Viña Concha y Toro

FAMILY OF WINERIES

2019 ANNUAL REPORT

VIÑA CONCHA Y TORO
FAMILY OF WINERIES

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01 2019 MILESTONES

N°4 MOST ADMIRED WINE BRAND

For a third consecutive year, Concha y Toro was named among the top five World's Most Admired Wine Brands, according to British publication Drinks International.

SCIENCE BASED TARGETS

Viña Concha y Toro is the first wine company in the world to set greenhouse gas emissions reduction goals under the Science Based Targets initiative. The company aligned its emissions reduction goals with the global objective of keeping temperature increases below 1.5°C.

ALMAVIVA 2017 NAMED WINE OF THE DECADE

James Suckling awarded the iconic Almaviva 2017 vintage a perfect score of 100 points, naming it Chile's best wine and the Wine of the Decade.

OUTSTANDING PERFORMANCE BY TRIVENTO BRANDS

The increase of points of sale in key markets enabled the Argentinean subsidiary's "Invest" brands Trivento Reserve and Trivento Golden Reserve to achieve outstanding performance in the year.

VOLUME

^ 39%

AN EXTRAORDINARY VINTAGE 2018 GLOBAL CAMPAIGN

The outstanding quality of the 2018 vintage was promoted in a 360° campaign which brought together Concha y Toro's premium and super premium lines.

INCLUDED 25 TIMES IN THE TOP 100 WINERIES OF THE YEAR

Concha y Toro has been named among the Top 100 Wineries of the Year by Wine & Spirits for 25 consecutive years, the second highest number of times.

"TOGETHER WE'RE BUILDING A CULTURE OF EXCELLENCE"

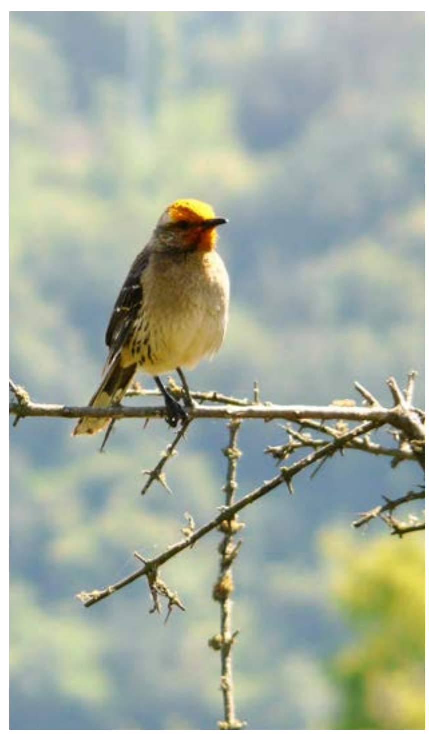
Launch of a new corporate culture, with dissemination of its key values, operating agreements between areas, and the formation of a committee of change agents.

BUSINESS AMBITION FOR 1.5°C

Viña Concha y Toro became the first Chilean company to sign up to Business Ambition for 1.5°C, a United Nations initiative to accelerate the achievement of climate goals established in the Paris Agreement.

FOREST STEWARDSHIP COUNCIL® CERTIFICATION

First wine company in the world to certify its forest assets under FSC® (FSC-C154029) with focus in Ecosystem Services and conservation purposes.



SUCCESSFUL FIRST YEAR FOR GLOBAL TRAVEL RETAIL & DUTY FREE SEGMENT

Entry to the global travel retail channel, with major acknowledgments such as "Travel Retail Exclusive of the Year" from Drinks International for Casillero del Diablo Route of Cabernet Sauvignon.

99 POINTS FOR DON MELCHOR 2017

A year of successful launches for Viña Don Melchor in its key markets, topped by the 99 points awarded to its 2017 vintage by James Suckling.

JAMESSUCKLING.COM

NO. 2 MOST POWERFUL WINE BRAND

Wine Intelligence named Casillero del Diablo as the second most powerful wine brand in the world for a second consecutive year.

VINEYARD OF THE FUTURE

Following five years of research, the Center for Research and Innovation developed the first plantations of highly resistant mother blocks with superior phytosanitary quality, with a view to achieving the vineyard of the future.

NEW FORMAT FOR BONTERRA

Bonterra launched Young Red, Sauvignon Blanc and Rosé varieties in a new, more personal, portable and recyclable 250ml can format.

A NEW DEVIL

Concha y Toro successfully explores a new category with Pisco Diablo.

02 LETTER FROM THE CHAIRMAN

“

DEAR SHAREHOLDERS,

THIS YEAR’S RESULTS ARE POSITIVE, AND DEMONSTRATE SIGNIFICANT PROGRESS IN LINE WITH THE NEW BUSINESS STRATEGY AND COMMERCIAL VISION THAT HAS BEEN IMPLEMENTED WITHIN THE COMPANY.

”

OPERATING PROFIT GREW BY **28.4%**, REACHING CH**$77,077** MILLION, AND THE OPERATING MARGIN INCREASED BY 200 BASIS POINTS TO **11.7%**.

In 2019, consolidated sales reached Ch$656,980 million, an increase of 7%. This result was driven by volume and value growth at our priority brands, the international business, and favorable exchange rates impact following the appreciation of our main currencies of sales.

Operating profit grew by 28.4%, reaching Ch$77,077 million, and the operating margin increased by 200 basis points to 11.7%, primarily reflecting an improved product mix, production efficiencies, lower cost of wine, and the positive exchange rate impact. Net income in the year reached Ch$52,500 million, an increase of 6.9% compared to 2018.

