also reviewed the related disclosures in Note 2, *Summary of Material Accounting Policy Information*, Note 3, *Significant Accounting Judgments, Estimates and Assumptions*, and Note 7, *Merchandise Inventories*.

Other Information

Management is responsible for the other information. The other information comprises the information included in the SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the financial statements and our auditors' report thereon. The SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information identified in the foregoing when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, these could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore considered the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report is Carolina P. Angeles.

REYES TACANDONG & CO.

CAROLINA P. ANGELES
Partner
CPA Certificate No. 86981
Tax Identification No. 205-067-976-000
BOA Accreditation No. 4782/P-007; Valid until June 6, 2026
SEC Accreditation No. 86981-SEC Group A
Issued March 24, 2020
Valid for Financial Periods 2023 to 2025
BIR Accreditation No. 08-005144-007-2025
Valid until August 10, 2028
PTR No. 10764005
Issued January 2, 2026, Makati City

March 25, 2026
Makati City, Metro Manila

WILCON DEPOT, INC.
Doing Business under the Name and Style of
WILCON DEPOT, WILCON HOME ESSENTIALS,
DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT
(A Subsidiary of WILCON CORPORATION
Doing Business under the Name and Style of WILCON CITY CENTER)

STATEMENTS OF FINANCIAL POSITION

		December 31	
	Note	2025	2024
ASSETS			
Current Assets			
Cash and cash equivalents	4	**₱1,170,708,527**	₱1,080,478,502
Short-term investments	5	**1,400,000,000**	1,100,000,000
Trade and other receivables	6	**335,458,857**	527,645,451
Advance payments to suppliers	6	**162,182,873**	319,254,911
Merchandise inventories	7	**14,939,929,659**	14,248,773,904
Other current assets	8	**795,559,000**	835,223,988
Total Current Assets		**18,803,838,916**	18,111,376,756
Noncurrent Assets			
Property and equipment	9	**12,680,830,760**	11,946,172,877
Right-of-use (ROU) assets	10	**7,834,422,140**	7,863,541,026
Net deferred tax assets	17	**723,636,736**	644,029,113
Other noncurrent assets	11	**490,957,232**	500,897,077
Total Noncurrent Assets		**21,729,846,868**	20,954,640,093
		₱40,533,685,784	₱39,066,016,849
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	12	**₱5,590,556,860**	₱5,333,465,189
Income tax payable		**125,131,843**	118,083,373
Current portion of lease liabilities	10	**818,691,182**	934,165,779
Total Current Liabilities		**6,534,379,885**	6,385,714,341
Noncurrent Liabilities			
Lease liabilities - net of current portion	10	**8,981,607,410**	8,630,255,748
Net retirement liability	13	**206,975,939**	209,175,162
Total Noncurrent Liabilities		**9,188,583,349**	8,839,430,910
Total Liabilities		**15,722,963,234**	15,225,145,251
Equity			
Capital stock	14	**4,099,724,116**	4,099,724,116
Additional paid-in capital	14	**5,373,738,427**	5,373,738,427
Other comprehensive income	13	**46,064,397**	46,064,397
Retained earnings	14	**15,291,195,610**	14,321,344,658
Total Equity		**24,810,722,550**	23,840,871,598
		₱40,533,685,784	₱39,066,016,849

See accompanying Notes to Financial Statements.

WILCON DEPOT, INC.
Doing Business under the Name and Style of
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DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT
(A Subsidiary of WILCON CORPORATION
Doing Business under the Name and Style of WILCON CITY CENTER)

STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended December 31		
	Note	**2025**	2024	2023
NET SALES		**₱35,444,304,895**	₱34,172,031,761	₱34,603,965,512
COST OF SALES	7	**(21,767,772,917)**	(20,823,007,385)	(20,910,043,722)
GROSS INCOME		**13,676,531,978**	13,349,024,376	13,693,921,790
OPERATING EXPENSES	15	**(10,139,115,852)**	(9,797,521,465)	(8,940,010,592)
INTEREST EXPENSE	10	**(714,573,416)**	(666,958,822)	(640,615,340)
OTHER INCOME - Net	16	**423,708,823**	482,942,270	526,170,313
INCOME BEFORE INCOME TAX		**3,246,551,533**	3,367,486,359	4,639,466,171
INCOME TAX EXPENSE (BENEFIT)	17			
Current		**880,407,522**	856,182,687	1,242,608,754
Deferred		**(79,607,623)**	(17,127,810)	(86,338,182)
		800,799,899	839,054,877	1,156,270,572
NET INCOME		**2,445,751,634**	2,528,431,482	3,483,195,599
OTHER COMPREHENSIVE LOSS				
Item not to be reclassified to profit or loss -				
Remeasurement loss on retirement liability, net of deferred income tax	13	**–**	(131,114,488)	–
TOTAL COMPREHENSIVE INCOME		**₱2,445,751,634**	₱2,397,316,994	₱3,483,195,599
BASIC AND DILUTIVE EARNINGS PER SHARE	19	**₱0.60**	₱0.62	₱0.85

See accompanying Notes to Financial Statements.

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STATEMENTS OF CHANGES IN EQUITY

		Years Ended December 31		
	Note	**2025**	2024	2023
CAPITAL STOCK	14	**₱4,099,724,116**	₱4,099,724,116	₱4,099,724,116
ADDITIONAL PAID-IN CAPITAL	14	**5,373,738,427**	5,373,738,427	5,373,738,427
OTHER COMPREHENSIVE INCOME				
Cumulative Remeasurement Gain on Retirement Liability	13			
Balance at beginning of year		**46,064,397**	177,178,885	177,178,885
Remeasurement loss, net of deferred income tax		**–**	(131,114,488)	–
Balance at end of year		**46,064,397**	46,064,397	177,178,885
RETAINED EARNINGS				
Unappropriated				
Balance at beginning of year		**8,321,344,658**	10,758,841,446	10,892,543,770
Net income		**2,445,751,634**	2,528,431,482	3,483,195,599
Cash dividends	14	**(1,475,900,682)**	(1,065,928,270)	(1,516,897,923)
Appropriation	14	**–**	(6,000,000,000)	(2,100,000,000)
Reversal of appropriation	14	**–**	2,100,000,000	–
Balance at end of year		**9,291,195,610**	8,321,344,658	10,758,841,446
Appropriated	14			
Balance at beginning of year		**6,000,000,000**	2,100,000,000	–
Appropriation		**–**	6,000,000,000	2,100,000,000
Reversal of appropriation		**–**	(2,100,000,000)	–
Balance at end of year		**6,000,000,000**	6,000,000,000	2,100,000,000
		15,291,195,610	14,321,344,658	12,858,841,446
		₱24,810,722,550	₱23,840,871,598	₱22,509,482,874

See accompanying Notes to Financial Statements.

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STATEMENTS OF CASH FLOWS

		Years Ended December 31		
	Note	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before income tax		**₱3,246,551,533**	₱3,367,486,359	₱4,639,466,171
Adjustments for:				
Depreciation and amortization	9	**3,232,771,123**	2,893,699,645	2,755,497,757
Interest expense	10	**714,573,416**	666,958,822	640,615,340
Provision for:				
Allowance for expected credit loss on receivables	6	**74,831,581**	63,399,925	16,442,898
Inventory write-down and losses	7	**62,478,332**	–	–
Reversal of:				
Allowance for expected credit loss on receivables	6	**(77,400,220)**	(53,288,643)	(21,799,342)
Inventory write-down and losses	7	**–**	(9,797,597)	(66,375,077)
Retirement benefits	13	**56,574,724**	31,710,298	29,764,566
Interest income	4	**(31,955,044)**	(36,182,471)	(14,383,915)
Insurance claim income	16	**(24,959,458)**	(118,809,899)	–
Losses due to calamity:				
Merchandise inventories	7	**7,500,500**	152,750,559	–
Property and equipment	9	**–**	20,562,592	–
Gain on disposal of property and equipment	16	**(343,749)**	(1,410,714)	(832,862)
Operating income before working capital changes		**7,260,622,738**	6,977,078,876	7,978,395,536
Decrease (increase) in:				
Merchandise inventories		**(761,134,587)**	1,385,021,876	(2,467,516,391)
Trade and other receivables		**223,186,886**	76,262	(125,401,370)
Advance payments to suppliers		**157,072,038**	27,234,579	97,697,193
Other current assets		**39,664,988**	432,982,847	(532,071,635)
Increase (decrease) in trade and other payables		**257,091,671**	(1,754,752,947)	1,325,189,607
Net cash generated from operations		**7,176,503,734**	7,067,641,493	6,276,292,940
Income tax paid		**(873,359,052)**	(914,042,099)	(1,229,363,917)
Contributions to retirement plan	13	**(58,773,947)**	(54,669,586)	(54,669,587)
Interest received from cash and cash equivalents		**5,931,738**	21,300,361	879,528
Net cash provided by operating activities		**6,250,302,473**	6,120,230,169	4,993,138,964
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to:				
Property and equipment	9	**(2,243,605,136)**	(2,757,338,074)	(2,317,576,471)
Short-term investments		**(300,000,000)**	(1,100,000,000)	–
Computer software	11	**(26,589,160)**	(29,460,245)	(41,505,989)
Other noncurrent assets		**(7,574,568)**	(25,955,538)	(38,126,642)
Interest received from investments		**22,551,111**	10,232,777	18,406,986
Net proceeds from disposal of property and equipment		**343,749**	1,410,714	1,157,137
Maturity of short-term investments		**–**	–	750,500,000
Net cash used in investing activities		**(2,554,874,004)**	(3,901,110,366)	(1,627,144,979)

(Forward)

	Note	Years Ended December 31 2025	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of:				
Lease liabilities	10	**(₱2,129,297,762)**	(₱1,937,873,106)	(₱1,765,274,468)
Cash dividends	14	**(1,475,900,682)**	(1,065,928,270)	(1,516,897,923)
Cash used in financing activities		**(3,605,198,444)**	(3,003,801,376)	(3,282,172,391)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**90,230,025**	(784,681,573)	83,821,594
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**1,080,478,502**	1,865,160,075	1,781,338,481
CASH AND CASH EQUIVALENTS AT END OF YEAR	4	**₱1,170,708,527**	₱1,080,478,502	₱1,865,160,075

See accompanying Notes to Financial Statements.

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NOTES TO FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2025 AND 2024 AND
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 and 2023

1. Corporate Information

WILCON DEPOT, INC. Doing Business under the Name and Style of WILCON DEPOT, WILCON HOME ESSENTIALS, DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on December 17, 2015. The Company is engaged in buying and selling of all kinds of goods, commodities, wares and merchandise at wholesale and retail.

The Company is a subsidiary of WILCON CORPORATION Doing Business under the Name and Style of WILCON CITY CENTER (the Parent Company), a holding company incorporated in the Philippines. The ultimate parent company is LIAM ROS HOLDINGS INC., a holding company incorporated in the Philippines.

On March 31, 2017, the 1,393,906,200 common shares of the Company were listed in the Philippine Stock Exchange (PSE) at an offer price of ₱5.05 a share. Net proceeds from the Initial Public Offering (IPO) amounted to ₱6,749.3 million, net of offer expenses of ₱289.9 million (see Note 14).

The registered office address of the Company is at No. 90 E. Rodriguez Jr. Avenue, Brgy. Ugong Norte, Quezon City.

The financial statements of the Company as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 were approved and authorized for issue by the Board of Directors (BOD) on March 25, 2026, as reviewed and recommended for approval by the Audit Committee on the same date.

2. Summary of Material Accounting Policy Information

Basis of Preparation and Statement of Compliance

The financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. This financial reporting framework includes PFRS Accounting Standards, Philippine Accounting Standards (PAS) and Philippine Interpretations from International Financial Reporting Interpretations Committee (IFRIC) issued by the Philippine Financial and Sustainability Reporting Standards Council and adopted by the SEC, including the SEC pronouncements.

The material accounting policies used in the preparation of the financial statements have been consistently applied to all the years presented, unless otherwise stated.

Measurement Bases
The financial statements have been presented in Philippine Peso, which is the functional currency of the Company. All amounts are in absolute values, unless otherwise stated.

The financial statements of the Company have been prepared on the historical cost basis of accounting, except for the following:

- Net retirement liability which is carried at the present value of the defined benefit obligation less the fair value of plan assets; and
- Lease liabilities which are carried at the present value of future lease payments.

Historical cost is generally based on the fair value of the consideration given in exchange for an asset and the fair value of consideration received in exchange for incurring a liability. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active market for identical assets or liabilities.

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Further information about the assumptions made in measuring fair value is included in the following notes:

- Note 13, *Retirement Plan*
- Note 21, *Fair Value of Financial Instruments*

Adoption of Amendments to PFRS Accounting Standards
The material accounting policies adopted are consistent with those of the previous financial year, except for the adoption of the amended PFRS Accounting Standards effective for annual periods beginning on or after January 1, 2025. The amendments did not materially affect the financial statements of the Company.

New and Amendments to PFRS Accounting Standards in Issue But Not Yet Effective

Relevant new and amendments to PFRS Accounting Standards, which are not yet effective as at December 31, 2025 and have not been applied in preparing the financial statements, are summarized below:

- Annual Improvements to PFRS Accounting Standards Volume 11:
    - Amendments to PFRS 9, *Financial Instruments* – The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, *Financial Instruments,* the lessee must apply the derecognition criteria for a financial liability which requires recognition of a gain or loss in profit or loss. The amendments apply to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies the amendments. Earlier application is permitted.

Effective for annual periods beginning on or after January 1, 2027 –

- PFRS 18, *Presentation and Disclosure in Financial Statements* – This standard replaces PAS 1, *Presentation of Financial Statements*, and sets out requirements for the presentation and disclosure of information in general purpose financial statements. The standard introduces new categories and sub-totals in the statements of comprehensive income, additional disclosures on management-defined performance measures, and enhanced requirements for grouping information. Full retrospective application is required. Earlier application is permitted.

Under prevailing circumstances, the adoption of PFRS 18 is not expected to have a material impact on the Company's financial position or financial performance. However, it will result in changes in the presentation, classification, and aggregation of items in the statements of comprehensive income and related disclosures. Additional disclosures will be included in the financial statements, as applicable.

Financial Assets at Amortized Cost

The Company's cash and cash equivalents, short-term investments, trade and other receivables (excluding advances to officers and employees), container deposits (presented as part of "Other current assets"), security and electricity deposits and refundable cash bonds (presented as part of "Other noncurrent assets") are classified as financial assets at amortized cost. These financial assets are measured at amortized cost less allowance for expected credit losses (ECL), if any. For trade receivables, the Company has applied the simplified approach and has calculated ECL based on the lifetime ECL. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Meanwhile, impairment of other financial assets is assessed based on potential liquidity of counterparties based on available financial information. Financial assets are derecognized when the right to receive cash flows from the asset has expired or the Company has transferred its right to receive cash flows from the financial asset.

Financial Liabilities at Amortized Cost

The Company's trade and other payables (excluding advances from customers, statutory payables, and other payables) and lease liabilities are classified as financial liabilities at amortized cost. The Company recognized financial liabilities at amortized cost when the substance of the contractual arrangement results in the Company having an obligation either to deliver cash or another financial asset to the holder, or to settle the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of its own equity instruments. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

Offsetting of Financial Instruments
Financial assets and liabilities are offset and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Value Added Tax (VAT)
Revenue, expenses and assets are recognized net of the amount of VAT except in cases where VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable, or receivable and payable that are stated with the amount of VAT included.

The amount of VAT recoverable from the tax authority is included as part of "Statutory payables" account under "Trade and other payables" account in the statement of financial position.

Merchandise Inventories
Merchandise inventories are valued at the lower of cost and net realizable value (NRV). Cost, which includes all costs directly attributable to acquisition such as purchase price and freight-in, is determined using the moving average method. NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to complete the sale.

When inventories are sold, the carrying amount of those inventories is recognized to profit or loss in the year when the related revenue is recognized.

When the NRV of inventories is lower than the cost, a write-down is charged to cost of sales at the year in which it occurred. Reversals of write-down of inventories arising from an increase in NRV is recognized as reduction in the amount of inventories recognized as expense in the year in which the reversal occurs.

Other Assets

Advance Payments to Suppliers. Advance payments to suppliers are amounts paid in advance for the purchase of inventories and supplies. These are carried at the amount of cash paid and are recognized to the proper asset account when the inventories and supplies are received.

Materials and Supplies. Materials and supplies are carried at cost and are recognized as expense when used.

Prepaid Expenses. Prepaid expenses are expenses paid in advance and recorded as asset before these are utilized. Prepaid expenses are apportioned over the period covered by the payment and charged to appropriate expense accounts in profit or loss when incurred. Prepaid expenses that are expected to be realized for no more than 12 months after the financial reporting date are classified as current assets. Otherwise, these are classified as noncurrent assets.

Deferred Input VAT. Deferred input VAT pertains to the unamortized input VAT on the unpaid portion of availed services prior to the implementation of the Ease of Paying Taxes (EOPT) Act.

Computer Software. Computer software acquired is measured on initial recognition at cost. Subsequent to initial recognition, computer software is carried at cost less accumulated amortization and any impairment losses.

Computer software is amortized over the economic useful life of eight (8) years and assessed for impairment whenever there is an indication that the computer software may be impaired. The amortization period and method for computer software are reviewed annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Advances to Contractors. Advances to contractors represent advance payments made in relation to purchase of materials and services for the construction of stores and are carried at cost less any impairment in value. These will be applied against future billings.

Property and Equipment

Property and equipment, excluding construction in progress, are stated at cost less accumulated depreciation, amortization and any impairment in value.

