



October 11, 2018

THE DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.
6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City
Taguig City

Attention: **MR. JOSE VALERIANO B. ZUÑO III**
Officer-in-Charge – Head, Disclosure Department

Dear Sir:

In compliance with the disclosure requirements of the Philippine Stock Exchange, please find enclosed the following:

1. Quarterly Summary of Application of Proceeds from the Initial Public Offering of the D.M. Wenceslao & Associates, Incorporated as of and for the quarter ended September 30, 2018;
2. Report on Review of Certain Financial Information; and,
3. Notes to Quarterly Summary of Application of Proceeds.

D.M. WENCESLAO & ASSOCIATES, INCORPORATED



ATTY. HEHERSON M. ASIDDAO
Chief Finance Officer

MDW **D.M. WENCESLAO**
AND ASSOCIATES, INCORPORATED

October 11, 2018

THE PHILIPPINE STOCK EXCHANGE, INC.

6/F PSE Tower, 5th Avenue corner 28th Street
Bonifacio Global City, Taguig City

Attention: **Mr. Jose Valeriano B. Zuño III**
OIC – Disclosure Department

Re: **D.M. Wenceslao & Associates, Incorporated**
Quarterly Progress Report on the Application of Initial Public Offering
(IPO) Proceeds with Certification by the Company's External Auditors

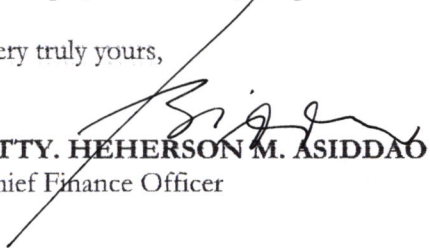
Ladies and Gentlemen:

In connection with the IPO of **D.M. Wenceslao & Associates, Incorporated** (the "Company") on June 29, 2018, we submit herewith our report on the application of the offering proceeds. The details of the disbursements as of and for the quarter ended September 30, 2018 are as follows:

Offering Proceeds (679,172,800 shares at Php12.00 per share)	P	8,150,073,600
Less: IPO-related expenses		
Taxes		332,794,672
Professional fees and commissions		180,550,327
PSE listing and processing fee		31,220,207
PSEC registration, filing and research fees		1,948,008
Other expenses		4,346,786
Net Offering Proceeds		7,599,213,600
Less: Disbursements		
Accumulated costs incurred as of June 30, 2018		-
Costs incurred for the quarter ended September 30, 2018		449,821,429
Total Disbursements up to September 30, 2018		449,821,429
Balance of the Offering Proceeds as of September 30, 2018	P	7,149,392,171

We hope you find everything in order.

Very truly yours,


ATTY. HEHERSON M. ASIDDAO
Chief Finance Officer



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Report on Review of Certain Financial Information

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The Board of Directors and Stockholders
D.M. Wenceslao & Associates, Incorporated

3rd Floor Aseana Powerstation Building
Pres. Macapagal Avenue
Aseana Business Park, Parañaque City

Introduction

We have reviewed the accompanying Quarterly Summary of Application of Proceeds (the Quarterly Summary) of D.M. Wenceslao & Associates, Incorporated (the Company) as of and for the quarter ended September 30, 2018, and the accompanying explanatory information with respect to the Company's use of the proceeds (Offering Proceeds) from its initial public offering (IPO) on June 29, 2018. Management is responsible for the preparation and fair presentation of the Quarterly Summary in accordance with the planned use of the Offering Proceeds as presented in the Offering Circular of the Company related to the IPO. Our responsibility is to express a conclusion and to issue a report on this Quarterly Summary based on our review.

Scope of Review

We conducted our review in accordance with Philippine Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Philippine Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Certified Public Accountants

Punongbayan & Araullo is the Philippine member firm of Grant Thornton International Ltd

Offices in Cavite, Cebu, Davao
BOA/PRC Cert of Reg. No. 0002
SEC Accreditation No. 0002-FR-5

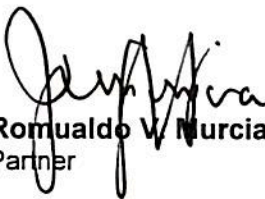
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Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Quarterly Summary of D.M. Wenceslao & Associates, Incorporated does not present fairly, in all material respects, the information on the use of the Offering Proceeds as of and for the quarter ended September 30, 2018, in accordance with the planned use of such proceeds as summarized in the Offering Circular of the Company.