The company's shift in focus toward the premium segment is bearing fruit, and has resulted in solid growth for priority brands in this category, which are crucial due to their relevance, growth potential, and contribution to business profitability.

The Casillero del Diablo line increased sales by 490,000 cases, with a total of 5.7 million cases sold globally in 2019. This outstanding result is an indication of its positioning, which was reaffirmed by once again being named one of the most powerful wine brands in the world. This consumer preference is supported by its extraordinary quality, together with continued investment in branding and distribution.

Meanwhile, high potential "Invest" brands, where we have focused our investment, saw significant growth in terms of volume, with Trivento Reserve (39%), Cono Sur Bicicleta (9%) and 1000 Stories (12%) standing out. All of these brands have benefited from greater focus, aligned sales efforts, and investments in brand building through innovative campaigns that have reached millions of consumers, incorporating digital channels, television and major strategic partnerships.

The most relevant initiatives include the Extraordinary 2018 Vintage campaign, a global activation deployed in 130 countries for the premium and super premium brands in Concha y Toro's portfolio; Casillero del Diablo's Protected Forever campaign, which reached millions of people in more than 50 markets; Viña Cono Sur's Pinot Noir, the Cool Red campaign, which reinforced the brand's premiumization in this variety; and Trivento's sponsorship of Discovery Channel in the United Kingdom, which increased brand awareness by 46%.

Our relentless work over more than three decades to produce world-class wines is yielding results and, for that reason, we decided to make our iconic Don Melchor brand independent, creating Viña Don Melchor. This move acquired even greater relevance following the outstanding 99 points awarded to Don Melchor's 2017 vintage by international wine critic James Suckling. Needless to say, we are also very proud of the position achieved by Almaviva, which again received a perfect score of 100 points for its 2017 vintage, in addition to awards including Chile's best wine and Wine of the Decade for its huge influence in building the reputation of Chilean wine around the world.

In terms of sales, significant progress has been made in different regions. In the domestic Chilean market, the strategy of focusing on high-value categories was reflected in an improved sales mix, with an increase of 7.1% in the premium segment and a rise in average prices. Meanwhile, volume sold fell by 5.1% in 2019, due to lower sales in the fourth quarter of the year, during which our operations were affected by the social crisis that started in Chile on October 18, resulting in disruptions to the operations of supermarkets and the on-trade channel, among other impacts.

In export markets, revenue increased by 12.8% and volume grew by 5%, with strong performance of direct distribution

subsidiaries in countries including the United Kingdom, Brazil and Mexico, as well as Poland, the Netherlands and Denmark, among others. This is an indication that our integrated distribution model, together with the development of direct relationships with key retailers, has contributed to sales efforts aligned with the company's commercial vision.

In a challenging scenario and increasing competition for the wine industry in the US, Fetzer Vineyards has worked to consolidate the integration of its sales teams following the acquisition in 2018 of 100% of Excelsior Wine Company, which distributes Viña Concha y Toro's wines in the US market. Similarly, increased sales efforts and commercial focus have driven growth of the portfolio imported from Chile and Argentina. The results that we have seen in 2019 are positive, indicating a recovery of volumes sold for the Frontera, Casillero del Diablo and Trivento Reserve lines. On the other hand, the Californian portfolio saw volumes decrease in its domestic US market, in an environment of higher availability of wine and one-off changes in inventory policies by distributors.

Argentinean subsidiary Trivento Bodegas y Viñedos performed strongly, and its priority Trivento Reserve brand grew by 39% in terms of volume, driven by sales in the United Kingdom, its largest market, where it leads the Argentinean wine category and has become one of the 15 most sold wines.

In 2019, Viña Concha y Toro reaffirmed its sustainability leadership, signing up to the United Nations' Business Ambition for 1.5°C initiative and committing to achieving zero greenhouse gas emissions by 2050. In terms of conservation, during 2019, the requirements to obtain the Forest Stewardship Council® Forest Management Certification were implemented, making us the first wine company in the world to certify our forest assets under FSC® standards for conservation purposes.

Our subsidiary wineries also made significant progress on sustainability initiatives. Viña Cono Sur offset the emissions generated by the transportation of its wines to destination markets, participating in the West India Wind Power project and a conservation project for the Valdivian Coastal Reserve. Similarly, to advance in the use of clean energy, it initiated the expansion of its solar power plant located in Peralillo and made progress in the implementation of solar power plants for its main vineyards. Meanwhile, Trivento Bodegas y Viñedos inaugurated a solar power plant, the largest private clean energy project in Mendoza's wine industry.

In what has been a challenging year for Chile's agriculture sector due to the drought that has primarily affected the country's central region, Viña Concha y Toro has made significant investments in wells, pipelines and irrigation ponds to ensure the supply of irrigation water, as well as incorporating cutting-edge irrigation control technology. Along the same lines, the Center for Research and Innovation (CRI) has made progress on its Resource Management and Water Scarcity Strategic Program, implementing pilot initiatives that will enable the company to significantly reduce water consumption.