The initial cost of property and equipment comprises of its purchase price, including import duties, taxes and any directly attributable costs in bringing the asset to its working condition and location for its intended use.

Construction in progress represents stores under construction and is stated at cost. Cost includes costs of construction, labor and other direct costs. Construction in progress is not depreciated until such time that the relevant assets are ready for use.

Depreciation and amortization are computed using the straight-line basis over the estimated useful lives of the assets as follows:

Asset Type	Number of Years
Buildings and improvements	15 to 20 or term of lease, whichever is shorter
Furniture and equipment	5
Leasehold improvements	5 or term of lease, whichever is shorter
Transportation equipment	5

The estimated useful lives and depreciation and amortization are reviewed and adjusted, if appropriate, at each reporting date to ensure that such years and method of depreciation and amortization are consistent with the expected pattern of economic benefits from the items of property and equipment.

Fully depreciated and amortized assets are retained in the accounts until these are no longer being used and no further depreciation and amortization are credited or charged to profit or loss.

Impairment of Nonfinancial Assets

At each reporting date, the Company assesses whether there is any indication that its nonfinancial assets, including property and equipment and right-of-use assets, may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset.

The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. Value in use is determined based on the present value of estimated future cash flows expected to be derived from the asset or cash-generating unit (CGU).

Where the carrying amount of an asset or CGU exceeds its recoverable amount, an impairment loss is recognized in profit or loss. Impairment losses are recognized in the period in which they arise.

An assessment is also made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the previously recognized impairment loss is reversed to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined had no impairment loss been recognized.

Assets are derecognized upon disposal or when no future economic benefits are expected from their use. Losses arising from events such as fire, typhoon, or other casualty events are recognized in profit or loss when incurred.

Equity

Capital Stock and Additional Paid-in Capital. Capital stock is measured at par value for all shares issued. The excess of proceeds from the issuance of shares over the par value of shares is credited to additional paid-in capital.

Other Comprehensive Income. Other comprehensive income comprises items of income and expenses (including items previously presented under the statements of changes in equity) that are not recognized in profit or loss for the year in accordance with PFRS Accounting Standards. Other comprehensive income pertains to cumulative remeasurement gains on net retirement liability.

Retained Earnings. Retained earnings represent the cumulative balance of net income or loss net of dividend distributions and other capital adjustments. Unappropriated retained earnings represent the portion which can be declared as dividends to stockholders. Appropriated retained earnings represent the portion which has been restricted and therefore is not available for any dividend declaration.

Dividend Distribution. Dividend distribution to the Company's stockholders is recognized as a liability and deducted from equity in the year in which the dividends are declared as approved by the Company's BOD. Dividends that are approved after the reporting year are dealt with as an event after the reporting year.

Revenue Recognition

The Company assessed that it acts as principal in all of its revenue sources.

Revenue within the scope of PFRS Accounting Standards 15, *Revenue from Contracts with Customers* is recognized as follows:

Net Sales. Revenue is recognized when the control of the goods is transferred to the buyer, which is normally upon delivery or pick up of goods, and measured at the fair value of the consideration received or receivable, net of returns, trade discounts and redeemed award credits from loyalty program.

The award credits from the loyalty program are identifiable component of sale transactions in which these are granted. The fair value of the consideration received or receivable in respect to the sale is allocated between the award credits and the other components of the sale. The Company recognizes the consideration received allocated to award credits as sale when award credits are redeemed and it fulfills its obligations to supply the award credits.

Any unredeemed award credits as at reporting date are recognized as part of "Other Payables" included under "Trade and other payables" account in the statements of financial position.

Other Income. Revenue is recognized when there is an incidental economic benefit, other than the usual business operations, that will flow to the Company through an increase in asset or reduction in liability and that can be measured reliably.

Revenue outside scope of PFRS Accounting Standards 15 is recognized as follows:

Rent Income. Revenue arising from rent of property is recognized on a straight-line basis over the lease term.

Interest Income. Revenue is recognized as the interest accrues, taking into account the effective yield of the asset, net of final tax.

Cost and Expense Recognition

Cost of Sales. Cost of sales are recognized in profit or loss when the related goods are sold, services are utilized or at the date the costs and expenses are incurred.

Operating Expenses. Operating expenses constitute cost of administering the business and cost incurred to sell and market the goods. These include advertising and freight and handling, among others. Operating expenses are expensed as incurred.

Interest Expense. Expense is recognized as the interest accrues, taking into account the effective yield of the asset.

Employee Benefits

Short-term Employee Benefits. The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the year. A liability is also recognized for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Short-term employee benefit liabilities are measured on an undiscounted basis and are expensed as the related service is provided.

Retirement Benefits. Retirement benefit costs are actuarially determined using the projected unit credit method, which reflects services rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries.

The Company recognizes service costs, comprising of current service costs and net interest expense or income in profit or loss. Net interest is calculated by applying the discount rate to the net retirement liability or asset.

Remeasurements comprising actuarial gains and losses and return on plan assets (excluding net interest on defined benefit obligation) are recognized immediately in other comprehensive income in the year in which these arise. Remeasurements are not reclassified to profit or loss in subsequent year.

The net retirement liability is the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly.

Actuarial valuations are made with sufficient regularity so that the amounts recognized in the financial statements do not differ materially from the amounts that would be determined at the reporting date.

Leases

A contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as Lessee

At the commencement date, the Company recognizes right-of-use (ROU) asset and a lease liability for all leases, except for leases with lease terms of 12 months or less (short-term leases) and leases for which the underlying asset is of low value in which case the lease payments associated with those leases are recognized as an expense on a straight-line basis.

ROU Asset. ROU asset is recognized at the present value of the liability at the commencement date of the lease, adding any directly attributable costs. After the commencement date, the ROU asset is carried at cost less any accumulated amortization and accumulated impairment losses and adjusted for any remeasurement of the related lease liability. The ROU asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

Lease Liability. At commencement date, the Company measures lease liability at the present value of future lease payments using the interest rate implicit in the lease, if that rate can be readily determined. Otherwise, the Company uses its incremental borrowing rate. A lease liability is subsequently measured at amortized cost. Interest on the lease liability and any variable lease payments not included in the measurement of lease liability are recognized in profit or loss unless these are capitalized as costs of another asset. Variable lease payments not included in the measurement of the lease liability are recognized in profit or loss when the event or condition that triggers those payments occurs.

The Company remeasures the lease liability when there is a change in lease term, including the exercise of extension or termination options, or when there are changes in future lease payments resulting from changes in an index or rate. Any such remeasurement is recognized as an adjustment to the carrying amount of the related ROU asset.

The Company derecognizes the lease liability when the obligation specified in the lease contract is discharged, cancelled, expired, or otherwise terminated, including as a result of lease modifications or early termination. The corresponding ROU asset is derecognized upon termination or expiration of the lease. Any difference between the carrying amounts of the lease liability and the ROU asset at the date of derecognition is recognized in profit or loss.

The Company as a Lessor

Leases where a significant portion of the risks and rewards of ownership over the asset are retained by the lessor, are classified as operating leases. Payments made under operating leases are recognized in profit or loss on a straight-line basis of accounting over the period of the lease.

Income Taxes

Current Tax. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those that have been enacted or substantively enacted at end of the reporting year.

Deferred Tax. Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rate and tax laws that have been enacted or substantively enacted at the end of reporting year.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in relation to the underlying transaction either in other comprehensive income or directly in equity.

Earnings per Share

The Company presents basic and diluted earnings per share. Basic earnings per share are calculated by dividing the net income by the weighted average number of common shares outstanding during the year. Diluted earnings per share are calculated in the same manner, adjusted for the effects of all dilutive potential common shares.

The Company has no dilutive potential common shares.

Related Party Relationship and Transactions

Related party transactions consist of transfers of resources, services or obligations between the Company and its related parties.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. This includes: (a) individuals who, by owning directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual; and (d) members of the key management personnel of the Company.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on legal form.

Segment Reporting
Operating segments are components of the Company: (a) that engage in business activities from which this may earn revenue and incur expenses, including revenue and expenses relating to transactions with other components of the Company; (b) whose operating results are regularly reviewed by the Company's senior management, its chief operating decision maker, to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.

The Company reports separate information about an operating segment that meets any of the following quantitative thresholds: (a) its reported revenue, including both sales to external customers and intersegment sales or transfers, is 10% or more of the combined revenue, internal and external, of all operating segments; (b) the absolute amount of its reported profit or loss is 10% or more of the greater, in absolute amount, of (i) the combined reported profit of all operating segments that did not report a loss and (ii) the combined reported loss of all operating segments that reported a loss; and (c) the assets of the segment are 10% or more of the combined assets of all operating segments.

Provisions
Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date and are reviewed at each reporting date and adjusted as necessary.

Contingencies
Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to financial statements unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

Events after the Reporting Date
Events after the reporting date that provide additional information about the Company's financial position at the end of the reporting year (adjusting events) are reflected in the financial statements. Events after the reporting date that are non-adjusting events are disclosed in the notes to financial statements when material.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires the Company to exercise judgments, make estimates and use assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgments and estimates are based on management's evaluation of relevant facts and circumstances as of the date of the comparative financial statements. Actual results could differ from these estimates, and as such estimates will be adjusted accordingly when the effects become determinable.

Judgments
In the process of applying the accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Determining the Operating Segments. Determination of operating segments is based on the information about components of the Company that management uses to make decisions about the operating matters. Operating segments use internal reports that are regularly reviewed by the Company's chief operating decision maker, which is defined to be the Company's BOD, in order to allocate resources to the segment and assess its performance.

The Company has only one (1) reportable operating segment which is the trading business and one (1) geographical segment as all of the assets are located in the Philippines. The Company operates and derives all its revenue from domestic operations. Accordingly, no further disclosures on operating and geographical segments are necessary.

Determining the Classification of Financial Assets. Classification of financial assets depends on the results of the business model test and sole payment of principal and interest (SPPI) test performed by the Company.

The Company exercises judgment in determining the business model used in managing its financial assets to achieve its business objectives. In making this assessment, the Company considers factors such as its objective to hold financial assets to collect contractual cash flows, the policies for managing credit risk, the expected frequency and significance of sales, and the manner in which the performance of financial assets is evaluated.

Based on this assessment, the Company's financial assets are generally managed under a business model whose objective is to collect contractual cash flows.

The Company also assesses whether the contractual terms of its debt instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, with interest representing the time value of money and credit risk. Financial assets that meet both the business model and SPPI criteria are measured at amortized cost.

Determining the Classification of Lease Arrangements and the Appropriate Lease Term and Discount Rates. The Company, as a lessee, has various lease agreements with related parties and third parties for land, buildings, and retail and office units.

The Company has exercised significant judgment in determining the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or in any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

All existing lease agreements, except for short-term leases of land and buildings with terms of 12 months or less, are accounted for as operating leases under PFRS 16, *Leases*. For remaining leases, the Company recognized lease liabilities and corresponding ROU assets. Lease payments are allocated between reducing the principal liability and recognizing finance costs. Finance costs are recognized in profit or loss using the effective interest method. ROU assets are amortized on a straight-line basis over the lease term.

The leases on land, buildings, and retail and office units are renewable upon mutual agreement by both parties to be covered by a separate and new lease agreement. Accordingly, the renewal option was not considered in the lease term for purposes of the recognition of ROU assets and lease liabilities.

Significant management judgment was likewise exercised by the Company in determining the discount rate, whether implicit rate if readily available, or incremental rate, to be used in calculating the present value of ROU assets and lease liabilities. The discount rate ranges from 4.74% to 8.56% which are the incremental borrowing rates as obtained from the banks.

Reassessments are made on a continuing basis whether changes should be reflected on the amount of lease liabilities due to circumstances affecting lease payments.

The details of the interest expense on lease liabilities, and amortization on ROU assets are disclosed in Note 10 to the financial statements.

Rent expense on short-term lease on land and buildings with less than 12 months' term is disclosed in Note 10 to the financial statements.

The carrying amount of ROU assets and lease liabilities are disclosed in Note 10 to the financial statements.
The Company, as a lessor, has existing lease agreements on facade billboards, cashier counter spaces, window displays, street banners and gondola lightings. The Company has determined that the significant risks and benefits of ownership over the leased properties remain with the Company. Accordingly, the Company accounts for the lease agreements as operating leases.

Rental income is disclosed in Note 10 to the financial statements.

Evaluating Contingencies. The Company is a party to certain lawsuits or claims arising from the ordinary course of business. However, the Company's management and legal counsel believe that the eventual liabilities or claims under these lawsuits will not have a material effect on the financial statements.

Estimates and Assumptions
The key estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances of the financial statements. Actual results could differ from those estimates. Presented below are the relevant significant estimates performed by management in preparing the financial statements.

Assessing the Impairment of Trade and Other Receivables. The Company applies judgment in estimating ECL on its trade and other receivables. Trade receivables are measured using the simplified approach, which requires the recognition of lifetime ECL, while other receivables are measured using the general approach based on 12-month ECL, unless there has been a significant increase in credit risk.

The Company uses a provision matrix for trade receivables that is based on historical credit loss experience, adjusted for forward-looking information, including current and expected economic conditions. In determining the allowance for ECL, management considers factors such as customer payment behavior, aging profile, and external economic indicators.

Provision for (reversal of) allowance for ECL is disclosed in Note 6 to the financial statements.

Based on management assessment, the allowance for ECL of trade and other receivables (excluding advances to officers and employees) as at December 31, 2025 and 2024 is adequate to cover for possible losses.

The carrying amount of trade and other receivables (excluding advances to officers and employees) and allowance for ECL are disclosed in Note 6 to the financial statements.

Assessing the Impairment Losses on Other Financial Assets at Amortized Cost. The Company applies judgment in assessing ECL on other financial assets at amortized cost. These assets are generally measured using the general approach based on 12-month ECL, unless there has been a significant increase in credit risk.

In estimating ECL, the Company uses historical credit loss experience, adjusted for forward-looking information, including current and expected economic conditions. While the Company has no history of significant credit losses on these financial assets, management considers this together with other relevant factors in assessing the expected credit losses.

No provision for impairment losses on other financial assets at amortized cost were recognized in 2025, 2024 and 2023.

The carrying amounts of other financial assets are disclosed in Notes 4, 5, 8, 11 and 18 to the financial statements.

Determining the NRV of Merchandise Inventories. The Company recognizes inventory write down and losses whenever NRV becomes lower than cost due to damage, physical deterioration, obsolescence, changes in price levels or other causes.

Estimates of NRV are based on the most reliable evidence available at the time the estimates are made of the amount the inventories that are expected to be realized. These estimates take into consideration fluctuations of price or cost directly relating to events occurring after the reporting date to the extent that such events confirm conditions existing at the reporting date. The adequacy of allowance for inventory write-down and losses is reviewed periodically to reflect the accurate valuation in the financial statements.

The carrying amount of merchandise inventories and provision for (reversal of) inventory write-down and losses are disclosed in Note 7 to the financial statements.

The details of the allowance for inventory write-down and losses are disclosed in Note 7 to the financial statements.

Estimating the Useful Lives of Property and Equipment and Computer Software. The Company estimates the useful lives of property and equipment and computer software based on the years over which the assets are expected to be available for use. The estimated useful lives of property and equipment and computer software are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. As at December 31, 2025 and 2024, there is no change in the estimated useful lives of property and equipment and computer software.

The carrying amounts of depreciable property and equipment and computer software are disclosed in Notes 9 and 11 to the financial statements.

Assessing the Impairment of Nonfinancial Assets. The Company assesses any impairment on its nonfinancial assets whenever events or changes in circumstances indicate that the carrying amount of assets or group of assets may not be recoverable. Factors that the Company considered in deciding when to perform impairment review includes the following among others:

- significant under-performance of a business in relation to expectations;
- significant negative industry or economic trends; and
- significant changes or planned changes in the use of the assets.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash generating unit to which the assets belong.

There were no indications that the carrying amount of nonfinancial assets may be impaired. Accordingly, no impairment loss was recognized in 2025, 2024 and 2023.

The carrying amount of nonfinancial assets assessed for possible impairment are disclosed in Notes 6, 8, 9, 10 and 11 to the financial statements.

Determining the Retirement Liability. The determination of the obligation and cost of retirement benefits is dependent on the assumptions determined by management and used by the actuary in calculating such amounts. These assumptions are described in Note 13 to the financial statements and include, among others, discount rate and salary increase rate. Actual results that differ from the Company's assumptions are accumulated and recognized in other comprehensive income, therefore, generally affect the recognized expense and recorded obligation in such future periods.

The details of the Company's retirement expense and net retirement liability are disclosed in Note 13 to the financial statements.

Assessing the Realizability of Deferred Tax Assets. The Company reviews the carrying amount of deferred tax assets at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilized.

The Company's recognized deferred tax assets is disclosed in Note 17 to the financial statements.

4. Cash and Cash Equivalents

Details of this account are as follows:

	2025	2024
Cash on hand	**₱12,800,858**	₱15,983,707
Cash in banks	**1,157,907,669**	914,494,795
Cash equivalents	**–**	150,000,000
	₱1,170,708,527	₱1,080,478,502

Cash in banks earn interest at prevailing bank deposit rates. Cash equivalents represent money market placements with interest rate of 4% as of December 31, 2024, and no cash equivalents were held as of December 31, 2025.

Details of interest income are as follows (see Note 16):

	Note	2025	2024	2023
Cash in banks and cash equivalents		**₱5,865,072**	₱21,367,027	₱2,724,528
Short-term investments	5	**26,089,972**	14,815,444	11,659,387
		₱31,955,044	₱36,182,471	₱14,383,915

5. Short-term Investments

Short-term investments amounting to ₱1,400.0 million and ₱1,100.0 million as at December 31, 2025 and 2024, respectively, represent money market placements with terms of more than three (3) months to less than one (1) year, which bears interest at 5.4% to 5.5% and 6.0% in 2025 and 2024, respectively.