PUNONGBAYAN & ARAULLO


By: Romualdo V. Murcia III
Partner

CPA Reg. No. 0095626
TIN 906-174-059
PTR No. 6616014, January 3, 2018, Makati City
SEC Group A Accreditation
Partner - No. 0628-AR-3 (until Nov. 29, 2019)
Firm - No. 0002-FR-5 (until Mar. 26, 2021)
BIR AN 08-002511-22-2016 (until Oct. 3, 2019)
Firm's BOA/PRC Cert. of Reg. No. 0002 (until Dec. 31, 2018)

October 11, 2018

D.M. WENCESLAO & ASSOCIATES, INCORPORATED
NOTES TO QUARTERLY SUMMARY OF APPLICATION OF PROCEEDS
AS OF AND FOR THE QUARTER ENDED SEPTEMBER 30, 2018

1. BACKGROUND

D.M. Wenceslao & Associates, Incorporated (the Company) engages in the trade and business of general builders and contractors and related activities. The Company is also engaged in real estate business including leasing.

On March 6, 2018, the Company filed its application with the Philippine Stock Exchange (PSE) for the listing of its Common Shares that are already issued and outstanding, as well as the Offer Shares. The Board of Directors of the PSE approved the Company's application for the listing of the Common Shares on May 23, 2018.

On March 6, 2018, the Company filed a Registration Statement covering the Offer Shares with the PSE, in accordance with the provisions of the Securities Regulation Code.

Pursuant to its filing with the PSE, on June 29, 2018, the Company issued through Initial Public Offering (IPO) additional 679,172,800 Common Shares generating proceeds (the Offering Proceeds) of P8,150.1 million. Proceeds from the offering amounted to P7,599.2 million, net of offer-related expenses.

2. RELEVANT INFORMATION

Planned expenditures from the net Offering Proceeds are discussed below.

(a) Nature of Expenditures

The Company has received the Offering Proceeds on June 28, 2018 which shall be used to finance, among others, the requirements discussed below and in the succeeding page.

(i) Pipeline Project Development

The amount allocated for project development is intended to fund a portion of the development and construction costs for the Company's nine planned real estate projects, including but not limited to, costs related to design, planning and construction activities.

Among the planned pipeline projects is 8912 Asean Ave. (formerly known as Aseana Four) – a 15-story office building due for completion in 2021. With total gross leasable area of 69,280 sq.m., 8912 Asean Ave. is the Company's largest office project to date.

The project stretches 120 meters along Aseana Ave. with convenient access to retail options at the Ayala Malls Bay Area, connected through an elevated walkway. Among its key features are 100% back-up power, Variable Refrigerant Flow Air-conditioning, high allowances and redundancies of utilities per square meter, double-glazed curtain wall and space planning flexibility.

Commercial retail spaces are located on the first level while offices are located starting on the fifth floor and above. It also includes 969 parking spaces which will occupy the basement level and second to fourth floors. It is expected to attract traditional corporate offices and Business Process Outsourcing companies.

As of the September 30, 2018, the Company has used portion of the Offering Proceeds to fund the down payment for its general contractor and certain construction and planning related activities.

As of and for the quarter ended September 30, 2018, P449.8 million from the Offering Proceeds were released and used for this purpose.

(ii) Land Assets

The Company intends to obtain land assets through potential acquisitions of shareholding interests in land holding companies.

As of September 30, 2018, there were no disbursements related to this purpose.

(iii) Infrastructure Development within Aseana City

The estimated amount allocated for development of infrastructure within Aseana City is intended to fund a portion of the development costs for common amenities and utilities within Aseana City. Aseana City is designed to be a self-contained community serviced by central water supply, drainage and sewage systems, electricity supply, telecommunication facilities, internet providers, and liquefied petroleum gas providers.

As of September 30, 2018, there were no disbursements related to this purpose.

(iv) General Corporate Purposes

General corporate purposes include (1) purchase or lease or repair of construction equipment; (2) provision for potential projects and business opportunities; and, (3) working capital.

As of September 30, 2018, there were no disbursements related to this purpose.

(b) Summary of Accumulated Costs Incurred

Summarized below are the accumulated costs incurred to date and the remaining balance of the Offering Proceeds.

	Allocation of Offering Proceeds		Application of Offering Proceeds as of June 30, 2018		Application of Offering Proceeds for the Quarter ended September 30, 2018		Balance of Offering Proceeds as of September 30, 2018	
Pipeline project development	P	3,731,213,878	P	-	P	449,821,429	P	3,281,392,449
Land assets		2,880,101,954		-		-		2,880,101,954
Infrastructure development within Aseana City		524,345,738		-		-		524,345,738
General corporate purposes		<u>463,552,030</u>		<u>-</u>		<u>-</u>		<u>463,552,030</u>
	P	<u>7,599,213,600</u>	P	<u>-</u>	P	<u>449,821,429</u>	P	<u>7,149,392,171</u>

(c) Application of the Remaining Balance of the Offering Proceeds

The remaining balance of the Offering Proceeds amounting to P7,149.4 million as of September 30, 2018 is expected to be applied on costs to be incurred in accordance with the planned use and estimated timing as disclosed in the Offering Circular and to the PSE.