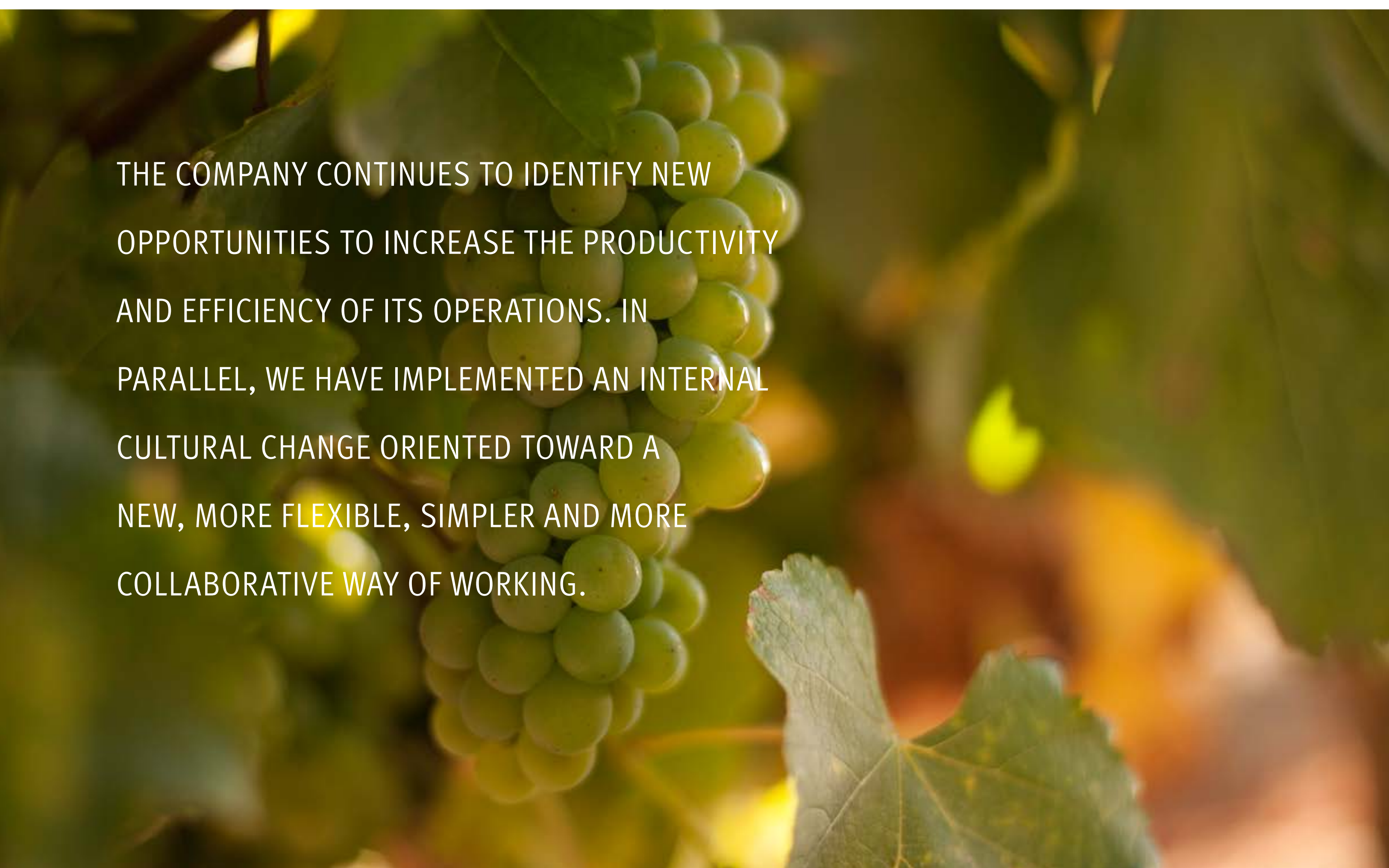
Furthermore, thanks to the technological developments by the CRI in the field of molecular biology, it achieved the major milestone of planting the first mother blocks with superior phytosanitary quality in one of the company's vineyards. This will enable us to obtain certified grapevines, and plant new vineyards with healthier and strengthened plant material, which will promote longevity, productivity and grape quality.

The company is continuing to identify new opportunities to increase the productivity and efficiency of its operations. In parallel, we have implemented an internal cultural change oriented toward a new, more flexible, simpler and more collaborative way of working. We are aware that our employees are the protagonists of this change, and we have a great team of people committed to their work and this new way of operating. This is especially important in the complex situation that we are currently facing, in which unity and collaboration between teams is essential.

Finally, it is important to keep in mind that the results presented in this report were obtained in a context of major challenges on a domestic and international level. We believe that the results achieved by the company in 2019 are promising, and in line with the profitability objectives established in its medium-term strategy. As such, although we still have a long way to go, we can view these results in a positive light.

ALFONSO LARRAÍN SANTA MARÍA

Chairman of Viña Concha y Toro



03 FINANCIAL OVERVIEW

(Million of Chilean pesos)