Interest income from these investments amounted to ₱26.1 million, ₱14.8 million and ₱11.7 million in 2025, 2024 and 2023, respectively (see Note 4).

6. Trade and Other Receivables and Advance Payments to Suppliers

Details of this trade and other receivables are as follows:

	Note	2025	2024
Trade:			
Third parties		**₱319,583,751**	₱408,899,943
Related parties	18	**1,331,202**	2,965,102
Insurance claim receivable		**24,959,458**	118,809,899
Advances to officers and employees		**22,387,745**	30,965,188
Rent receivables	10	**19,110,219**	15,901,886
Others		**14,329,647**	18,915,237
		401,702,022	596,457,255
Allowance for ECL		**(66,243,165)**	(68,811,804)
		₱335,458,857	₱527,645,451

Trade receivables are unsecured, noninterest-bearing and have credit terms of 30 to 60 days.

The Company incurred inventory-related losses totaling ₱52.5 million resulting from multiple natural calamities in 2025: October 10, 2025 earthquake in Butuan, Agusan del Norte and Tagum Davao del Norte and November 3, 2025 typhoon in Mandaue, Cebu. A partial insurance settlement of ₱25.0 million has been offered, pending final adjustment, with the full disbursement anticipated in Q2 2026 (see Note 16).

On April 24, 2024, the Company's Baliwag, Bulacan branch sustained significant damage due to a fire incident. The Company recognized total losses of ₱173.3 million, mainly relating to merchandise inventory, materials and supplies, and property and equipment. On December 27, 2024, the Company received an insurance settlement offer amounting to ₱118.8 million, which was collected in full during the first quarter of 2025. Accordingly, the Company recognized a net casualty loss of ₱54.5 million from the incident.

Advances to officers and employees are noninterest-bearing advances and are normally settled through salary deduction. This account also includes cash advances to employees and officers for store operations which are for liquidation.

Rent receivables, which are collectible within one (1) year, include receivables from the lease of gondola lightings, facade billboards, window displays and street banners. Rent receivable from related parties amounted to ₱0.9 million and ₱0.3 million in 2025 and 2024, respectively (see Note 18).

Others mainly pertain to accrued interest, income from incidental services rendered, including income from related parties amounting to ₱0.6 million and ₱0.3 million in 2025 and 2024, respectively (see Note 18).

Movements of allowance for ECL on receivables are as follows:

	2025	2024	2023
Balance at beginning of year	**₱68,811,804**	₱58,700,522	₱64,056,966
Provision	**74,831,581**	63,399,925	16,442,898
Reversal	**(77,400,220)**	(53,288,643)	(21,799,342)
Balance at end of year	**₱66,243,165**	₱68,811,804	₱58,700,522

Based on management assessment, the allowance for ECL on receivables as at December 31, 2025 and 2024 is adequate to cover for possible losses.

Advance Payments to Suppliers
Advance payments to suppliers which pertain to advance payments on purchases of merchandise inventories and other goods and services amounted to ₱162.2 million and ₱319.3 million as at December 31, 2025 and 2024. Corresponding goods will be substantially delivered on the first quarter of the subsequent year.

7. Merchandise Inventories

Merchandise inventories are stated at cost and NRV. Details are as follows:

	2025	2024
At cost	**₱14,895,843,021**	₱14,199,980,103
At NRV	**44,086,638**	48,793,801
	₱14,939,929,659	₱14,248,773,904

Merchandise inventories pertain to goods being traded under the normal course of business, which include construction supplies, bathroom and kitchen supplies and equipment and furniture among others, sold on wholesale and retail basis.

The cost of merchandise inventories stated at NRV amounted to ₱3,965.4 million and ₱234.8 million as at December 31, 2025 and 2024, respectively.

Movements of allowance for inventory write-down and losses are as follows:

	2025	2024	2023
Beginning of year	**₱186,007,179**	₱195,804,776	₱262,179,853
Provision	**62,478,332**	–	–
Reversal	**–**	(9,797,597)	(66,375,077)
Balance at end of year	**₱248,485,511**	₱186,007,179	₱195,804,776

Based on management assessment, the allowance for inventory write-down and losses is adequate to cover for possible losses.

Inventories charged to cost of sales amounted to ₱21,767.8 million, ₱20,823.0 million and ₱20,910.0 million in 2025, 2024 and 2023, respectively, including any reversal of allowance and provision for inventory write-down and losses.

In 2025, the Company directly written-off ₱7.5 million and recognized an allowance for inventory write-down amounting to ₱45.0 million, resulting in total inventory losses of ₱52.5 million arising from extensive damage caused by multiple natural calamities (see Note 6).

In 2024, the Company has directly written-off ₱152.8 million worth of merchandise inventories as a result of the extensive damage caused by the fire incident on April 24, 2024 (see Note 6).

8. Other Current Assets

Details of this account are as follows:

	2025	2024
Materials and supplies	**₱557,184,347**	₱556,278,233
Prepaid expenses	**228,265,643**	203,536,249
Container deposits	**8,126,681**	8,102,181
Current deferred input VAT	**1,982,329**	5,645,265
Input VAT	**–**	61,662,060
	₱795,559,000	₱835,223,988

Materials and supplies pertain to consumable construction materials, office supplies and uniforms.

Prepaid expenses pertain to payment of insurance, advertising, membership dues, rent and taxes by the Company which are being amortized over a year. This includes advance rent for short-term leases with related parties amounting to ₱1.5 million and ₱1.4 million as at December 31, 2025 and 2024 (see Note 18).

Container deposits pertain to monetary deposits for containers used for imported goods. Container deposits will be refunded upon return of the empty containers to the shipping companies.

Deferred input VAT pertains to the unamortized portion of input VAT on property and equipment, and unapplied input tax from 10% retention in construction projects.

9. Property and Equipment

Details and movements of this account are as follows:

	2025					
	Buildings and Improvements	Furniture and Equipment	Leasehold Improvements	Transportation Equipment	Construction in Progress	Total
Cost						
Balances at beginning of year	₱12,070,575,944	₱3,423,777,327	₱1,636,138,027	₱50,997,186	₱639,818,399	₱17,821,306,883
Additions	–	427,669,069	–	5,798,420	1,810,137,647	2,243,605,136
Reclassifications	1,392,728,255	–	246,605,506	–	(1,639,333,761)	–
Disposal	–	–	–	(527,281)	–	(527,281)
Balances at end of year	13,463,304,199	3,851,446,396	1,882,743,533	56,268,325	810,622,285	20,064,384,738
Accumulated Depreciation and Amortization						
Balances at beginning of year	2,583,586,481	2,014,349,559	1,240,281,497	36,916,469	–	5,875,134,006
Depreciation and amortization	856,888,484	464,264,541	183,070,849	4,723,379	–	1,508,947,253
Disposal	–	–	–	(527,281)	–	(527,281)
Balances at end of year	3,440,474,965	2,478,614,100	1,423,352,346	41,112,567	–	7,383,553,978
Carrying Amounts	₱10,022,829,234	₱1,372,832,296	₱459,391,187	₱15,155,758	₱810,622,285	₱12,680,830,760

	2024					
	Buildings and Improvements	Furniture and Equipment	Leasehold Improvements	Transportation Equipment	Construction in Progress	Total
Cost						
Balances at beginning of year	₱9,605,872,697	₱2,835,676,394	₱1,598,298,385	₱51,919,085	₱1,100,591,044	₱15,192,357,605
Additions	–	617,593,462	–	4,219,079	2,135,525,533	2,757,338,074
Reclassifications	2,464,703,247	–	131,594,931	–	(2,596,298,178)	–
Disposal/write-off	–	(29,492,529)	(93,755,289)	(5,140,978)	–	(128,388,796)
Balances at end of year	12,070,575,944	3,423,777,327	1,636,138,027	50,997,186	639,818,399	17,821,306,883
Accumulated Depreciation and Amortization						
Balances at beginning of year	1,900,701,220	1,612,531,793	1,157,176,308	37,715,455	–	4,708,124,776
Depreciation and amortization	682,885,261	421,628,492	165,979,689	4,341,992	–	1,274,835,434
Disposal/write-off	–	(19,810,726)	(82,874,500)	(5,140,978)	–	(107,826,204)
Balances at end of year	2,583,586,481	2,014,349,559	1,240,281,497	36,916,469	–	5,875,134,006
Carrying Amounts	₱9,486,989,463	₱1,409,427,768	₱395,856,530	₱14,080,717	₱639,818,399	₱11,946,172,877

Construction in progress pertains to costs incurred for constructing new stores in various strategic locations within the Philippines and are expected to be completed in 2026.

As at December 31, 2025 and 2024, the amount of contractual commitment related to the construction in progress amounted to ₱115.3 million and ₱395.7 million, respectively.

Depreciation and amortization are summarized below (see Note 15):

	Note	**2025**	2024	2023
ROU assets	10	**₱1,679,720,297**	₱1,578,154,847	₱1,472,619,736
Property and equipment		**1,508,947,253**	1,274,835,434	1,245,188,193
Computer software	11	**44,103,573**	40,709,364	37,689,828
		₱3,232,771,123	₱2,893,699,645	₱2,755,497,757

The acquisition costs of fully depreciated and amortized assets still in use amounted to ₱2,560.2 million, ₱2,159.6 million and ₱1,488.5 million in 2025, 2024 and 2023, respectively.

The Company disposed transportation equipment resulting to a gain amounting to ₱0.3 million, ₱1.4 million and ₱0.8 million in 2025, 2024 and 2023, respectively (see Note 16.)

In 2024, the Company has written-off property and equipment with a carrying amount of ₱20.6 million as a result of the extensive damage caused by the fire incident on April 24, 2024 (see Note 6).

10. Lease Commitments

The Company as a Lessee

The Company has various lease agreements with related parties and third parties for the use of land, buildings, and retail and office units for a period of one (1) to 25 years. The leases are renewable upon mutual agreement by both parties to be covered by a separate and new lease agreement upon renewal. The annual rent of most contracts of lease is subject to escalation of 5.0%.

Security deposits amounted to ₱206.9 million and ₱198.2 million as at December 31, 2025 and 2024, respectively (see Note 11).

Amounts recognized in profit and loss:

	Note	**2025**	2024	2023
Amortization on ROU assets	9	**₱1,679,720,297**	₱1,578,154,847	₱1,472,619,736
Interest on lease liabilities		**714,573,416**	666,958,822	640,615,340
Rent expense	15	**83,774,428**	108,861,045	172,370,620
		₱2,478,068,141	₱2,353,974,714	₱2,285,605,696

Rent expense in 2025, 2024 and 2023 pertains to lease payments related to short-term leases.

Movements in the ROU assets are presented below:

		2025				
	Note	Land	Land and Buildings	Buildings	Retail and Office Units	Total
Cost						
Balances at beginning of year		**₱9,164,479,749**	**₱2,951,558,354**	**₱426,566,687**	**₱152,646,392**	**₱12,695,251,182**
Additions		**716,086,142**	**658,589,996**	**275,925,273**	**–**	**1,650,601,411**
Derecognition		**(26,591,488)**	**–**	**(145,485,960)**	**–**	**(172,077,448)**
Balances as at end of year		**9,853,974,403**	**3,610,148,350**	**557,006,000**	**152,646,392**	**14,173,775,145**
Accumulated Amortization						
Balances at beginning of year		**2,456,737,779**	**1,933,690,163**	**338,258,111**	**103,024,103**	**4,831,710,156**
Amortization	9	**671,420,153**	**842,520,615**	**136,006,156**	**29,773,373**	**1,679,720,297**
Derecognition		**(26,591,488)**	**–**	**(145,485,960)**	**–**	**(172,077,448)**
Balances as at end of year		**3,101,566,444**	**2,776,210,778**	**328,778,307**	**132,797,476**	**6,339,353,005**
Carrying Amounts		**₱6,752,407,959**	**₱833,937,572**	**₱228,227,693**	**₱19,848,916**	**₱7,834,422,140**

		2024				
	Note	Land	Land and Buildings	Buildings	Retail and Office Units	Total
Cost						
Balances at beginning of year		₱8,358,523,609	₱5,046,934,778	₱625,000,564	₱281,342,625	₱14,311,801,576
Additions		868,241,702	63,029,330	31,937,264	–	963,208,296
Derecognition		(62,285,562)	(2,158,405,754)	(230,371,141)	(128,696,233)	(2,579,758,690)
Balances as at end of year		9,164,479,749	2,951,558,354	426,566,687	152,646,392	12,695,251,182
Accumulated Amortization						
Balances at beginning of year		1,940,955,230	3,260,889,070	451,344,627	180,125,072	5,833,313,999
Amortization	9	578,068,111	831,206,847	117,284,625	51,595,264	1,578,154,847
Derecognition		(62,285,562)	(2,158,405,754)	(230,371,141)	(128,696,233)	(2,579,758,690)
Balances as at end of the year		2,456,737,779	1,933,690,163	338,258,111	103,024,103	4,831,710,156
Carrying Amounts		₱6,707,741,970	₱1,017,868,191	₱88,308,576	₱49,622,289	₱7,863,541,026

The noncash transactions related to ROU assets amounted to ₱1,650.6 million, ₱963.2 million and ₱2,046.4 million in 2025, 2024 and 2023, respectively.

Movements in the lease liabilities are presented below:

	2025	2024
Balance at beginning of year	**₱9,564,421,527**	₱9,886,218,745
Additions	**1,618,717,678**	952,326,517
Interest expense	**714,573,416**	666,958,822
Payments	**(2,097,414,029)**	(1,941,082,557)
Balance at end of year	**9,800,298,592**	9,564,421,527
Current portion	**818,691,182**	934,165,779
Noncurrent portion	**₱8,981,607,410**	₱8,630,255,748

As at December 31, 2025 and 2024, the future minimum lease payments are as follows:

	2025	2024
Less than one (1) year	**₱1,385,944,794**	₱1,452,180,659
Between one (1) and five (5) years	**4,903,906,316**	4,573,295,606
More than five (5) years	**8,323,478,897**	8,304,012,548
	₱14,613,330,007	₱14,329,488,813

Advance rentals paid for new leases amounted to ₱31.9 million in 2025 and advance rentals applied amounted to ₱3.2 million in 2024.

The Company as a Lessor
The Company has existing lease agreements on facade billboards, cashier counter spaces, window displays, street banners and gondola lightings with lease terms of less than a year. The leases are renewable upon mutual agreement by the parties.

Rent income amounted to ₱84.3 million, ₱78.1 million and ₱74.9 million in 2025, 2024 and 2023, respectively (see Note 16). Rent receivables amounted to ₱19.1 million and ₱15.9 million as at December 31, 2025 and 2024, respectively (see Note 6).

Cash Flows from Financing Activities
The reconciliation of movements of liabilities arising from financing activities is presented below:

	2024	Noncash	Cash Payments	2025
Lease liabilities	**₱9,564,421,527**	**₱2,333,291,094**	**(₱2,097,414,029)**	**₱9,800,298,592**
Advance rental for new leases	**–**	**31,883,733**	**(31,883,733)**	**–**
Cash dividends	**–**	**1,475,900,682**	**(1,475,900,682)**	**–**
	₱9,564,421,527	**₱3,841,075,509**	**(₱3,605,198,444)**	**₱9,800,298,592**

	2023	Noncash	Cash Receipts (Payments)	2024
Lease liabilities	₱9,886,218,745	₱1,619,285,339	(₱1,941,082,557)	₱9,564,421,527
Advance rental for new leases	–	(3,209,451)	3,209,451	–
Cash dividends	–	1,065,928,270	(1,065,928,270)	–
	₱9,886,218,745	₱2,682,004,158	(₱3,003,801,376)	₱9,564,421,527

11. Other Noncurrent Assets

Details of this account are as follows:

	Note	2025	2024
Security deposits	10	**₱206,888,063**	₱198,192,368
Computer software		**147,575,431**	165,089,844
Electricity deposits		**88,921,346**	81,827,813
Advances to contractors		**37,067,083**	40,908,668
Noncurrent deferred input VAT		**8,497,629**	14,356,475
Prepaid expenses - noncurrent portion		**2,007,680**	521,909
		₱490,957,232	₱500,897,077

Security deposits include deposits to related parties amounting to ₱150.9 million and ₱143.8 million in 2025 and 2024, respectively (see Note 18).

Movements of computer software are as follows:

	Note	2025	2024
Cost			
Balance at beginning of year		**₱307,600,466**	₱278,140,221
Additions		**26,589,160**	29,460,245
Derecognition		**(16,105)**	–
Balance at end of year		**334,173,521**	307,600,466
Accumulated Amortization			
Balance at beginning of year		**142,510,622**	101,801,258
Amortization	9	**44,103,573**	40,709,364
Derecognition		**(16,105)**	–
Balance at end of year		**186,598,090**	142,510,622
Carrying Amount		**₱147,575,431**	₱165,089,844

Electricity deposits pertain to noninterest-bearing refundable deposits to various electric companies. These are to be refunded upon termination of the contract.

Advances to contractors pertain to payments for purchase of materials and services for the constructions of assets to be classified as property and equipment. The advances will be applied against the future billings of the contractors.

The Company has refundable cash bonds amounting to ₱83.4 million. These pertain to payments made to the Bureau of Customs (BOC) for the release of imported goods purchased by the Parent Company with no established and published values covering importations as required in Republic Act No. 8181, Transaction Value Act. The amount of cash bonds to be paid by the Parent Company is determined by the BOC. The amount is refundable once the correct dutiable value or values for the importation have been established. As at December 31, 2025 and 2024, the refund of cash bonds is still pending with the BOC. The balance has been fully provided with allowance since 2016.