	2019	2018	2017	2016	2015
INCOME STATEMENT					
Revenues*	656,980	614,129	613,515	658,448	636,194
Gross Profit*	241,397	204,586	201,436	246,066	244,689
Operating Profit (1)	77,077	60,007	61,912	70,185	71,022
EBITDA (2)	105,644	86,025	86,267	92,701	93,432
Net Income Attributable to Shareholders	52,500	49,111	49,575	47,931	49,797
AS A PERCENTAGE OF REVENUE					
Gross Margin	36.7%	33.3%	32.8%	37.4%	38.5%
Operating Margin	11.7%	9.8%	10.1%	10.7%	11.2%
EBITDA Margin	16.1%	14.0%	14.1%	14.1%	14.7%
Net Margin	8.0%	8.0%	8.1%	7.3%	7.8%
BALANCE SHEET					
Total Assets	1,253,817	1,144,480	1,056,827	1,015,839	982,687
Total Liabilities	659,783	572,327	505,593	498,132	528,352
Total Equity	594,034	572,153	551,233	517,707	454,336
Net Financial Debt (3)	286,715	257,025	230,657	191,858	205,582
ROA (4)	6.4%	5.4%	5.9%	7.1%	7.4%
ROE (5)	8.9%	8.7%	9.3%	9.6%	11.1%
ROIC (6)	6.9%	7.1%	7.3%	7.6%	8.1%
Financial Debt/Equity	48.3%	44.9%	41.8%	37.1%	45.2%
Earnings per Share (Ch$)	70.28	65.74	66.36	64.16	66.66
Dividends per Share (7) (Ch$)	28.10	25.00	24.00	27.30	27.50
Share Price as of December 31 ($)	1,415.8	1,354.6	1,164.6	1,074.9	1,061.5

**The figures for 2019, 2018 and 2017 are presented according to the IFRS 15 accounting standard, which generated a reduction in recognition of sales and gross profit. As such, these figures are not comparable to those from previous years.*

(1) Operating Profit = Gross Profit - DIstribution Costs - Administrative Expenses + Other Revenues - Other Expenses.
(2) EBITDA = Gross Profit - Distribution Costs - Administrative Expenses + Other Income - Other Expenses + Depreciation + Amortization.
(3) Financial debt = Other Financial Liabilities - Derivatives - Cash and Cash Equivalents.
(4) ROA = Profits/Average Assets.
(5) ROE = Profits/Average Equity.
*(6) ROIC = (Operating Profit + Exchange Difference) * (1 - Tax Rate) / (Average Equity + Average Net Financial Debt).*
(7) Dividends per share refer to the interim and final dividends declared on earnings in the corresponding financial year.

04 2019 RESULTS

Viña Concha y Toro's consolidated sales reached Ch$656,980 million and 35.1 million cases in 2019, an increase of 7% in terms of value and 0.7% in terms of volume. Wine segment sales grew by 9.2% in terms of value and 1.8% in terms of volume, reaching 33.5 million cases. This result primarily reflects an improved sales mix, driven by premium brands which the company has defined as a priority, growth in international markets, and the positive effect of depreciation of the Chilean peso against main sales currencies.

The results in 2019 are in line with the commercial strategy that the company has implemented. The new guidelines have shifted the business focus toward brands defined as "Principal" and "Invest", where commercial efforts and brand building investments have been concentrated due to their growth potential and contribution to profitability. This has required the restructuring and streamlining of the portfolio, with the deliberate withdrawal of certain brands and businesses that were not meeting profitability objectives.

The "Principal" category, made up of the company's flagship Casillero del Diablo Reserva brand, grew by 10% in terms of volume. This positive result reflects the brand's solid positioning, high level of recognition and consumer preference, which has been supported by continued investment and strengthening of its global distribution.

CONSOLIDATED SALES

(Million of Chilean pesos)

TOTAL WINE VOLUME

(Million of cases)

CONSOLIDATED SALES

^7%

WINE VOLUME

^1.8%

CASILLERO DEL DIABLO
RESERVA

^10%

IN TERMS OF VOLUME

THIS POSITIVE RESULT REFLECTS THE BRAND'S SOLID POSITIONING, HIGH LEVEL OF RECOGNITION AND CONSUMER PREFERENCE, WHICH HAS BEEN SUPPORTED BY CONTINUED INVESTMENT AND STRENGTHENING OF ITS GLOBAL DISTRIBUTION.

The “Invest” category grew by 15% in terms of volume, driven by extensions of the Casillero del Diablo line (+8%), Cono Sur Bicicleta (+9%), Trivento Reserve (+39%), 1000 Stories (+12%) and Diablo, a brand which doubled volume sold in its second year on the market, reaching 112,000 cases. Meanwhile, the “Protect” category maintained its volume, and the “Watch” category fell by 7%, in line with the portfolio’s new focus.

Sales in international markets (exports from Chile and sales by distribution subsidiaries) reached Ch$414,654 million, an increase of 12.8%, while volume grew by 5.0%. The highest growth was obtained in markets where the company has vertically integrated with its sales offices, enabling it to work closely with the market and align the guiding principles of the new commercial strategy.

The United Kingdom stood out among destination markets, growing 10.7% in terms of value and 8.4% in terms of volume, and priority brands expanding both in terms of sales and market share. Casillero del Diablo maintains its leadership among Chilean brands, and is positioned as one of the five most sold wines in the UK market. Of those, it is the brand with the highest average sale price. Trivento is leading the Argentinean wine category, and became one of the top 15 most sold wines for the first time, with outstanding growth in sales and distribution. Meanwhile, in the off-trade channel, subsidiary Concha y Toro UK consolidated its position as the second largest supplier of branded wine in the United Kingdom, significantly closing the gap with the current market leader. In Brazil, growth reached 27.5% in terms of value and 18.6% in terms of volume, while in Mexico those figures reached 19% and 8.9% respectively.

Other markets that stood out during 2019 due to their high growth in terms of volume were Poland (+52.1%), Denmark (+20.1%) and the Netherlands (+21.7%). In Asia, South Korea grew by 28.9% in terms of value and 4.4% in terms of volume, and Japan grew by 13.3% in terms of value while volume remained flat. China grew by 21.6% in terms of value with volume unchanged, reflecting an improved sales mix and outstanding performance in growth of volume sold for “Principal” (+29.3%) and “Invest” (+44.5%) brands, in line with the company’s new strategic focus.

“INVEST” BRANDS

(Growth in terms of volume)

CASILLERO DEL DIABLO LINE EXTENSIONS	CONO SUR BICICLETA	TRIVENTO RESERVE	1000 STORIES
^ 8%	^ 9%	^ 39%	^ 12%

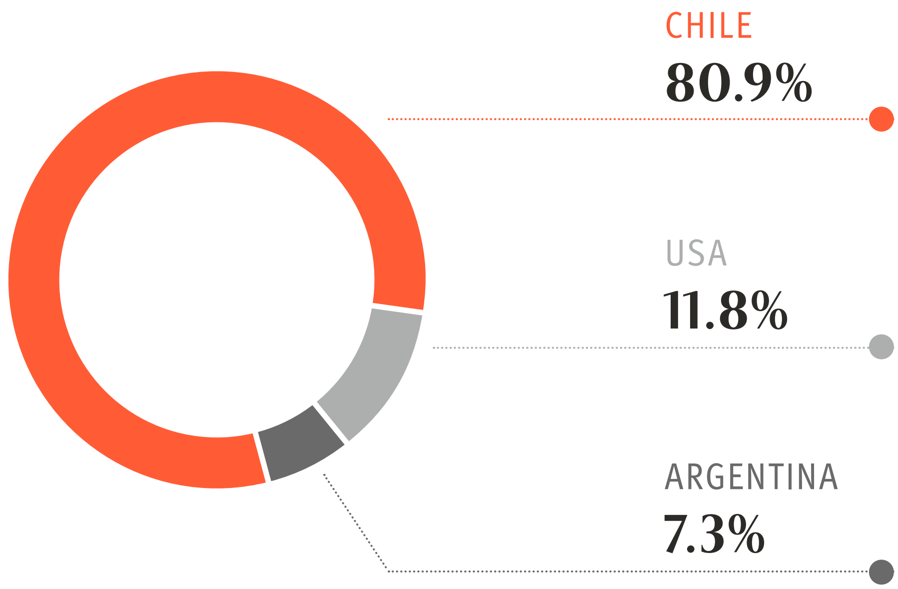
GROWTH BY BRANDS CATEGORIES

	VALUE	VOLUMEN
Principal	12.9%	10.0%
Invest	21.5%	15.4%
Protect	7.8%	(0.3)%
Watch	(2.9)%	(6.7)%
Other Brands	(5.8)%	(5.9)%

THE UNITED KINGDOM STOOD OUT AMONG DESTINATION MARKETS, WITH GROWTH OF **10.7%** IN TERMS OF VALUE AND **8.4%** IN TERMS OF VOLUME. PRIORITY BRANDS GREW IN SALES AND MARKET SHARE.

SALES BY ORIGIN

(Value)



Wine sales in Chile reached Ch$77,187 million, a decrease of 1.6% due to an increase of 3.7% in average price and a reduction of 5.1% in volume sold. It is important to note that figures for 2019 were affected by a reduction in sales during the fourth quarter of the year (-16.7%) following the social crisis in the country. Toward the end of the year, retail and on-trade sales channels, which account for close to 50% of sales, suffered significant decreases, while the traditional channel was less affected.

Despite this complex scenario, results in the Chilean market were in line with strategic growth objectives for high-value categories. As such, an improved sales mix was achieved, with an increase of 7.1% in terms volume for the premium category, which gained 1.3 percentage points in the sales mix compared to 2018. This shift was driven primarily by Casillero del Diablo, which grew by 6% in terms of value, as well as the successful launch of Diablo, which sold 44,000 cases in its second year on the market. According to the Nielsen Retail Index, Concha y Toro increased its market share in terms of value from 26.6% in 2018 to 27.1% in 2019, achieving second place in the wine category.

Sales by the company's Argentinean subsidiary reached Ch$36,291 million in 2019, with an increase of 15.4% in terms of value and 6.2% in terms of volume. This result is an indication of the successful year that Trivento and its main "Invest" brands—Trivento Reserve and Golden Reserve— had, with the category registering growth of 39% in terms of volume and 44% in terms of value. This performance reflects greater commercial focus in line with the new strategy and its multi-origin approach, together with continued investment in brand building and major strategic partnerships in the United Kingdom and United States, its main markets. Trivento Reserve also saw significant growth in markets including Denmark, Russia and Germany, and since 2013 has maintained its position as the leading Argentinean wine in Europe, according to consulting firm IWSR.

Fetzer Vineyards' sales in its domestic US market reached Ch$108,269 million, with an increase of 5.0% in Chilean pesos and a decrease of 3.7% in US dollars, driven by growth of 1.6% in terms of volume and a lower average price. These results were achieved in challenging environment for the United States wine industry, characterized by high availability of wine and growing competition. In this context, during 2019 the company has increased its advertising efforts and brand investments, prioritizing the repositioning of the portfolio imported from Chile and Argentina. The response to these initiatives has been positive, with growth in terms of volume for Casillero del Diablo (+15%), Frontera (+10%) and Trivento

Reserve (+20%). Meanwhile, in the Californian portfolio, 1000 Stories maintained its volume, while Bonterra and the Fetzer brand saw volumes decrease by 5.3% and 12.8% respectively due to changes in distributors' inventory policies which primarily impacted the Californian wine category.