12. Trade and Other Payables

Details of this account are as follows:

	Note	2025	2024
Trade:			
Third parties		**₱4,094,750,586**	₱3,824,297,321
Related parties	18	**126,078**	201,775
Nontrade:			
Third parties		**515,519,803**	619,548,716
Related parties	18	**116,456**	2,294,337
Advances from customers		**423,735,734**	420,251,149
Accrued expenses:			
Salaries and wages		**127,023,459**	138,575,771
Construction costs		**123,694,179**	24,175,490
Utilities		**97,394,164**	85,956,334
Others		**17,529,506**	49,249,433
Statutory payables		**101,390,621**	97,313,723
Others		**89,276,274**	71,601,140
		₱5,590,556,860	₱5,333,465,189

Trade payables and accrued expenses are generally settled in varying periods depending on arrangement with suppliers, normally within 30 to 90 days.

Nontrade payables pertain to unpaid advertising and promotions, rent, utilities, construction and transportation and travel, which are payable in the succeeding month.

Advances from customers pertain to payments and deposits made by the customers, which are to be applied against future purchases. This includes advances from related parties amounting to ₱0.8 million as at December 31, 2025 and 2024 (see Note 18).

Accrued expenses are expected to be settled within the next 12 months. Other accrued expenses pertain to repairs and maintenance, rent, and other expenses.

Statutory payables pertain to withholding taxes and obligatory contributions as mandated by the government. These are paid within 12 months.

Others pertain to deferred credit loyalty points and unredeemed gift certificates.

13. Retirement Plan

The Company is a participant of the Wilcon Depot Multiemployer Retirement Plan together with the Parent Company. The plan is non-contributory and provides a retirement benefit equal to 100% of Plan Salary for every year of credited service.

The plan is exposed to interest rate risks and changes in the life expectancy of qualified employees but is not exposed to significant concentrations of risk on the plan assets.

Actuarial valuations are made periodically to update the retirement benefit liabilities and the amount of contributions. The latest actuarial valuation report was dated as at December 31, 2024.

Details of retirement expense recognized in profit or loss are as follows:

	2025	2024	2023
Current service cost	**₱43,815,039**	₱27,468,978	₱23,680,274
Interest expense	**39,304,941**	31,173,051	27,995,595
Interest income	**(26,545,256)**	(26,931,731)	(21,911,303)
	₱56,574,724	₱31,710,298	₱29,764,566

The cumulative remeasurement gains recognized in other comprehensive income follows:

	2025		
	Cumulative Remeasurement Gains	**Deferred Tax** (see Note 17)	**Net**
Balances at beginning and end of year	**₱61,419,196**	**₱15,354,799**	**₱46,064,397**

	2024		
	Cumulative Remeasurement Gains	Deferred Tax (see Note 17)	Net
Balances at beginning of year	₱236,238,514	₱59,059,629	₱177,178,885
Remeasurement loss	(174,819,318)	(43,704,830)	(131,114,488)
Balances at end of year	₱61,419,196	₱15,354,799	₱46,064,397

	2023		
	Cumulative Remeasurement Gains	Deferred Tax (see Note 17)	Net
Balances at beginning and end of year	₱236,238,514	₱59,059,629	₱177,178,885

The amounts of net retirement liability recognized in the statements of financial position are as follows:

	2025	2024
Present value of defined benefit obligation	**₱720,609,298**	₱644,343,301
Fair value of plan assets	**(513,633,359)**	(435,168,139)
	₱206,975,939	₱209,175,162

The present value of the retirement liability was determined by discounting the estimated future cash outflows using interest rate on government bonds that have terms to maturity approximating the terms of the related retirement liability. The discount rate assumption is based on market yields as of the latest actuarial valuation date.

The changes in the present value of the defined benefit obligation are as follows:

	2025	2024
Balance at beginning of year	**₱644,343,301**	₱421,257,446
Current service cost	**43,815,039**	27,468,978
Interest expense	**39,304,941**	31,173,051
Benefits paid from plan assets	**(6,853,983)**	(11,197,195)
Remeasurement loss:		
Changes in financial assumptions	**–**	153,218,905
Experience	**–**	22,422,116
Balance at end of year	**₱720,609,298**	₱644,343,301

The changes in the fair value of plan assets are presented below:

	2025	2024
Balance at beginning of year	**₱435,168,139**	₱363,942,314
Contributions to retirement plan	**58,773,947**	54,669,586
Interest income	**26,545,256**	26,931,731
Benefits paid from plan assets	**(6,853,983)**	(11,197,195)
Remeasurement gain	**–**	821,703
Balance at end of year	**₱513,633,359**	₱435,168,139

Details of plan assets are as follows:

	2025	2024
Cash and cash equivalents	**1.1%**	0.7%
Time deposits	**5.2%**	6.3%
Debt instruments	**65.2%**	58.5%
Equity instruments	**21.0%**	23.0%
Others	**7.5%**	11.5%
	100.0%	100.0%

The principal actuarial assumptions used to determine the retirement liability are as follows:

	2025	2024
Discount rate	**6.1%**	6.1%
Annual salary increase rate	**5.0%**	5.0%

Sensitivity analysis on retirement liability is as follows:

	Basis Points	Amount
Discount rate	+100	(₱74,914,868)
	-100	90,046,540
Salary rate	+100	85,928,266
	-100	(72,926,241)

As at December 31, 2025 and 2024, the expected future benefits payments are as follows:

One (1) year to five (5) years	₱154,356,755
Six (6) years to 10 years	200,647,049
	₱355,003,804

The weighted average duration of the retirement liability at the end of the reporting period is 15 years.

14. Equity

Details of capital stock as at December 31, 2025 and 2024 are as follows:

	Number of Shares	Amount
Authorized - at ₱1 a share	5,000,000,000	₱5,000,000,000
Issued and outstanding	4,099,724,116	₱4,099,724,116

On March 31, 2017, the 1,393,906,200 common shares of the Company were listed in the PSE at an offer price of ₱5.05 a share. Net proceeds from the IPO amounted to ₱6,749.3 million, net of offer expenses of ₱289.9 million (see Note 1). Net additional paid-in capital amounted to ₱5,373.7 million.

On December 13, 2023, the BOD approved the appropriation of retained earnings as at December 31, 2023 amounting to ₱2,100.0 million for the construction of new stores and warehouses until December 31, 2024.

On December 3, 2024, the BOD approved the reversal of the ₱2,100.0 million appropriations from 2023 and a new appropriation amounting to ₱6,000.0 million from the Company's retained earnings as of December 31, 2024. This will be allotted for the investment in the construction of new stores, equipment, general upkeep and renovation until 2026.

As at December 31, 2025 and 2024, the Company has 4,099,724,116 listed shares.

Cash Dividends

The BOD of the Company approved the declaration and payment of the following cash dividends to stockholders as follows:

Date of Declaration	Date of Record	Date of Payment	Dividend per share	Total Cash Dividends
March 25, 2026	**April 17, 2026**	**May 12, 2026**	**₱0.40**	**₱1,639,889,646**
March 20, 2025	**April 16, 2025**	**May 8, 2025**	**0.36**	**1,475,900,682**
March 20, 2024	April 18, 2024	May 8, 2024	0.26	1,065,928,270
February 23, 2023	March 22, 2023	April 18, 2023	0.37	1,516,897,923

15. Operating Expenses

Details of this account are as follows:

	Note	2025	2024	2023
Depreciation and amortization	9	**₱3,232,771,123**	₱2,893,699,645	₱2,755,497,757
Salaries, wages and employee benefits		**1,774,371,793**	1,688,426,196	1,531,047,694
Outsourced services		**1,510,106,940**	1,401,533,994	1,357,735,672
Trucking services		**944,232,171**	1,070,496,812	921,522,563
Utilities		**919,944,245**	887,617,366	780,352,282
Taxes and licenses		**561,833,776**	602,947,207	417,906,619
Credit card charges		**314,174,057**	283,385,403	274,012,209
Repairs and maintenance		**262,345,747**	197,231,927	202,450,173
Supplies		**160,472,165**	252,725,114	155,829,865
Rent	10	**83,774,428**	108,861,045	172,370,620
Advertising and promotions		**78,369,704**	109,325,086	111,142,725
Sponsorships and events		**52,526,713**	47,186,072	44,087,506
Fuel and oil		**46,506,977**	55,541,969	55,957,391
Communications and postage		**44,602,462**	46,911,361	35,784,846
Transportation and travel		**38,689,904**	45,473,284	37,358,084
Insurance		**34,471,344**	29,808,112	30,871,738
Professional fees		**16,366,377**	14,528,296	17,601,857
Donations and contributions		**7,959,259**	21,428,616	12,733,837
Others		**55,596,667**	40,393,960	25,747,154
		₱10,139,115,852	₱9,797,521,465	₱8,940,010,592

Other expenses include director's fees, net provision for impairment losses on receivables and other operating costs.

16. Other Income - Net

Details of this account are as follows:

	Note	2025	2024	2023
Supplier support and other fees		**₱192,905,552**	₱314,727,815	₱329,165,532
Delivery fees and other customer charges		**140,982,420**	109,254,792	108,199,677
Rent income	10	**84,271,171**	78,054,475	74,949,605
Losses due to calamity	6	**(52,521,945)**	(173,313,151)	–
Interest income	4	**31,955,044**	36,182,471	14,383,915
Insurance claim income	6	**24,959,458**	118,809,899	–
Net realized foreign exchange gain (loss)		**813,374**	(2,184,745)	(1,361,278)
Gain on disposal of property and equipment	9	**343,749**	1,410,714	832,862
		₱423,708,823	₱482,942,270	₱526,170,313

Supplier support and other fees pertains to incentives and other fees received from suppliers.

Delivery fees and other customer charges pertains to fees received from customers for the delivery and other services rendered.

Rent income pertains to lease of gondola lightings, facade billboards, window displays and street banners.

17. Income Taxes

The current income tax expense represents regular corporate income tax (RCIT). The income tax rate used in 2025, 2024, and 2023 is 25%.

The reconciliation between income tax expense at statutory tax rate and as presented in the statements of comprehensive income is as follows:

	2025	2024	2023
Income tax expense at statutory rate	**₱811,637,883**	₱841,871,590	₱1,159,866,550
Income tax effects of:			
Interest income already subjected to final tax	**(7,988,761)**	(9,045,618)	(3,595,978)
Nontaxable income	**(2,849,223)**	–	–
Nondeductible expenses	**–**	6,228,905	–
Income tax at effective rate	**₱800,799,899**	₱839,054,877	₱1,156,270,572

Net deferred tax assets relate to the tax effect of the temporary differences as follows:

	2025	2024
Deferred tax assets:		
Effects of PFRS Accounting Standards 16	**₱533,792,376**	₱473,857,120
Allowance for inventory write-down and losses	**62,121,378**	46,501,794
Retirement liability	**70,586,074**	70,345,455
Allowance for impairment of refundable cash bonds	**20,852,484**	20,852,482
Allowance for ECL on receivables	**16,560,791**	17,202,950
Deferred credit loyalty points	**19,869,762**	15,262,119
Unrealized foreign exchange loss	**–**	130,481
Deferred tax liability -		
Unrealized foreign exchange gain	**(146,129)**	(123,288)
	₱723,636,736	₱644,029,113

Deferred tax assets are recognized as follows:

	Note	**2025**	2024	2023
Through profit or loss		**₱738,991,535**	₱659,383,912	₱642,256,102
Through other comprehensive income	13	**(15,354,799)**	(15,354,799)	(59,059,629)
		₱723,636,736	₱644,029,113	₱583,196,473

18. Related Party Transactions and Balances

The Company has an approval policy on material related party transactions (RPT) wherein all individual material RPT shall be approved by at least two-thirds (2/3) vote of the BOD, with at least majority of the independent directors voting to approve the material RPT.

In case that a majority of the independent director's vote is not secured, the material RPT may be ratified by the vote of the stockholders representing at least two thirds (2/3) of the outstanding capital stock.

The Company, in the normal course of business, has various transactions and balances with its related parties, as described below.

Related Party	Year	Revenue from Related Parties	Purchases of Inventories, Leases and Others from Related Parties	Amounts Owed by Related Parties	Amounts Owed to Related Parties
Parent Company	**2025**	**₱3,960,924**	**₱916,850,652**	**₱218,413,519**	**₱23,458**
	2024	1,552,578	881,879,210	226,946,159	14,683
	2023	2,720,983	894,128,544	255,595,707	199,537,294
Entities under Common Control	**2025**	**7,344,186**	**1,265,096,253**	**250,969,256**	**980,224**
	2024	14,657,971	1,402,307,601	239,480,458	3,185,551
	2023	20,651,290	1,001,166,193	227,469,729	267,195,786
Stockholders and Officers	**2025**	**3,333,024**	**44,668,959**	**10,384,168**	**44,932**
	2024	3,854,551	37,732,348	10,415,641	51,785
	2023	1,585,765	36,447,837	11,341,775	9,233,120
	2025	**₱14,638,134**	**₱2,226,615,864**	**₱479,766,943**	**₱1,048,614**
	2024	20,065,100	2,321,919,159	476,842,258	3,252,019
	2023	24,958,038	1,931,742,574	494,407,211	475,966,200

Amounts owed by the related parties are as follows:

	Note	2025	2024
Trade and other receivables	6	**₱2,793,316**	₱3,558,816
Security deposit	11	**150,875,459**	143,786,309
Advance rent - short term leases	8	**1,473,053**	1,404,985
Advance rent - long term leases		**324,625,115**	328,092,148
		₱479,766,943	₱476,842,258

No impairment loss was recognized on trade and other receivables, security deposits and advance rent in 2025, 2024 and 2023.

Amounts owed to related parties consist of trade and other payables aggregating ₱1.0 million and ₱3.3 million as at December 31, 2025 and 2024, respectively (see Note 12).

The following are the significant related party transactions of the Company:

a. Lease agreements with the Parent Company and related parties for the use of land and buildings for a period of one (1) to 25 years (see Note 10).

   Interest expense on lease liabilities to related parties amounted to ₱649.8 million, ₱630.4 million and ₱510.9 million in 2025, 2024 and 2023, respectively, while amortization of ROU assets amounted to ₱1,384.3 million, ₱1,470.7 million and ₱1,215.5 million in 2025, 2024 and 2023, respectively.

   Total payments on lease liabilities amounted to ₱1,992.9 million, ₱1,793.7 million and ₱1,763.5 million in 2025, 2024 and 2023, respectively.

   Rent expense from related parties amounted to ₱115.5 million, ₱76.3 million and ₱140.6 million in 2025, 2024 and 2023, respectively.

b. Purchases and sales of goods and services with Parent Company and entities under common control.

   Purchases of goods and services from related parties aggregated ₱0.6 million, ₱0.4 million and ₱42,882 in 2025, 2024 and 2023, respectively.

   Sale of goods to related parties aggregated ₱14.6 million, ₱20.1 million and ₱25.0 million in 2025, 2024 and 2023, respectively.

c. Reimbursement of certain expenses mainly pertain to taxes, power and electricity, water, communications and postage. Reimbursement of certain expenses from related parties amounted to ₱76.4 million, ₱144.0 million and ₱64.7 million in 2025, 2024 and 2023, respectively.

Balances are unsecured and are normally settled in cash. Lease payments are due within the first 10 days of the month. Reimbursement of expenses and purchases and sales of goods and services normally have a repayment term of 30 days.

No guarantees have been provided or received for these balances. Impairment review is undertaken each financial year. No impairment loss on amounts owed by related parties was recognized in 2025, 2024 and 2023.

Compensation of key management personnel by benefit type, are as follows:

	2025	2024	2023
Short-term employee benefits	**₱180,747,262**	₱221,419,968	₱211,446,801
Retirement benefits	**7,531,132**	5,105,414	5,312,480
	₱188,278,394	₱226,525,382	₱216,759,281

19. Earnings per Share

Basic and dilutive earnings per share were computed as follows:

	2025	2024	2023
Net income	**₱2,445,751,634**	₱2,528,431,482	₱3,483,195,599
Divided by the weighted average number of outstanding shares	**4,099,724,116**	4,099,724,116	4,099,724,116
	₱0.60	₱0.62	₱0.85

20. Financial Risk Management Objectives and Policies

The Company's financial instruments consist of cash and cash equivalents, short-term investments, trade and other receivables (excluding advances to officers and employees), security, electricity and container deposits, refundable cash bonds, trade and other payables (excluding statutory payables, advances from customers and other payables) and lease liabilities. The main purpose of these financial instruments is to fund the Company's operations.

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated with the BOD, and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial market.

The main financial risks arising from the financial instruments are credit risk and liquidity risk. The BOD regularly reviews and approves the appropriate policies for managing these financial risks, as summarized below.

Credit Risk. Credit risk is the risk that the Company will incur a loss when counterparties fail to discharge their contractual obligations. Receivables are monitored on an ongoing basis with the result that the Company's exposure to possible losses is not significant.

Maximum credit risk is equal to the gross amount of these instruments as follows:

	2025	2024
Cash in banks and cash equivalents	**₱1,157,907,669**	₱1,064,494,795
Short-term investments	**1,400,000,000**	1,100,000,000
Trade and other receivables*	**379,314,277**	565,492,067
Security deposits	**206,888,063**	198,192,368
Refundable cash bonds	**83,409,934**	83,409,934
Electricity deposits	**88,921,346**	81,827,813
Container deposits	**8,126,681**	8,102,181
	₱3,324,567,970	₱3,101,519,158

**Excluding advances to officers and employees amounting to ₱22.4 million and ₱31.0 million as at December 31, 2025 and 2024, respectively.*

The Company does not have major concentration of credit risk.

The table below summarizes the Company's financial assets based on aging:

	2025					
		Past Due but not Impaired				
	Neither Past Due Nor Impaired	Less than One Year	One Year to Less Than Three Years	Three Years or More	Allowance for ECL	Total
Cash in banks and cash equivalents	₱1,157,907,669	₱–	₱–	₱–	₱–	₱1,157,907,669
Short-term investments	1,400,000,000	–	–	–	–	1,400,000,000
Trade and other receivables*	133,385,849	162,588,560	47,683,535	35,656,333	(66,243,165)	313,071,112
Security deposits	206,888,063	–	–	–	–	206,888,063
Electricity deposits	88,921,346	–	–	–	–	88,921,346
Container deposits	8,126,681	–	–	–	–	8,126,681
Refundable cash bonds	–	–	–	83,409,934	(83,409,934)	–
	₱2,995,229,608	₱162,588,560	₱47,683,535	₱119,066,267	(₱149,653,099)	₱3,174,914,871

Excluding advances to officers and employees amounting to ₱22.4 million.

	2024					
		Past Due but not Impaired				
	Neither Past Due Nor Impaired	Less than One Year	One Year to Less Than Three Years	Three Years or More	Allowance for ECL	Total
Cash in banks and cash equivalents	₱1,064,494,795	₱–	₱–	₱–	₱–	₱1,064,494,795
Short-term investments	1,100,000,000	–	–	–	–	1,100,000,000
Trade and other receivables*	247,161,936	217,254,592	70,196,987	30,878,552	(68,811,804)	496,680,263
Security deposits	198,192,368	–	–	–	–	198,192,368
Electricity deposits	81,827,813	–	–	–	–	81,827,813
Container deposits	8,102,181	–	–	–	–	8,102,181
Refundable cash bonds	–	–	–	83,409,934	(83,409,934)	–
	₱2,699,779,093	₱217,254,592	₱70,196,987	₱114,288,486	(₱152,221,738)	₱2,949,297,420

Excluding advances to officers and employees amounting to ₱31.0 million.

"Past due but not impaired" are accounts with history of frequent defaults, nevertheless, the amounts are still collectible, while "Three years or more" are items that are fully covered by allowance.

Liquidity Risk. Liquidity risk is the risk that the Company will not be able to settle its obligations when they fall due. The Company monitors and maintains a level of cash deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

	2025					
	On Demand	Within Three Months	More than Three Months but Less than One Year	More than One Year but Less than Five Years	Five Years or More	Total
Trade and other payables*	₱–	₱4,489,406,677	₱302,492,591	₱184,254,963	₱–	₱4,976,154,231
Lease liabilities**	–	525,930,383	860,014,411	4,903,906,316	8,323,478,897	14,613,330,007
	₱–	₱5,015,337,060	₱1,162,507,002	₱5,088,161,279	₱8,323,478,897	₱19,589,484,238

Excluding statutory payables, advances from customers and other payables amounting to ₱614.4 million.
**Including future interest payments amounting to ₱4,813.0 million.*

	2024					
	On Demand	Within Three Months	More than Three Months but Less than One Year	More than One Year but Less than Five Years	Five Years or More	Total
Trade and other payables*	₱–	₱4,497,242,962	₱109,062,695	₱137,993,520	₱–	₱4,744,299,177
Lease liabilities**	–	510,874,633	941,306,026	4,573,295,606	8,304,012,548	14,329,488,813
	₱–	₱5,008,117,595	₱1,050,368,721	₱4,711,289,126	₱8,304,012,548	₱19,073,787,990

**Excluding statutory payables, advances from customers and other payables aggregating ₱589.2 million.*
***Including future interest payments amounting to ₱4.765.1 million.*

As at December 31, 2025 and 2024, the Company's cash and cash equivalents and net operating cash flows that will be generated are sufficient to cover payments due on its financial liabilities and the cost of all firm orders due in the next financial year.

Capital Management

The Company monitors its debt-to-equity ratio. The primary objective of the Company's management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The debt-to-equity ratio is as follows:

	2025	2024
Total debt	**₱15,722,963,234**	₱15,225,145,251
Total equity	**24,810,722,550**	23,840,871,598
Debt-to-equity ratio	**0.63:1**	0.64:1

Equity includes capital stock, additional paid-in capital, other comprehensive income and retained earnings.

The Company has no externally imposed capital requirements.

21. Fair Value of Financial Instruments

The table below presents a comparison by category of carrying amounts and fair values of the financial instruments:

	2025		2024	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial Assets				
Cash and cash equivalents	**₱1,170,708,527**	**₱1,170,708,527**	₱1,080,478,502	₱1,080,478,502
Short-term investments	**1,400,000,000**	**1,400,000,000**	1,100,000,000	1,100,000,000
Trade and other receivables*	**313,071,112**	**313,071,112**	496,680,263	496,680,263
Security deposits	**206,888,063**	**153,782,354**	198,192,368	120,962,348
Electricity deposits	**88,921,346**	**88,921,346**	81,827,813	81,827,813
Container deposits	**8,126,681**	**8,126,681**	8,102,181	8,102,181
	₱3,187,715,729	**₱3,134,610,020**	₱2,965,281,127	₱2,888,051,107
Financial Liability				
Trade and other payables**	**₱4,976,154,231**	**₱4,976,154,231**	₱4,744,299,177	₱4,744,299,177

**Excluding advances to officers and employees amounting to ₱22.4 million and ₱31.0 million as at December 31, 2025 and 2024, respectively.*
***Excluding statutory payables, advances from customers and other payables aggregating ₱614.4 million and ₱589.2 million as at December 31, 2025 and, 2024, respectively.*

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

Cash and Cash Equivalents, Short-term Investments, Trade and Other Receivables, Container Deposits, Refundable Cash Bonds, and Trade and Other Payables. The carrying amounts of cash and cash equivalents, short-term investments, trade and other receivables (excluding advances to officers and employees), container deposits, refundable cash bonds, and trade and other payables (excluding statutory payables, advances from customers and other payables) approximate their fair values primarily due to the relatively short-term maturity of these financial instruments.

Security Deposits. Fair values of security deposits are based on the present value of the expected future cash flows discounted using market rates ranging from 6.45% to 7.57%. These are categorized under Level 2 of the fair value measurements hierarchy for financial instruments.

Electricity Deposits. Management estimates that the carrying amount of the electricity deposits approximate their fair values since these are recoverable on demand. These are categorized under Level 2 of the fair value measurements hierarchy for financial instruments.

In 2025 and 2024, there were no transfers among Level 1, Level 2 and Level 3 fair value measurements.

BOA/PRC Accreditation No. 4782
April 14, 2024, valid until June 6, 2026
SEC Accreditation No. 4782-SEC Group A
Issued August 11, 2022
Valid for Financial Periods 2021 to 2025

BDO Towers Valero
8741 Paseo de Roxas
Makati City 1209 Philippines
Phone : +632 8 982 9100
Fax : +632 8 982 9111
Website : www.reyestacandong.com

REPORT OF INDEPENDENT AUDITORS ON SUPPLEMENTARY SCHEDULE

The Stockholders and the Board of Directors
WILCON DEPOT, INC.
No. 90 E. Rodriguez Jr. Avenue
Brgy. Ugong Norte, Quezon City

We have audited in accordance with Philippine Standards in Auditing, the financial statements of WILCON DEPOT, INC. Doing Business under the Name and Style of WILCON DEPOT, WILCON HOME ESSENTIALS, DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT (the Company) (a subsidiary of WILCON CORPORATION Doing Business under the Name and Style of WILCON CITY CENTER) as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023, and have issued our report thereon dated March 25, 2026. Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Supplementary Schedules for submission to the Securities and Exchange Commission (SEC) are the responsibility of the Company's management.

These supplementary schedules include the following:

- Schedule of Retained Earnings Available for Dividend Declaration for the year ended December 31, 2025
- Schedule of Financial Soundness Indicators as at and for the years ended December 31, 2025 and 2024
- Schedules Required under Annex 68-J of the Revised Securities Regulation Code (SRC) Rule 68 as at and for the year ended December 31, 2025
- Corporate Structure as at December 31, 2025

The financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards Accounting Standards and may not be comparable to similarly titled measures presented by other companies. The components of these financial soundness indicators have been traced to the Company's financial statements as at December 31, 2025 and 2024 and for the years ended December 31, 2025, 2024 and 2023 and no material exceptions were noted.

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AUDIT | TAX | CONSULTING

RSM

Reyes Tacandong & Co. is a member of the RSM network. Each member of the RSM network is an independent accounting and consulting firm, and practices in its own right. The RSM network is not itself a separate legal entity of any description in any jurisdiction.

The supplementary schedules are presented for purposes of complying with the Revised SRC Rule 68 issued by the SEC, and are not part of the basic financial statements. The supplementary schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, fairly state, in all material respects, the financial data required to be set forth therein in relation to the basic financial statements taken as a whole.

REYES TACANDONG & CO.

CAROLINA P. ANGELES
Partner
CPA Certificate No. 86981
Tax Identification No. 205-067-976-000
BOA Accreditation No. 4782/P-007; Valid until June 6, 2026
SEC Accreditation No. 86981-SEC Group A
Issued March 24, 2020
Valid for Financial Periods 2023 to 2025
BIR Accreditation No. 08-005144-007-2022
Valid until October 16, 2025
PTR No. 10764005
Issued January 2, 2026, Makati City

March 25, 2026
Makati City, Metro Manila

WILCON DEPOT, INC.
Doing Business under the Name and Style of
WILCON DEPOT, WILCON HOME ESSENTIALS,
DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT
(A Subsidiary of WILCON CORPORATION
Doing Business under the Name and Style of WILCON CITY CENTER)

SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

FOR THE YEAR ENDED DECEMBER 31, 2025

WILCON DEPOT, INC.
No. 90 E. Rodriguez Jr. Avenue Brgy. Ugong Norte, Quezon City

	Amount
Unappropriated retained earnings, beginning of the year	₱7,661,960,746
Less: Category B: Items that are directly debited to unappropriated retained earnings	
Dividend declaration during the reporting period	(1,475,900,682)
Unappropriated retained earnings, as adjusted	6,186,060,064
Add: Net income for the current year	2,445,751,634
Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution	
Net movement of deferred tax assets not considered in the reconciling items under the previous categories	(79,607,623)
Total retained earnings, end of the reporting period available for dividend	**₱8,552,204,075**

WILCON DEPOT, INC.
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Doing Business under the Name and Style of WILCON CITY CENTER)

Supplementary Schedules of External Auditor Fee Related Information

DECEMBER 31, 2025 AND 2024

	2025	2024
Total Audit Fees	**₱2,800,000**	₱2,550,000
Non-audit services fees:		
Other assurance services	**–**	–
Tax services	**–**	–
All other services	**325,000**	325,000
Total Non-audit Fees	**325,000**	325,000
Total Audit and Non-audit Fees	**₱3,125,000**	₱2,875,000

Audit and Non-audit Fees of Other Related Entities

	2025	2024
Audit Fees	**₱–**	₱–
Non-audit services fees:		
Other assurance services	**–**	–
Tax services	**–**	–
All other services	**–**	–
Total Audit and Non-audit Fees of Other Related Entities	**₱–**	₱–

WILCON DEPOT, INC.
Doing Business under the Name and Style of
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Doing Business under the Name and Style of WILCON CITY CENTER)

Schedules Required under Annex 68-J of Revised Securities Regulation Code Rule 68
As at and For the Year Ended December 31, 2025

Table of Contents

Schedule	Description	Page
A	Financial Assets	N/A
B	Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)	1
C	Amounts Receivable from Related Parties which are eliminated during the consolidation of the financial statements	N/A
D	Long-term Debt	N/A
E	Indebtedness to Related Parties (Long-Term Loans from Related Companies)	N/A
F	Guarantees of Securities of Other Issuers	N/A
G	Capital Stock	2

N/A - Not applicable

SCHEDULE B

WILCON DEPOT, INC.
Doing Business under the Name and Style of
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DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT
(A Subsidiary of WILCON CORPORATION
Doing Business under the Name and Style of WILCON CITY CENTER)

AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)

DECEMBER 31, 2025

Amounts in Thousands

Name and Designation of Debtor	Balance at Beginning of Year	Additions	Amounts Collected	Amounts Written Off	Current	Non-current	Balance at End of Year
Officers and employees	₱30,965	₱158,057	(₱166,634)	₱–	₱22,388	₱–	₱22,388

SCHEDULE G

WILCON DEPOT, INC.
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DO IT WILCON and BARGAIN CENTER BY: WILCON DEPOT
(A Subsidiary of WILCON CORPORATION
Doing Business under the Name and Style of WILCON CITY CENTER)

CAPITAL STOCK
DECEMBER 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding as shown under related Statement of Financial Position	Number of Shares Reserved for Options, Warrants, Conversion, and other Rights	Number of Shares held by Related Parties	Number of Shares held by Directors and Officers	Number of Shares held by Others
Common shares - at ₱1 par value	5,000,000,000	4,099,724,116	–	2,723,217,911	22,469,605	1,354,036,600

WILCON DEPOT, INC.
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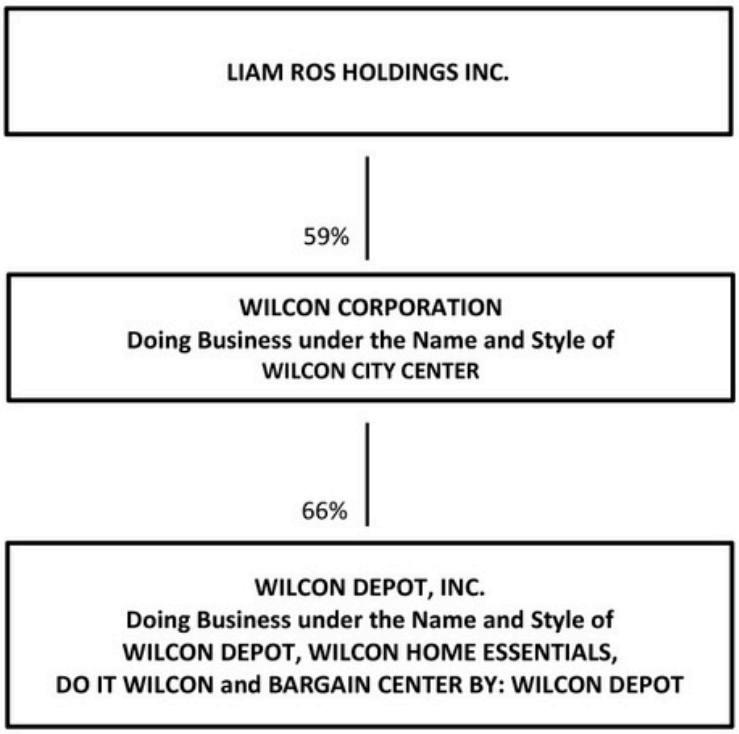
(A Subsidiary of WILCON CORPORATION
Doing Business under the Name and Style of WILCON CITY CENTER)

CORPORATE STRUCTURE
AS AT DECEMBER 31, 2025



WILCON DEPOT, INC.
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Doing Business under the Name and Style of WILCON CITY CENTER)

SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2025 AND 2024

	Formula		2025	2024
Liquidity ratio				
Current ratio	Total Current Assets	₱18,803,838,916	**2.88: 1**	2.84: 1
	Divided by: Total Current Liabilities	6,534,379,885		
	Current ratio	2.88		
Acid test ratio	Total Current Assets	₱18,803,838,916	**0.47 : 1**	0.47 : 1
	Less: Merchandise Inventories	14,939,929,659		
	Other Current Assets	795,559,000		
	Quick Assets	3,068,350,257		
	Divided by: Total Current Liabilities	6,534,379,885		
	Acid test ratio	0.47		
Solvency ratio				
Debt to equity ratio	Total Liabilities	₱15,722,963,234	**0.63 : 1**	0.64 : 1
	Divided by: Total Equity	24,810,722,550		
	Debt to equity ratio	0.63		
Asset to equity ratio	Total Assets	₱40,533,685,784	**1.63 : 1**	1.64 : 1
	Divided by: Total Equity	24,810,722,550		
	Asset to equity ratio	1.63		
Profitability ratio				
Return on assets	Net Income	₱2,445,751,634	**6.03%**	6.47%
	Divided by: Total Assets	40,533,685,784		
	Return on assets	6.03%		
Return on equity	Net Income	₱2,445,751,634	**9.86%**	10.61%
	Divided by: Total Equity	24,810,722,550		
	Return on equity	9.86%		
Book value per share	Total Equity	₱24,810,722,550	**₱6.05**	₱5.82
	Divided by: Number of outstanding Shares	4,099,724,116		
		₱6.05		

	Formula		2025	2024
Gross income	Gross income	₱13,676,531,978	**38.59%**	39.06%
	Divided by: Net Sales	35,444,304,895		
	Gross income	38.59%		
EBITDA margin	Income before Income Tax	₱3,246,551,533	**20.21%**	20.17%
	Add: Depreciation and Amortization	3,232,771,123		
	Net Interest Expense	682,618,372		
	Earnings Before Interest, Tax, Depreciation, and Amortization	7,161,941,028		
	Divided by: Net Sales	35,444,304,895		
	EBITDA margin	20.21%		
Net income margin	Net Income	₱2,445,751,634	**6.90%**	7.40%
	Divided by: Net Sales	35,444,304,895		
	Net income margin	6.90%		

SUSTAINABILITY REPORT

WILCON

BUILDING BIG IDEAS Better

2025 SUSTAINABILITY REPORT

TABLE OF CONTENTS

03 Message from the CEO

04 About Our Company

05 Introduction, Context and Impact

07 Our Priority ESG Topics and Strategic Management Actions

12 Strategic Ambition and Sustainability Framework

16 2025 ESG Highlights

17 Economic

21 Environmental

25 Social

29 Community

33 Governance and Business Ethics

2025 SUSTAINABILITY REPORT

Message from the PRESIDENT

Wilcon is committed to sustainability through a comprehensive approach that integrates environmental responsibility, social care, and strong governance.