Direct exports from the US increased by 7.4% in terms of volume, led by 1000 Stories, Bonterra and the Fetzer brand (+53.2%, +8.0% and +17.7% respectively), with strong performance in European markets such as Russia, Denmark, Sweden and Germany.

The Other Business segment decreased by 23.3% during the year, primarily due to lower New Business sales (-22.7%) following termination of the distribution contract with Diageo. In the premium beer business, Miller, Kross and Estrella Damm saw good growth, demonstrating the favorable trend for this category.

The cost of sales increased by 1.5%, reaching Ch$415,584 million, in line with the growth of sales volumes. This reflects a lower cost of wine and the effect of a higher exchange rate for non-grape supplies and operating costs denominated in foreign currency. The cost of sales to revenue ratio was 63.3%, 340 basis points lower than in 2018.

Administrative and selling expenses reached Ch$162,975 million in the year, an increase of 9.3%, primarily due to increased marketing efforts by the United States subsidiary, which is in the process of integrating and repositioning the imported portfolio, together with higher expenses in overseas subsidiaries and the export tax in Argentina (ARS$3 per US dollar exported since September 2018).

In 2019 and 2018, the company recognized extraordinary restructuring expenses (consulting fees and severance packages) of Ch$847 million and Ch$5,192 million respectively. Adjusted for these extraordinary items, the administrative and selling expenses to revenue ratio increased by 120 basis points to 24.7%.

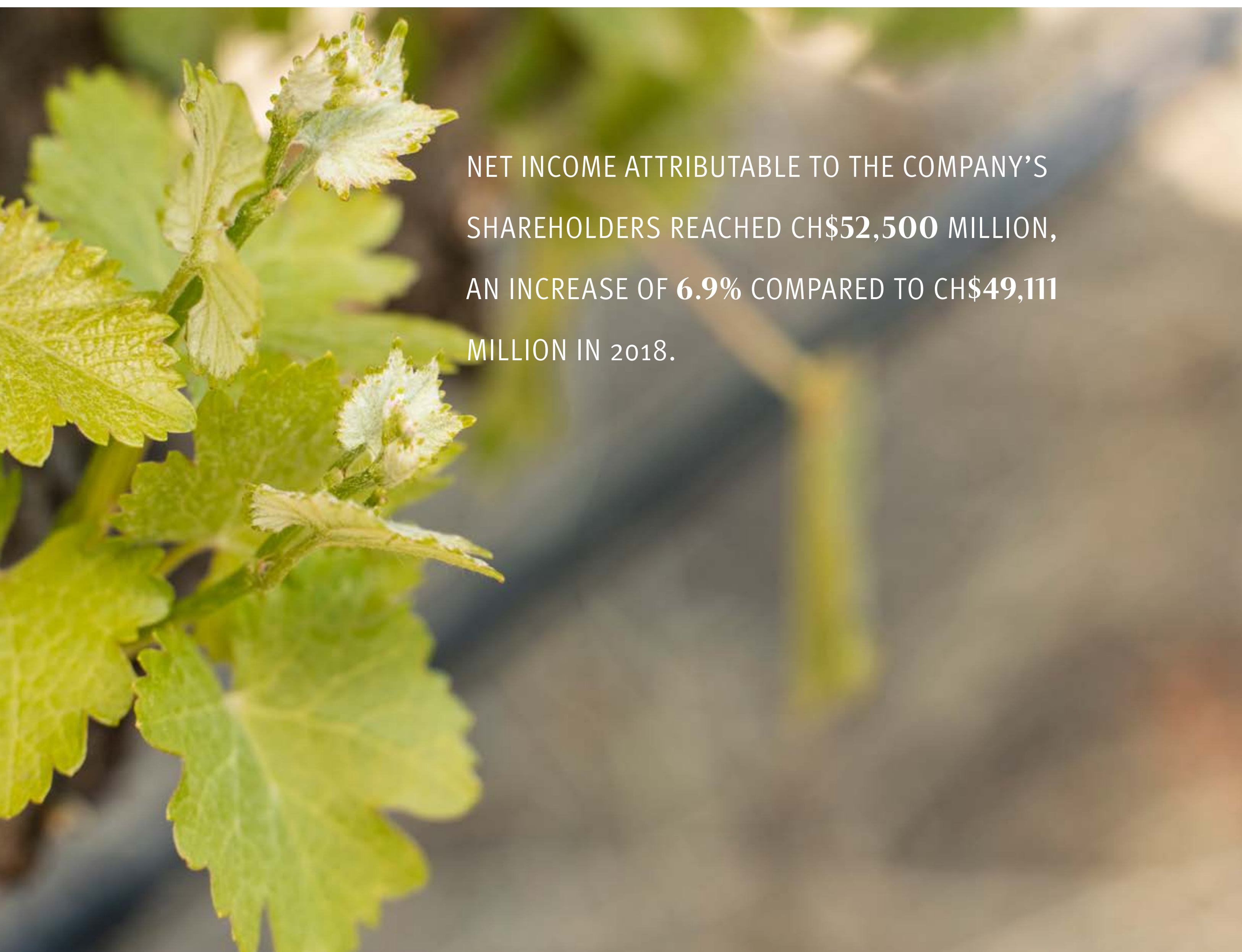
The Other Revenue and Expenses line recorded a loss of Ch$1,345 million, primarily due to expenses associated with the closure of the Lo Espejo plant. This is compared to gains of Ch$4,548 million in 2018, explained by extraordinary revenue of Ch$6,218 million obtained through the increased value of investments following the acquisition of the outstanding 50% of Excelsior Wine Company.