The company focuses on three key pillars:

1. Innovate for More Sustainable Products. We drive product innovation, thoughtful design, and responsible life cycle management. This includes proactive supply chain engagement and a strong commitment to product quality and safety.

2. Take Care of Our People & Communities. We prioritize our workforce and surrounding communities by investing in employee training and development, fostering a positive workplace culture, and promoting wellbeing. We uphold labor rights and employee welfare while supporting community development initiatives. Employee health and safety remain a top priority.

3. Reduce Our Footprint. We actively manage environmental impact through energy use and emissions reduction, effective waste management, and responsible water consumption. We also build resilience by focusing on climate change adaptation.

At the foundation of all efforts, Wilcon embeds sustainability across the organization through business ethics and corporate governance.

Through all the challenges in the past few years, we have kept our focus on our mission, which incorporates our ESG aspirations and goals. Confident in the strength of our resolve, the flexibility and agility built into our entrepreneurial roots and nurturing company culture, we did not waver in living our age-old philosophy of "Building big ideas" and since we've adopted our sustainability framework and strategy, "Building big ideas BETTER".

About our COMPANY

Wilcon Depot Inc., is the Philippines' leading home improvement and construction supplies retailer, carries the most extensive product selection of trusted local and international brands with high-grade features and superior quality ranging from Tiles, Sanitary Wares, Plumbing, Furniture, Home Interior, Building Materials, Hardware, Electrical, Appliances and other DIY items.

Started in 1977 as a 60-square meter hardware store, Wilcon is now boasting a 104-strong store network nationwide with an average size of 9,000 square meters per store. Wilcon commits itself to build, improve, and refine Filipinos homes for sustainable and comfortable life.

In 1977, Wilcon started as a 60-square meter shop along Quezon Avenue. It carried an extensive array of the latest building and finishing materials from international and local markets. A few years after its successful yet humble inception, more and more branches were established across the Metro and in various provinces in the country.

In 2009, Wilcon established Wilcon Home Essentials, a mall-based format retail store, which caters the needs of DIYers. It offers the customers with home must-haves in an organized, clutter-free manner store.

In 2023, the Company amended its name to include Do It Wilcon, mainly to expand market share by targeting customers who require easy access to a basic range of tools and materials for simple housing repairs and maintenance.

The Company plans to put up Do It Wilcon in community centers or malls and will eventually change all Home Essentials stores to Do It Wilcon stores. It also introduced Bargain Centers as additional distribution channel for pruned items.

As of December 31, 2025, Wilcon has 18 branches spread all over the Metro, 86 stores in the provinces, and 10 of which are Do It Wilcon – with a total of 104 operating stores nationwide, and is now known as the country's leader in home improvement and construction retail store.

It has been the company's goal to offer consumers not only with top-grade quality products, but also, with utmost customer satisfaction. Wilcon revolutionized the construction-supply industry as it committed itself to providing convenient shopping and excellent services such as air-conditioned shops, ample parking spaces, coffee shops (for depot outlets), delivery services, interior design consultation, recreation corner for children, tile-cutting services, product installations, and repairs.
These helped Wilcon in having a strong reputation and industry leadership that made the company a household name for construction-supply industry for 49 years.

Company INFORMATION

NAME OF ORGANIZATION	Wilcon Depot (PSE: WLCON)
LOCATION OF HEADQUARTERS	No. 90 E. Rodriguez Jr. Avenue, Ugong Norte, Quezon City
LOCATION OF OPERATIONS	Location of Operations See list of locations in Appendix A
REPORT BOUNDARY: LEGAL ENTITIES INCLUDED IN THIS REPORT	Wilcon Depot, Inc.
BUSINESS MODEL SOURCE: HTTPS://EDGE.PSE.COM.PH/COMPANYINFORMATION/FORM.DO?CMPY_ID=665	2 retail formats – the depot store format and the DIW store format, which are known under the trade names "Wilcon Depot" and "Do-It-Wilcon" respectively.
REPORTING PERIOD	31 December 2025
HIGHEST RANKING PERSON FOR THIS REPORT	Lorraine Belo-Cincochan, President - CEO

Introduction

Sustainability remains at the core of Wilcon's business. With 49 years in the industry—starting from a modest 60-square-meter shop—we have grown into one of the Philippines's leading retailers of home improvement and construction supplies. This success stems from our deep understanding that every Filipino family aspires to a sustainable, comfortable life, and it is our mission to help make that dream a reality.

As lives evolve and aspirations expand, we remain dedicated to delivering top-tier expertise, knowledge, resources, and skills to build stronger, safer, and more sustainable homes and buildings. Through our durable, high-quality products and solutions, we support improving lifestyles while ensuring long-term value.

We recognize that continued expansion brings responsibility. As Wilcon grows, we prioritize responsible resource management and equitable sharing of that progress with all stakeholders—both internal and external—fostering partnerships that generate meaningful value for everyone involved. Over nearly five decades, this approach has not only driven our business forward but also nurtured the professional growth and success of our employees.

In 2022, we advanced our commitment by launching a carefully developed 5-year Sustainability Strategy, charting our action plans and ambitions through 2028 (and beyond, as we look toward the current horizon in 2026).

This strategy was intentionally aligned with the United Nations Sustainable Development Goals (SDGs), a global framework aimed at addressing pressing challenges like poverty, inequality, and climate change by 2030. Through thorough internal assessments of our operations and activities, we have identified opportunities to create positive impact in key areas, including responsible consumption and production, decent work and economic growth, climate action, sustainable use of natural resources, and gender equality.

We are confident that our strategy aligns closely with these global priorities, and we will continue to innovate across our operations to actively contribute to solving these critical issues.

Shaping a Sustainable Future:
OUR CONTEXT AND IMPACTS

13 CLIMATE ACTION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

8 DECENT WORK AND ECONOMIC GROWTH

15 LIFE ON LAND

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

The Securities and Exchange Commission's sustainability reporting mandate for publicly listed companies presented Wilcon with a valuable opportunity to reflect on our long-standing commitment to responsible practices and to refine our approach for greater impact. In 2019, we launched an intensive two-month materiality assessment that continues to guide us today.

This process enables us to strategically channel our efforts and resources toward a sustainability agenda that drives business growth, effectively manages our impacts and risks, and advances broader sustainable development goals.

As an industry leader in retail and real estate, we sought a deeper, more holistic understanding of the evolving sustainability pressures, opportunities, and drivers shaping our sector. To achieve this, we implemented a comprehensive four-step materiality process, which included:

- A thorough desktop review of global trends, key drivers, and emerging risks drawn from leading international development organizations, multilateral agencies, global sustainability surveys, and ratings bodies—alongside sector-specific issues. This incorporated benchmarking against three recognized sustainability frontrunners in retail and real estate; and

- Nine targeted sets of stakeholder engagement sessions, encompassing both internal voices (permanent employees across various departments and senior leadership/C-suite executives) and external partners (suppliers of diverse sizes and operational models). These conversations surfaced their priority concerns, perceived impacts, and expectations from Wilcon.

Shaping a Sustainable Future:
OUR CONTEXT AND IMPACTS

This foundation keeps our sustainability efforts aligned, relevant, and forward-looking as we continue shaping a more sustainable future.

Late in 2021, as the COVID-19 pandemic continued to reshape operations and priorities across industries, our leadership recognized the importance of evaluating Wilcon's ESG performance and progress amid these unprecedented challenges. This prompted a targeted reassessment, prioritization, and refresh of our material ESG topics, completed by the first quarter of 2022.

To build on and expand the foundational 2019 materiality assessment, we conducted up to fifteen in-depth interviews with a mix of internal and external stakeholders. These engagements helped incorporate evolving business objectives, reflect current realities, and ensure strong alignment with our forward-looking plans and ambitions.

We understand that sustainability is dynamic: as we meet near-term milestones, our longer-term aspirations may shift in response to new insights, market changes, and stakeholder expectations. Accordingly, we maintain an agile approach, regularly refining our strategies and action plans. This adaptive framework equips Wilcon with a clear, evolving roadmap—one that empowers us to deliver sustained success, advance our commitment to Building Big Ideas Better, and contribute meaningfully to a more sustainable world.

Our Priority ESG Topics and Strategic Management Actions

Our Priority ESG Topics and Strategic Management Actions

Our 2019 materiality assessment identified the key sustainability topics most relevant to our business and where we generate the greatest positive impact. These priority areas offer clear pathways to create enhanced, enduring value for Wilcon and our stakeholders. At the same time, we recognize that failing to actively monitor and manage performance in these areas could expose the company to meaningful risks.

The materiality process therefore served as a critical foundation for pinpointing targeted management actions. These steps enable us to proactively mitigate risks while capitalizing on the opportunities embedded in our material topics. Key actions include:

- Continuously monitoring and analyzing market trends, macroeconomic indicators, and emerging developments related to our material topics, allowing us to anticipate shifts effectively, respond with agility, and maintain a diverse, customer-centric range of offerings;
- Equipping company leaders and managers with greater exposure to external ESG dynamics and providing targeted training so they can integrate relevant insights into strategic planning and daily decision-making;
- Offering robust support to our human resources function to attract, develop, and retain top-tier talent over the long term;
- Cultivating deeper, more resilient partnerships with a reliable core group of suppliers capable of consistently delivering innovative, compliant, high-quality products at competitive costs; and
- Incorporating adequate lead times into our construction and development projects to ensure quality, safety, and sustainability standards are met without compromise.

By embedding these actions into our operations, we strengthen our ability to navigate challenges, seize opportunities, and advance meaningful progress toward a sustainable future.

We are committed to deepening our understanding of sustainability impacts and continuously strengthening our responses as we integrate ESG considerations more fully into our long-term strategy and day-to-day operations. To advance this journey with greater clarity and accountability, we commit to the following key next steps:

- Expand stakeholder engagement to include additional groups—leveraging existing channels such as our customer management system as well as targeted, dedicated outreach—to achieve a true 360-degree perspective on our impacts, risks, and opportunities ahead of future reporting cycles;
- Institute a structured, periodic materiality review every two to three years, placed under the direct oversight of senior leadership to ensure ongoing relevance and strategic alignment;
- Build internal capability and embed the insights gained from materiality assessments across relevant business functions, while establishing robust mechanisms to track and measure performance on our priority material topics over time.

Our Priority ESG Topics and Strategic Management Actions

Additionally, the 2022 ESG materiality reassessment identified three important new focus areas under our People pillar: labor rights, gender equality, and community development. These additions reflect evolving expectations and reinforce our dedication to creating positive social value alongside environmental and governance progress.

Through these deliberate actions, we aim to maintain a dynamic, stakeholder-informed approach that keeps sustainability at the heart of how we operate and grow.

Our Priority ESG Topics and Strategic Management Actions

	Wilcon must ensure the quality, safety, and sustainability of the products and solutions it offers to its customers. Addressing sustainability risks in products requires working with its suppliers in promoting a transparent, fair, and responsible supply chain.	• Non-availability of products that meet evolving customer preferences and Wilcon's quality standards • Inaccurate forecasting of trends in customer behavior and preference and to respond to them in a timely manner. • Unmanaged or unchecked increases in price of more sustainable products and make them unaffordable.	• Sustainability as a growing customer preference • Offer products that are suitable and relevant to the market's taste • Collaborations on innovations with suppliers to cast a wider sphere of positive impact.
	Wilcon must be able to manage the waste it generates as it grows, specifically how it contributes to packaging waste, pollution and toxicity.	• Accelerated price increase of new technology that will improve waste management efficiency that will be prohibitive to use by the businesses. • Human resources skills available of reasonable cost to implement.	• Faster product innovation using waste as a possible raw material.

Our Priority ESG Topics and Strategic Management Actions

	Wilcon must ensure the development and empowerment of its employees by providing them opportunities for professional growth and economic well-being and protecting their rights in the workplace, including occupational health and safety.	• Availability of trainable and skilled human resource • Cost of training • Cost of new technology	• Become the preferred employer for the incoming generation of workforce.
	Wilcon recognizes that in order to successfully execute its growth strategies, its employees need to be empowered to maximize their contribution to the company's growth goals. Equitable opportunities should also be accorded to each of its employees pursuant to the basic labor right of fair and just treatment in the workplace	• Availability of suitable human resource of specific genders for specific functions and responsibilities • Cost of structure and process change to decentralize control and empower downlines • Cost of training	• More comprehensive talent pool critical for accelerated growth
	As customer preferences and buying patterns evolve, Wilcon must be able to continue to deliver superior quality products and solutions while providing excellent and reliable service.	• Reputational damage from threats to customer wellness and safety.	• Leverage Wilcon's positioning for high quality customer shopping experience as differentiator.

Our Priority ESG Topics and Strategic Management Actions

	With big data shaping the growth of retail, Wilcon needs to ensure its ability to optimize its information technology systems to make operations more efficient and reach more customers while remaining proactive against potential system failures and breaches of security	• Reputational damage from data breaches and system failures • Lags and operational delays from data breaches system failures	• Market expansion without need to put up brick & mortar stores, decreasing capital outlay. • Requires less energy to operate and generate less waste • Addresses possible shortfall in capable manpower.
	As industry leader, Wilcon is in a position to shape the industry and the market towards the adoption of more sustainable products, services, and business practices.	• Resistance from consumers to see value for money in sustainable products and services.	• Address unmet needs through sustainable products and services • Enter new customer segments.
	Increasing ESG regulation and greater expectations for business to contribute to sustainable development while ensuring value creation and long term resilience require responsible leadership and adoption of sustainability at the Board level.	• Subject to fines for non compliance to future regulations on ESG Governance	• Establish a governance structure and management approach towards sustainability • Ability to better respond to investor queries.

Our Strategic Ambition and SUSTAINABILITY FRAMEWORK

We recognize that as Wilcon grows and scales, responsible stewardship of resources becomes even more essential. We are committed to ensuring this expansion benefits all our stakeholders—both internal teams and external partners—while fostering partnerships that deliver shared, meaningful value for everyone involved.

By weaving our enduring mission of **Building Big Ideas Better** into our broader strategic sustainability ambition, we aspire to lead the transformation of our industry toward authentic, lasting sustainability. We do this by empowering our customers to create, enhance, and evolve their living spaces in ways that are more environmentally responsible, healthier, and truly comfortable for the long term.

To that end, we pledge to bring our highest level of expertise, insight, innovation, and resources to every interaction—delivering durable, high-quality products and solutions that help build stronger, safer, and more sustainable environments.

This vision is made possible through our foundational principles: unwavering **integrity**, delivering genuine **value**, and always choosing to **do the right thing**.

VISION

To become the preferred company in our industry for all our key stakeholders: our customers, our partners, our employees, our shareholders, the environment, and the society we live in.

MISSION

To help people build, improve, and refine their homes for a sustainable and comfortable future.

VALUES

- Innovation
- Leadership
- Integrity to all Stakeholders
- Loyalty to our customers and company
- Excellence Customer service
- Customer Delight
- Collaboration

Vision for 2028

2025 SUSTAINABILITY REPORT

Looking toward 2028, our vision is clear: be the frontrunner in our industry and consistently raise the bar on customer experience. We'll drive this by bringing more sustainable choices to market, steadily shrinking our environmental impact, and genuinely supporting our team members and local communities — backed by solid sustainability governance that's woven into the fabric of our daily operations.

Strategy Framework

WILCON
BUILDING BIG IDEAS
BETTER

INNOVATE FOR MORE SUSTAINABLE PRODUCTS	TAKE CARE OF OUR PEOPLE AND COMMUNITIES	REDUCE OUR FOOTPRINT
Product innovation, design and life cycle management	Employee training and development	Energy use and emissions management
Supply chain management and engagement	Workplace culture, engagement and well-being	Waste management
	Labor rights and employee welfare	Water consumption and management
	Community development	
Product quantity and safety	Employee health and safety	Climate change adaptation

EMBED SUSTAINABILITY
Business Ethics | Corporate Governance

WILCON 13

Strategy Framework

Innovate for More Sustainable Products – By 2028 we will...

Focus Areas

- Product quality and safety
- Supply chain management and engagement
- Product innovation, design and life cycle management

Innovate and expand our offering to include more sustainable, ethically made and safe products for customers by nurturing supplier relationships and considering the full product lifecycle.

Commitments

- Ensure the best customer experience
- Provide employees with the knowledge they need to implement supply chain innovation efforts
- Expand availability of locally made, sustainable products
- Empower customers via transparent product information

Take Care of our People and Communities – By 2028 we will...

Focus Areas

- Employee health and safety
- Employee training and development
- Workplace culture, engagement and wellbeing
- Labor rights and employee welfare
- Community development

Enable our people to champion sustainability and community engagement with the confidence that comes from working in a safe, collaborative, and caring working environment.

Commitments

- Consistently instill a sense of psychological and physical safety and security for our team
- Continue to be the best by developing from within and nurturing the best talent
- Promote excellence in the workplace by sustainaing a caring culture where safety comes first
- Meaningfully serve the local communities to which we belong

Strategy Framework

Reduce Our Footprint – By 2028 we will...

Focus Areas

- Climate change adaptation
- Energy use and emissions management
- Waste management
- Water consumption and management

Limit the ecological footprint of our operations by reducing our reliance on natural resources and decreasing waste and emissions.

Commitments

- Reduce the environmental impact of the products we sell
- Minimize our operational requirements for energy, water, and waste
- Reduce emissions across our operations and encourage the same across our value chain

Embed Sustainability – By 2028 we will...

Focus Areas

- Corporate Governance
- Business Ethics

Create a corporate culture of ethics, integrity, and sustainability by following sound corporate governance practices.

Commitments

- Ensure the highest levels of accountability across all staff and leadership levels
- Adhere to our principles of integrity, true value and doing the right thing

2025 ESG HIGHLIGHTS

2025 SUSTAINABILITY REPORT

Dividends given to Stockholders	Taxes given to Government	Investments to Community
₱ 1.46B ▲ 11.1%	₱ 2.2B	₱ 8.0M

Branches with Solar Power Systems	Complaint on Customer Privacy
58 Stores	0

GHG Emission (in Tonnes CO2e)	Reduction on Single-use Plastic Packaging in 2025	Covered by OHSAS
61,399	50%	100%

Energy consumption renewable resources (in GJ)	Recyclable Papers, Plastic Packaging & Scraps (in kg)
53,286.52	197,235

ECONOMIC Data

2025 SUSTAINABILITY REPORT

Achieving Second-Half Turnaround

This year marked a highly anticipated turnaround in our sales performance. After several quarters of declining comparable sales, we achieved positive growth starting in the third quarter. The careful recalibration of our strategies, combined with the dedicated efforts of our teams in executing these challenging transitions, has clearly paid off.

Throughout this demanding period, we remained resolute and focused on our long-term goals, staying true to our vision and mission. While we continued to expand, we became more intentional in trimming unproductive initiatives.

We also strengthened our geographic presence by building on the strong, long-term, mutually beneficial relationships with our partner suppliers — aligning our strategic objectives to support the shared achievement of our respective missions and visions.

Economic Performance Direct economic value generated and distributed (in Php)		
	2024	2025
Direct economic value generated (Revenue)	34,654,974,031	35,868,013,718
Direct economic value distributed		
A. Operating costs	9,797,521,465	10,139,115,852
B. Employee wages and benefits	1,688,426,196	1,774,371,793
C. Payments to suppliers, other operating costs	32,201,363,324	33,303,706,407
D. Dividends given to stockholders and interest payments to loan providers	1,065,928,270	1,475,900,682
E. Taxes given to government	2,381,714,645	2,155,851,790
F. Investments to community	21,428,616	7,959,259

ECONOMIC Data

2025 SUSTAINABILITY REPORT

Engaging Supplier Partners in Our Sustainability Journey

We continue to engage and deepen our collaboration with our supplier partners across critical areas such as product quality and safety, responsible supply chain management, product innovation, sustainable design, and end-to-end life cycle management.

We implemented an approach, which flows naturally from internal capability-building to external actions.

We equipped our sales teams through specialized training and hands-on product demonstrations to confidently guide customers toward home improvement and construction solutions with tangible environmental benefits, aligning with evolving customer priorities.

We also maintained dedicated in-store displays for green products while expanding engagement with diverse supplier partners, offering targeted support and incentives to accelerate sustainable offerings.

ECONOMIC Data

2025 SUSTAINABILITY REPORT

Engaging Supplier Partners in Our Sustainability Journey

The Procurement and Supply Management Division conducted its regular seminar and workshop to familiarize new staff and update current members on the company's ESG framework, strategy, and plans. This activity was designed to ensure the division's plans and programs for the coming year are aligned with the organization's ESG aspirations.

We continued to optimize our inventory management processes, driving higher inventory accuracy and elevating service levels for our customers.

We continued the ESG survey launched in 2024 across our supplier network and the response rate remained promising, signaling sustained supplier willingness to engage in sustainability dialogue.

To embed full life-cycle thinking into product design and decision-making, we developed an ESG end-of-life questionnaire and are strengthening collaboration with supplier partners to promote responsible product stewardship from cradle to grave. This survey has now been made a regular annual activity.

This partnership-driven approach underscores our commitment to co-creating a more sustainable value chain, where suppliers are valued as active partners in achieving shared environmental and social goals.

We look forward to building on this foundation in the coming year through deeper engagement, greater data transparency, and collaborative innovation.

ECONOMIC Data

2025 SUSTAINABILITY REPORT

Engaging Supplier Partners in Our Sustainability Journey

Responsible Sourcing and Sustainable Procurement

As a leading retail company, we recognize that our procurement practices are central to advancing our sustainability ambitions. We will be rolling out a Sustainable Procurement Policy that aims to embed ESG considerations at the core of our sourcing decisions. The policy ensures we consistently select goods and services that minimize environmental impact, promote social responsibility, and support long-term sustainability. It includes a structured supplier accreditation process with mandatory ESG requirements covering alignment with Wilcon's Code of Business Conduct and Ethics, consistent supply chain standards, clean regulatory compliance, employee engagement, and corporate social responsibility.

We actively encourage suppliers to reduce energy use, minimize pollution, and adopt responsible waste management, giving preference to high-performing partners. To drive accountability, we will implement a formal supplier scorecard to monitor compliance. Through these measures, we are building a responsible and resilient supply chain that supports both our business goals and our commitment to a more sustainable future.

ENVIRONMENT
Data

2025 SUSTAINABILITY REPORT

Environment Performance Energy Consumption			
	2023	2024	2025
Energy consumption (renewable sources) (in GJ)	50,687.46	52,486.49	53,286.52
Energy consumption (electricity) (in KwH)	74,279,561	83,296,359	84,737,931
Energy reduction of energy consumption (in KwH)			
Energy reduction (renewable resources)	14,079,849	14,579,581	14,801,810
Energy reduction (electricity)	74,279,561	83,296,359	84,737,931
Air emission disclosures (in Tonnes CO2e)			
Scope 1 GHG Emissions	1,053	1,101	1,049
Scope 2 GHG Emissions	52,902	59,324	60,350
Total GHG Emissions	53,955	60,424	61,399
Water consumption within the organization (in CBM)			
Water withdrawal	290,060	280,491	280,413
Water consumption	290,060	280,491	280,413
Water recycled and reused	0.00	0.00	0.00
Solid and hazardous waste generated (in kg)			
Recyclable (papers & scraps)	378,156.50	262,477	197,235
Landfilled	Not collected in 2023	18,237	167,775
Hazardous waste generated	11,528	32,787	135,464
Hazardous waste transported	Stored in the hazardous waste facility /area of the stores	Stored in the hazardous waste facility/area of the stores	Stored in the hazardous waste facility/area of the stores
Environmental Compliance			
Monetary fines for non-compliance (Php)	800,000*	257,159*	463,874*
No. of non-monetary sanctions for non-compliance	0	0	0
No. of cases resolved through dispute resolution mechanism	0	0	0

* late submission of supporting documents

Our stores operate in large formats with significant energy demands. To reduce our environmental impact while achieving greater operational cost efficiency, Wilcon began rolling out solar power solutions in 2016, progressively integrating renewable energy into the power mix of our branches.

ENVIRONMENT Data

2025 SUSTAINABILITY REPORT

Greening Our Branches: Renewable Energy and Energy Efficiency

DID YOU KNOW?

Wilcon designed their buildings to maximize natural light, only turning on lights in the afternoon.

As part of our ongoing expansion, we have continued this initiative with strong momentum. By the end of 2025, over 50% of our branches — equivalent to 58 stores — were already equipped with solar panels. The additional installations have substantially increased the share of renewable energy in our total consumption, resulting in a meaningful reduction in grid electricity usage.

Complementing our renewable energy efforts, we have implemented several energy-efficient design and operational measures. These include the use of high-volume, low-speed (HVLS) fans to minimize air-conditioning requirements, maximized natural lighting through thoughtful store design, and the deployment of battery-powered forklifts instead of diesel-powered units. These initiatives collectively enhance customer and employee comfort while lowering our overall carbon footprint.

61,399

GHG Emission

ENVIRONMENT Data

2025 SUSTAINABILITY REPORT

Shaping the Market: Expanding Green and Sustainable Products

Customers are increasingly conscious of the environmental and social impact of their lifestyle choices. In response, Wilcon has been steadily expanding its range of green and sustainable products to meet this growing demand. Our assortment now includes water-saving fixtures, energy-efficient lighting, low-VOC paints, responsibly sourced wood from renewable forests, and products made from recycled materials, among others.

To further strengthen our commitment to sustainable living, we have rolled out a revised sustainability framework that positions product quality and safety as one of its core pillars. This framework still guides our efforts to continuously innovate and broaden our product portfolio with more sustainable, ethically sourced, and safe solutions. By fostering closer collaboration with our suppliers and considering the full product life cycle — from sourcing to end-use — we aim to help customers build and renovate their homes in ways that support long-term environmental responsibility.

ENVIRONMENT

Data

Advancing Waste Reduction and Circular Practices

Wilcon remains committed to minimizing waste across its operations through continuous process improvements and responsible waste management strategies. By enhancing operational efficiency, we have successfully reduced the volume of recyclable materials generated.

In 2025, we strengthened our partnerships with local government units for proper sorting and disposal of solid waste. We also continued to expand our supplier take-back program, which enables the return of inventory that does not meet quality standards or has been damaged. These items are then recycled or repurposed by our suppliers, effectively diverting waste away from landfills and supporting a more circular economy.

Single-Use Plastic Reduction and Extended Producer Responsibility (EPR)

In 2023, Wilcon launched its Extended Producer Responsibility (EPR) Program in full support of national climate action goals and in compliance with Republic Act 11898, the Extended Producer Responsibility Act of 2022.

A key initiative under this program is the "Return of Plastic Packaging" campaign, which encourages customers to return used plastic packaging and blister packs from Wilcon products.

Dedicated collection booths and drop boxes have been installed in all our stores to facilitate convenient returns. To further boost participation, we are currently developing attractive incentive programs aimed at increasing the campaign's effectiveness and customer engagement.

Through these efforts, Wilcon is on track to achieve its target of a 50% reduction in single-use plastic packaging by the end of 2025.

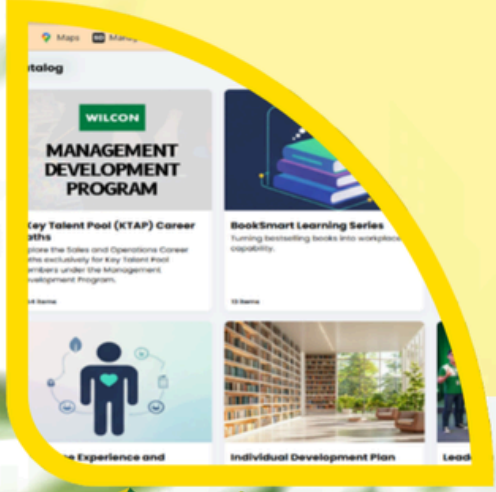
2025 SUSTAINABILITY REPORT

SOCIAL Data

HIGHLIGHT:

LIGHTING THE PATH: HOW WILCON'S LMS INITIATIVE ELEVATES LEARNING, CULTURE, AND IMPACT

At Wilcon, we don't just talk about building better products and services — we build better people. Over the past year, our Learning Management System, **WILCONnect LMS**, has become a powerful platform where growth, collaboration, and excellence hold center stage. It's not just training. It's a movement that mirrors our **ESG (Environmental, Social, Governance) pillars** and helps shape who we are as an organization.



Employee Data		
	Female	Male
Employees by gender	1,693	1,936
Employee benefits (% who availed)	**Female**	**Male**
SSS	33.88	32.40
PhilHealth	2.01	0.93
Parental leaves:		
Maternity/ Paternity Leave	6.68	10.48
Solo Parent	2.08	0.07
Magna Carta	0.18	0.00
Vacation leaves	86.81	87.47
Sick leaves	4.43	2.89
Medical benefits (aside from PhilHealth)	40.67	30.43
Housing assistance (aside from Pag-ibig)	0.00	0.00
Retirement Fund (aside from SSS)	0.20	0.33
Further education support	0.00	0.00
Company stocks option	0.00	0.00
Telecommunicating	20.57	19.90
flexible-working hours	24.29	21.09
Employee training and development	**Female**	**Male**
Total training hours provided	261	281
Ave. training hours provided	4.14	4.07
Labor Management Relations		
% of employees covered in CBA	21.44	
Number of consultations conducted with employees concerning employee-related policies	5	

SOCIAL Data

2025 SUSTAINABILITY REPORT

SHINE BRIGHT: Luminary Learners Awards

Shine Bright is more than an award—it's our annual celebration of Wilcon's top learners who exemplify curiosity, commitment, and a passion for continuous growth.

At its core, Shine Bright aims to:

Celebrate Excellence	Inspire Continuous Learning	Promote Collaboration
Recognize learners who lead by example and embody our culture of growth.	Reinforce learning as a habit—engaging, rewarding, and part of everyday work.	Bring together Wilconians across branches and departments through s hared learning experiences that strengthen connection and unity.

Together, Shine Bright reinforces our people-first culture and supports our social and governance pillars by developing talent, fostering well-being, and encouraging collaboration across the Wilcon community.

SOCIAL Data

2025 SUSTAINABILITY REPORT

A GLOBAL NOD:
Cypher Learning's Customer Award of the Year

Our investments in people and technology are turning heads beyond Wilcon. At the first-ever Cypher Learning Customer of the Year Awards, Wilcon Depot earned a major distinction for Best in Time-to-Proficiency — reducing training time by 50 % and saving an estimated 7,200 hours annually thanks to the LMS platform.

This award isn't just about metrics. It's about showing that thoughtful learning systems can help real people learn faster, perform better, and feel more confident in their roles. In a world where speed often competes with quality, Wilcon proved that with the right tools and mindset, both are possible.

CUSTOMER OF THE YEAR

ROOTED IN SUSTAINABILITY AND CULTURE

When we look at the bigger picture, WILCONnect LMS isn't separate from Wilcon's broader **ESG strategy** — it is a key part of it.

Innovate for More Sustainable Products: A well-trained workforce is better equipped to understand sustainable choices and help customers find eco-friendly options. Knowledge here leads to better product decisions and customer guidance — bridging employee skills with environmental impact.

LOOKING FORWARD

As we celebrate Shine Bright winners and bring home recognition from Cypher Learning, we're reminded that learning is a living thing — it grows when we nurture it, share it, and embed it into our daily work — reinforcing our philosophy that learning never stops. WILCONnect LMS has become more than a platform — it's a living expression of our values, our culture, and our vision to build better — together.

2025 SUSTAINABILITY REPORT

SOCIAL Data

Workplace conditions, labor standards, and human rights	Attrition Rate
2019	5.83%
2020	8.63%
2021	6.84%
2022	14.94%
2023	16.5%
2024	15.66%
2025	17.22%

100% Covered by OHSAS

0 Employees from IP

47% Female Employees

53% Male Employees

Workplace conditions, labor standards, and human rights	Female	Male
Safe Man-Hours		
No. of work-related injuries*	32	227
No. of work-related fatalities	0	0
No. of work-related ill-health	0	0
No. of safety drills	92	
Labor Laws and Human Rights		
No. of legal actions or employee grievances involving forced or child labor	0	
Forced labor (y/n)	Y	
Child labor (y/n)	Y	
Human rights (y/n)	Y	
Supply Chain Management	**Does Wilcon consider the following when accrediting suppliers**	
Environmental Performance	Y	
Forced labor	Y	
Child labor	Y	
Human rights	Y	
Bribery and corruption	Y	

*Minor injuries requiring basic first aid treatment only. Zero hospitalized or confined incidences.

COMMUNITY Data

2025 SUSTAINABILITY REPORT

Building Lasting Relationships: The Core of Our CX Strategy

Our customers are knowledgeable, decisive, and value speed, convenience, and a seamless shopping experience. That's why we ensure our frontline teams are highly trained and genuinely knowledgeable about our full range of products and services. They stay up to date with the latest design trends and consumer preferences so they can offer informed recommendations and help customers find the best solutions quickly and confidently. We also partner closely with our suppliers to provide reliable after-sales support, including professional installation and repair services.

Customer Management	
Customer Satisfaction	Score
Customer Survey	8/10
Health and Safety	Quantity
No. of substantiated complaints on products or services health and safety	0
No. of complaints addressed	0
Marketing and Labelling	Quantity
No. of substantiated complaints on marketing and labelling	0
No. of complaints addressed	0
Customer Privacy	Quantity
No. of substantiated complaints on customer privacy	0
No. of complaints addressed	0
No. of customers, users, and account holders whose information is used for secondary purposes.	0
Data Security	Quantity
No. of data breaches, including leaks, thefts and losses of data	0

COMMUNITY Data

2025 SUSTAINABILITY REPORT

We stay ahead of the curve by closely monitoring customer preferences to update our product selection, store layout, and online strategy.

To deliver faster, smoother, and more customer-centric experiences, we also continuously leverage technology. We are actively reconfiguring our omnichannel strategy to make it more effective, cohesive, and impactful in driving stronger business results moving forward.

Continuous enhancements to our ABCDE (architects, builders, contractors, designers, and engineers) product and service offerings are also being implemented. Store layout re-configurations always include enhancements to our ABCDE lounges - exclusive space allowing professionals to meet clients, collaborate with peers, brainstorm projects, and browse our extensive product catalog in comfort. Our Design Hub – a service offering an advanced 3D interior design tool that allows them to visualize their ideas, generate detailed layouts, and receive instant product lists with cost estimates have continued to provide invaluable help not only to homeowners but also to professionals who do not have personal access to the technology.

Free membership!
No minimum spent required

Get exclusive discount on daily purchase*
*Terms and Conditions apply

Redeem points to shop

Enjoy members only perks & promos

COMMUNITY Data

2025 SUSTAINABILITY REPORT

Other than our standard loyalty program, we also offer an ABCDE Loyalty Program that provides accredited members with special privileges, including volume discounts, early access to new products and promotions, and exclusive invitations to product launches and curated presentations.