With regard to the real estate business, in line with the company's plan, in 2019 Viña Concha y Toro continued to process permits and feasibility studies corresponding to its first two real estate projects: apartments in La Cisterna and a housing project in Puente Alto. During 2019, the company sold real estate assets including the VCT branch in Osorno and a plot of land in Antofagasta, generating real estate gains of Ch$699 million.

Operating profit reached Ch$77,077 million, an increase of 28.4% compared to Ch$60,007 million recorded in 2018. This primarily reflects higher sales volumes for priority brands, the positive foreign exchange impact, and a lower cost of wine. The operating margin was 11.7% in 2019, a 200-basis-point expansion compared to the operating margin of 9.8% in the previous year. Excluding non-recurring items, operating profit reached Ch$78,919 million in 2019 and the adjusted operating margin was 12.0% (+180 basis points).

The company registered a non-operating loss of Ch$6,595 million in 2019, compared to non-operating profit of Ch$1,488 million in 2018. This is explained primarily by lower foreign exchange differences, which reached Ch$2,687 million in 2019 compared to Ch$10,649 million in 2018.

The net financial costs of financial revenue and readjustment units reached Ch$12,511 million, an increase of 6.6%. This reflects an increased debt level, which the company considers to be a temporary situation, arising from its decision to issue bonds in August 2019 due to the low interest rate environment, which will be used to pay debt maturities in 2020.
Net income attributable to the company's shareholders reached Ch$52,500 million, an increase of 6.9% compared to Ch$49,111 million in 2018.



05 BUSINESS STRATEGY

VISION: to be a leading global wine company, consumer-centric with a focus on developing premium wine brands

OBJECTIVE: Growth in value and profitability

EXCELLENCE

INNOVATION

SUSTAINABILITY

PEOPLE

PRODUCTION MODEL

To guarantee the production of high-quality wines through an agricultural and winemaking model based on excellence.

To consolidate an innovative, cost-efficient supply chain that satisfies the expectations of our customers.

To strengthen and create value in all relationships with our strategic partners.

BRANDS

To develop and strengthen premium brands that enhance our global growth, focusing on extensive understanding of our consumers and markets.

To maintain market positioning and share of Protect brands, given their relevant contribution to the company's revenue.

To simplify and unify a brand portfolio from our multiple origins—Chile, the US and Argentina—through a Brand Matrix, with clear and strategic positioning for each brand.

MARKETS

To maintain the competitiveness and leadership of our global distribution and scope.

To develop and maintain strong relationships with key customers and distributors.

To focus the commercial strategy on priority markets, which are most significant in terms of value today and have high future potential.

To define and implement the best RTM for our brands in each priority market.

KEY ENABLERS

To promote a workplace that inspires and develops people and teams which are committed to the new challenges, focused on results, and demonstrate a collaborative attitude.

To establish world-class, integrated support areas that contribute day by day to achieving excellence in our operations.

To develop processes that systematically support effective and flexible decision-making.

To provide information and tools that enable decision-making.

CULTURE: Collaborative · Agile · Respectful · Open to Change

PRODUCTION MODEL

STRATEGIC OBJECTIVES	PROGRESS AND MILESTONES 2019
To guarantee the production of high-quality wines through an agricultural and winemaking model based on excellence.	» The creation of the Winemaking Operations area to contribute to process efficiency and improvement. Unification of the Winemaking, Agricultural and bottling plant maintenance areas under a single strategic plan. » Major investments in wells, pipelines and irrigation ponds to ensure the supply or irrigation water, as well as the incorporation of cutting-edge irrigation control technology. » Acquisition of new land and development of new vineyards to continue cultivating premium grapes. » 75% of electric power supplied by renewable sources, including the construction of five solar power plants. Contracts were signed for new plants that will be built in 2020. » Viña Cono Sur expanded its solar power plant in the Colchagua Valley, and made progress on the implementation of solar power plants at its main vineyards. It also renewed its Carbon-Neutral® Delivery certification this year. » The Center for Research and Innovation made major contributions to the company's agricultural and winemaking model: • Planting of the first virus and pathogen-free mother blocks based on molecular biology techniques. • Installation of clone identification techniques (UCDavis – UNAB – CRI). • Surface renewal station and complementary sensors fully operational for irrigation optimization, reducing water and energy use by 25% in R&D vineyards, and replicating savings of between 25% and 30% in 80% of the pilot surface area. • Implementation of new spectrophotometric technique to predict the polyphenolic and sensory quality of grapes and wines based on a panel of winemakers; Prototype for grape and wine quality management platform. • Implementation and launch of laboratory bioreactor for microfermentation; Launch of Circular Winemaking Strategic Program and Innovation Committee (Concha y Toro, Viña Cono Sur and Emiliana Bodegas y Viñedos). • Agricultural and winemaking innovation units; five ongoing projects; +10 projects being evaluated; technological missions and first technological oversight newsletter.
To strengthen an innovative, cost-efficient supply chain that meets our customers' expectations.	» Integration of suppliers in the company's ethical management standards, transferring best practices. » Implementation of Responsible Supply Guidelines to strengthen supplier relations. » Support for grape growers to maintain Wines of Chile Sustainability Code certification. » Assessment of compliance with social standards by grape growers (BSCI). » Consolidation of sustainability and carbon footprint program with non-grape suppliers. » Participation in industry associations to generate two clean production agreements. » Center for Research and Innovation signed an agreement with Chile's Agricultural and Livestock Service (SAG) for technological transfer from its molecular biology area for the detection of viruses and fungi in wood. » Trivento launched its Support for Sustainable Agriculture Program, with three key pillars: advisory, relationship building and access to financing.