Across all these platforms, we take data privacy seriously. Our robust policies and secure information systems protect every piece of customer data — whether collected online or in-store — and ensure access is strictly limited to authorized personnel.

These customer-first initiatives earned us the prestigious 2025 Retail Asia Awards- Domestic Retailer of the Year and Hardware Retailer of the Year.

COMMUNITY Data

2025 SUSTAINABILITY REPORT

Strengthening Social Capital

As a leading home improvement and construction supplies retailer, Wilcon's expansion into provincial centers across the country is helping stimulate local economies. Our presence is generating greater economic activity, which in turn supports increased infrastructure development and creates new job opportunities in these regions. Our stakeholders believe this growth plays a meaningful role in decentralizing development beyond traditional urban centers.

We actively collaborate with local government units, charitable organizations, civic groups, and other responsible corporations to uplift communities and promote environmental sustainability.

At the same time, our stakeholders have highlighted the growing shortage of skilled workers in the construction sector. This skills gap poses a challenge to our expansion plans and our ability to meet our target number of branches. Similarly, manpower constraints faced by our suppliers can affect their capacity to deliver products consistently.

To address this need, Wilcon channels several of its community development initiatives through the Wilcon Foundation. Initially focused on providing educational assistance to deserving college students, the Foundation has since expanded its support to high school and elementary students. We also established a technical school that successfully produced graduates with certified construction-related skills. Although operations were temporarily suspended during the pandemic, the program was re-established in 2025 under the new Wilcon Upskilling Center, Inc. (WUCI). WUCI is currently working toward formal accreditation from the Technical Education and Skills Development Authority (TESDA).

GOVERNANCE

2025 SUSTAINABILITY REPORT

Business Continuity and Operational Resilience

In 2025, Wilcon successfully implemented a comprehensive, turnkey Business Continuity Management System (BCMS) in partnership with expert consulting services. This initiative strengthens the company's governance framework by enhancing its ability to anticipate, respond to, and recover from potential operational disruptions.

Key Components of the Program

- Awareness training and capacity-building sessions for executives, managers, and employees across the organization
- Conduct of Business Impact Analysis (BIA) and detailed risk assessments to identify critical business processes and recovery priorities
- Development of tailored Business Continuity Plans (BCPs) for key departments and functions
- Rigorous testing, simulation exercises, and scenario drills to validate recovery strategies and ensure team readiness.
- Delivery of all relevant training courses to embed a culture of preparedness

The BCMS program was designed and implemented in full alignment with international best practices, specifically ISO 22301:2019 (Business Continuity Management Systems) and ISO 31000:2018 (Risk Management).

GOVERNANCE
Outcomes and Impacts

2025 SUSTAINABILITY REPORT

The successful rollout of the Business Continuity Management System has significantly strengthened Wilcon's organizational resilience. The company is now better positioned to protect its operations, safeguard its reputation, and ensure uninterrupted service to customers even in the face of unforeseen disruptions such as natural calamities, supply chain interruptions, or other emergencies.

Looking ahead, sustained effectiveness will rely on continuous improvement, regular plan reviews and updates, and ongoing visible commitment from leadership to embed business continuity practices into the company's culture.

Board Diversity and Succession: Appointment of Additional Woman Director

Following the retirement of Wilcon's Chairperson of the board of directors, a new woman independent director was appointed during the June 16, 2025 annual stockholders' meeting.

47% vs 53%
Female:Male
Employee in Key Management Positions

All Female C-Suite

7:6
Female:Male
Top Management

The appointment of an additional Woman Director strengthens Wilcon's Board composition, resulting in a more balanced gender representation of 3 women and 4 men. This enhanced gender diversity brings valuable perspectives, broader insights, and improved decision-making to the Board. Research consistently shows that boards with strong gender diversity tend to demonstrate better governance practices, including more effective risk oversight, higher levels of innovation, and more balanced strategic deliberations.

By increasing female representation, Wilcon reinforces its commitment to inclusive leadership and good corporate governance, ensuring that diverse viewpoints are considered in key decisions that impact the company's long-term sustainability and stakeholder interests.

GOVERNANCE

2025 SUSTAINABILITY REPORT

Wilcon Depot Strengthens ESG Commitment with 15 DTI-Bagwis Awards in 2025

As Wilcon Depot continues to expand its store network across the Philippines, it remains a consistent participant in the DTI–Bagwis Program. This initiative recognizes businesses that demonstrate strong commitment to consumer welfare, ethical practices, and responsible operations — key elements of the Social pillar of ESG (Environmental, Social, and Governance).

DTI Provincial Offices nominate establishments based on strict compliance with trade laws, including the Price Act, Suggested Retail Price (SRP) regulations, and product standards. Awardees also maintain effective Consumer Welfare Desks (CWDs) to promptly address customer concerns.

In 2025, 15 Wilcon Depot stores successfully received Bagwis recognition, with several upgraded to higher tiers. The program offers three levels:

- Bronze – Compliance with fair trade laws and establishment of a Consumer Welfare Desk.
- Silver – Bronze requirements plus demonstrated social responsibility initiatives.
- Gold – Silver qualifications plus alignment with key ISO 9001 quality management standards.

Through its continued participation, Wilcon Depot reinforces its ESG goals by promoting transparency, consumer trust, and responsible business practices across its operations.

APPENDIX A : List of Operations Location

	BRANCH NAME	LOCATION
1	ALABANG	8003 REAL ST., ALABANG ZAPOTE RD., ALMANZA UNO, LAS PIÑAS CITY
2	BALINTAWAK	1274 EDSA A. SAMSON, QUEZON CITY
3	LIBIS	90 E. RODRIGUEZ JR. AVE., BRGY. UGONG NORTE, DISTRICT 3, QUEZON CITY
4	MAKATI	2212 CHINO ROCES AVE., SAN LORENZO, MAKATI CITY
5	QUIRINO	L119 C-1 MINDANAO AVE., TALIPAPA, QUEZON CITY
6	FILINVEST	L1 B29 ALABANG ZAPOTE RD. COR. BRIDGEWAY AVE., FILINVEST CORPORATE CITY, ALABANG, MUNTINLUPA CITY
7	MEXICO	GAPAN-OLONGAPO ROAD, LAGUNDI, MEXICO, PAMPANGA
8	SUCAT	DR. A. SANTOS AVENUE, SAN DIONISIO, PARAÑAQUE CITY
9	FAIRVIEW	16 COMMONWEALTH AVE., BRGY. COMMONWEALTH, QUEZON CITY
10	TARLAC	MC ARTHUR HIGHWAY, SAN RAFAEL, TARLAC CITY
11	DAU	MC ARTHUR HI-WAY, DAU, MABALACAT, PAMPANGA
12	SAN FERNANDO	FREEWAY STRIP OLONGAPO-GAPAN ROAD, DOLORES CITY OF SAN FERNANDO, PAMPANGA
13	CALAMBA	NATIONAL ROAD, BRGY. HALANG, CALAMBA CITY, LAGUNA
14	BATANGAS	LOT 2687-A DIVERSION ROAD, ALANGILAN, BATANGAS CITY
15	TAYTAY	MANILA EAST ROAD, BRGY. SAN JUAN, TAYTAY, RIZAL
16	ANTIPOLO	MARCOS HIGHWAY, BRGY. MAYAMOT, ANTIPOLO CITY, RIZAL
17	BALIUAG	KM. 48 DRT HIGHWAY, BRGY. TARCAN, BALIWAG, BULACAN
18	DASMARIÑAS	GOVERNOR'S DRIVE, PALIPARAN 1, DASMARIÑAS CITY, CAVITE
19	LAOAG	AIRPORT ROAD, BRGY. 50, BUTTONG, LAOAG CITY
20	MANDAUE	U.N. AVENUE, UMAPAD, MANDAUE CITY, CEBU
21	TALISAY	LOT 2359, LAWA-AN II, TALISAY CITY, CEBU
22	KAWIT	CENTENNIAL ROAD, MAGDALO, PUTOL, KAWIT, CAVITE
23	VALENZUELA	292 MC ARTHUR HI-WAY, DALANDANAN, VALENZUELA CITY
24	SAN PABLO	DOÑA MARIA VILLAGE PHASE 2, BRGY. BAGONG BAYAN, SAN PABLO CITY, LAGUNA
25	VILLASIS	NATIONAL HIGHWAY, BRGY. BACAG, VILLASIS, PANGASINAN
26	QUEZON AVE.	24 QUEZON AVE., LOURDES, QUEZON CITY
27	DAVAO	MC ARTHUR HIGHWAY, MATINA, DAVAO CITY
28	IT HUB	PASONG TAMO EXTENSION, BRGY. BANGKAL, MAKATI CITY
29	MOLINO	BACOOR BOULEVARD, BRGY. MAMBOG IV, CITY OF BACOOR
30	STA ROSA	TAGAYTAY ROAD, BRGY. PULONG, STA. CRUZ, STA. ROSA, LAGUNA
31	CDO	ZONE 5 , BRGY. CUGMAN, CAGAYAN DE ORO CITY
32	BACOLOD	MATAB-ANG TALISAY CITY, NEGROS OCCIDENTAL
33	BUTUAN	BRGY. BAAN, KM. 3, BUTUAN CITY
34	CABANATUAN	LOT 2040-C-3-B & Lot 2040-C-4, SUMACAB ESTE, MAHARLIKA HIGHWAY, PUROK 6, SUMACAB ESTE, CABANATUAN CITY
35	ILOILO	NORTH DIVERSION ROAD, BRGY. DUNGON-B, JARO, ILOILO CITY
36	TACLOBAN	PUROK SANTOL, BRGY. 80 MARASBARAS, TACLOBAN CITY, LEYTE

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37	SILANG	PUROK 9, BRGY. LALAAN II, SILANG, CAVITE CITY
38	ZAMBOANGA	LOT 2235C I-A BOALAN, ZAMBOANGA CITY
39	NAGA	BRGY. DEL ROSARIO, NAGA CITY
40	LIPA	BRGY. BUGTONG NA PULO, LIPA BATANGAS
41	PANACAN, DAVAO	BRGY. PANACAN VALLE VERDE, BUNAWAN, DAVAO CITY
42	TAYABAS	BRGY. ISABANG, TAYABAS QUEZON
43	GEN. SANTOS	PALEN, BRGY. LABANGAL, GENERAL SANTOS CITY
44	PUERTO PRINCESA	BRGY. SICSICAN, PUERTO PRINCESA CITY, PALAWAN
45	GENERAL TRIAS	BRGY. SAN FRANCISCO, GENERAL TRIAS CITY, CAVITE
46	STA. BARBARA, ILOILO	LOT 506B BRGY. BOLONG OESTE, STA. BARBARA, ILOILO
47	OPOL, MISAMIS ORIENTAL	ZONE 2A BRGY. BARRA, OPOL, MISAMIS ORIENTAL
48	STO. TOMAS, BATANGAS	MAHARLIKA HIGHWAY, BRGY. STA. ANASTACIA, STO. TOMAS, BATANGAS
49	ANTIPOLO II	LOT 2-A BRGY. SAN ISIDRO CIRCUMFERENTIAL RD. ANTIPOLO CITY
50	CALUMPIT	BRGY. PIO CRUZCOSA, CALUMPIT, BULACAN
51	IGUIG, CAGAYAN	BRGY. BAYO, IGUIG, CAGAYAN VALLEY RD.
52	SAN JOSE, BULACAN	BRGY. TUNGKONG MANGGA, SAN JOSE DEL MONTE CITY, BULACAN
53	COMMONWEALTH II	MATANDANG BALARA CAPITOL, QUEZON CITY
54	ORMOC	BRGY. SAN ISIDRO, ORMOC CITY, LEYTE
55	MAYAMOT, ANTIPOLO III	MARCOS HI-WAY, BRGY. MAYAMOT, ANTIPOLO
56	ALBAY	BRGY. PEÑAFRANCIA, DARAGA, ALBAY
57	TAGUM, DAVAO	BRGY. CANOCOTAN, TAGUM, DAVAO DEL NORTE
58	CORDON, ISABELA	BRGY. MALAPAT, CORDON, ISABELA
59	PILA, LAGUNA	BRGY. STA. CLARA SUR, PILA, LAGUNA
60	AKLAN	BRGY. CALANGCANG, MAKATO, AKLAN
61	OLONGAPO	NATIONAL ROAD, BRGY. BARRETTO, OLONGAPO CITY, ZAMBALES
62	TAYTAY II	RIZAL AVE., ILOG PUGAD BRGY. SAN JUAN TAYTAY, RIZAL
63	CABUYAO, LAGUNA	BRGY. SALA, CABUYAO, LAGUNA
64	LA UNION	BRGY. PARINGAO, BAUANG, LA UNION
65	SORSOGON	BRGY. MACABOG, SORSOGON CITY, SORSOGON
66	GAPAN, NUEVA ECIJA	STO. CRISTO NORTE, GAPAN NUEVA ECIJA
67	MALAYBALAY, BUKIDNON	SAN JOSE, MALAYBALAY CITY, BUKIDNON
68	BOHOL	BRGY. BINGAG, DAUIS, BOHOL
69	CALAPAN, ORIENTAL MINDORO	PUTING TUBIG, CALAPAN CITY, ORIENTAL MINDORO
70	BANTAY, ILOCOS SUR	AGGAY, BANTAY, ILOCOS SUR
71	LEMERY, BATANGAS	BRGY. TUBIGAN, LEMERY, BATANGAS
72	ABUCAY, BATAAN	BRGY. CAPITANGAN, ABUCAY, BATAAN

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73	SAN JOSE, NUEVA ECIJA	BRGY. MANICLA, SAN JOSE CITY NUEVA ECIJA
74	PANIQUI, TARLAC	BRGY. APULID, PANIQUI, TARLAC
75	WCC	ANCHOR 1, 121 VISAYAS AVE., BAHAY TORO, QUEZON CITY
76	STA. MESA	425 PIÑA AVE., BRGY. 585 ZONE 057, SAMPALOC, MANILA
77	MINDANAO AVE.	L-5 B-7 MINDANAO AVE., BAHAY TORO I, QUEZON CITY
78	MUÑOZ	1066 EDSA, BAHAY TORO, QUEZON CITY
79	PASAY	16 C JOSE ST. COR. EDSA, MALIBAY, PASAY CITY
80	ILOILO	GROUND FLOOR UNIT A25-A26, FESTIVE WALK MALL, ILOILO BUSINESS PARK, MANDURRIAO , ILOILO CITY
81	SAN FERNANDO	MC ARTHUR HIGHWAY, BRGY. SAN NICOLAS, SAN FERNANDO, PAMPANGA
82	GUIGUINTO, BULACAN	MCARTHUR HIGHWAY, TUKTUKAN, GUIGUINTO, BULACAN
83	ROSARIO, BATANGAS	PUROK 5, BRGY. BAYBAYIN, ROSARIO BATANGAS
84	UPTOWN, CDO	KM 6, UPPER BALULANG, CAGAYAN DE ORO CITY
85	STA. MARIA	CENTRO ST. GUYONG, SANTA MARIA, BULACAN
86	ILIGAN CITY	PUROK LA PURISIMA, TUBOD, ILIGAN CITY LANAO DEL NORTE
87	NAIC, CAVITE	GOVERNOR'S DRIVE, BRGY. SABANG NAIC, CAVITE
88	TUY, BATANGAS	SITIO CENTRO, BRGY. SABANG, TUY, BATANGAS
89	MORONG, RIZAL	MANILA EAST ROAD, LAGUNDI, MORONG, RIZAL
90	VALENCIA, BUKIDNON	PUROK 17-A POBLACION, VALENCIA, BUKIDNON
91	KORONADAL	PUROK SPRING, KORONADAL CITY, 9506 SOUTH COTABATO
92	VILLAMONTE, BACOLOD	LOT 3-A, NGC, CIRCUMFERENTIAL RD, BRGY. VILLAMONTE, BACOLOD, 6100 NEGROS OCCIDENTAL
93	STA. BARBARA, PANGASINAN	ZONE 3, MC ARTHUR HIGHWAY, SANTA BARBARA, 2419 PANGASINAN
94	ROXAS, CAPIZ	SITIO TRES ARCANGELES, ROXAS CITY, 5800 CAPIZ
95	LA TRINIDAD, BENGUET	LA TRINIDAD, 2601 BENGUET
96	PALA-PALA	AGUINALDO HWY, BRGY. SAMPALOC 1, DASMARIÑAS, 4114 CAVITE
97	PAGBILAO, QUEZON	BRGY. BUKAL, PAGBILAO QUEZON, QUEZON, 4302 QUEZON PROVINCE
98	LUBAO, PAMPANGA	BRGY STO. TOMAS, LUBAO, 2005 PAMPANGA
99	TUBA, BENGUET	BRGY. POBLACION, TUBA, BENGUET
100	P.TUAZON CUBAO	P. TUAZON NEAR CORNER 20TH AVENUE, CUBAO, QUEZON CIITY
101	CORDOVA, CEBU	BRGY. GABI, CORDOVA, CEBU
102	SAN CARLOS, PANGASINAN	BRGY. POBLACION, SAN CARLOS CITY, PANGASINAN
103	BACNOTAN, LA UNION	BRGY. SAN MARTIN, BACNOTAN, LA UNION
104	SUBIC BAY METROPOLITAN AUTHORITY	PORTION OF BLDG. 640, SAMPSON ROAD, CENTRAL BUSINESS DISTRICT, SBF

104
STORES NATIONWIDE
AS OF DECEMBER 31, 2025

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