BRANDS

STRATEGIC OBJECTIVES	PROGRESS AND MILESTONES 2019
To develop and strengthen premium brands that enhance our global growth, with a focus on deep understanding of our consumers and markets.	» Growth of “Principal” and “Invest” brands: • Creation of Viña Don Melchor to boost its positioning as a world-class high-end wine. • Strong performance of Casillero del Diablo, with growth of 18% in terms of value and an increase of 490,000 cases sold in 2019. • Successful new launches such as Diablo (growth of 124%) and Casillero del Diablo Route of Cabernet Sauvignon. • Strong performance of Trivento Reserve, with growth of 39% compared to 2018 and 893,000 cases sold. • Launch of Bicicleta Pinot Noir Limited Edition strengthens Viña Cono Sur’s positioning as a leader in the New World Pinot Noir category. • Growth of 12% for Fetzer’s 1000 Stories brand globally. • This year, Bonterra launched an organic wine in a new 250ml can format. » Strengthening of ultra-premium brands: • Launch of Amelia as the Chilean brand with the strongest image for the Chardonnay and Pinot Noir varieties. • Terrunyo becomes the first multi-origin brand in the ultra-premium segment associated with the company’s best terroirs (Chile/Argentina/US), with the launch of an Argentinean Malbec variety. » Successful marketing campaigns: • Concha y Toro’s first global multi-brand campaign, An Extraordinary 2018 Vintage, in more than 130 countries. • Casillero del Diablo’s Protected Forever global campaign in more than 50 markets. • Viña Cono Sur’s Pinot Noir, the Cool Red global campaign, strengthening the brand’s premiumization. • Viña Cono Sur’s Follow Your Road global campaign, connected to its iconic Bicicleta brand. • Sponsorship of Discovery Channel by Trivento, which increased brand awareness by 46%.
To maintain the positioning and market share of “Protect” category brands.	» Growth of 4.7% in terms of volume for the Frontera brand, driven primarily by its performance in the US. » Reservado increased by 22% in terms of value, with growth in markets such as Brazil and Mexico. » Outstanding growth of Viña Maipo in Mexico, with a 107% increase in net sales.
To simplify and unify a brand portfolio from our multiple origins (Chile, Argentina, and the US) with clear and strategic positioning.	» Definition of the brand matrix enabled the development of a multi-origin portfolio through Concha y Toro, Fetzer Vineyards and Trivento Bodegas y Viñedos. » Focus on priority brands defined in the brand matrix has enabled us to grow our multi-origin portfolio: • The “Principal” category increased its share of total sales to 20.8% in 2019. • The “Invest” category increased its share to 19% of sales in 2019. » Accelerated growth in exports of multi-origin “Invest” brands (30%), breaking the trend of low growth or contractions in recent years.

MARKETS

STRATEGIC OBJECTIVES	PROGRESS AND MILESTONES 2019
To maintain the competitiveness and leadership of our global distribution and reach.	» Local market share: Second place in Chile with a share of 27.1%, increasing by 0.5 percentage points. » Share of exports: • Chile: First, with a share of 29.5% of bottled wine volume. • Argentina: Third, with a share of 4.3% of total wine volume. • United States: Eighth, with a share of 3% of bottled wine volume. » Outstanding performance of distribution subsidiaries in the United Kingdom, Brazil and Mexico, with growth of 10.7%, 27.5 and 19% in terms of value respectively.
To develop and maintain strong relationships with key customers and distributors.	» Strengthening of the distribution strategy in key markets: direct distribution model covers 69% of sales. » Development of direct relationships with key retailers drove sales of the "Principal" brand. » Viña Cono Sur consolidated its new operations in Japan, Poland and Brazil, among others, and expanded its organic wine distribution in the United Kingdom, Chile and Ireland. » Diversification of channels. • E-commerce: In China, e-commerce accounts for approximately 25% of sales. Growth in 2019 reached 12%. • New Global Travel Retail & Duty Free area developed Casillero del Diablo Route of Cabernet Sauvignon, an exclusive product for this channel.
To focus our commercial strategy on priority markets (those that are significant in terms of current value and those with high future potential).	» Strong growth, 13% in terms of value in "A" markets. • United Kingdom: increase of 10.7% in terms of value and 8.4% in terms of volume. • Brazil: increase of 27.5% in terms of value and 18.6% in terms of volume. • Mexico: increase of 19% in terms of value and 8.9% in terms of volume. • Progress in the integration of distribution in the US and focus on the imported portfolio enabled a recovery of volumes sold (+9.6%) and an increase in value of this category (+26.6%) • In the Chilean market, growth of the premium category of 7.1% in terms of volume stands out, driven by "Principal" and "Invest" brands. » Very strong performance in "B" markets, with growth of 19% in terms of value. • In Western Europe, focus on three key markets (Ireland, Denmark and Benelux), with emphasis on growth of "Principal" and "Invest" brands and an integrated commercial strategy. • Focus on Japan and South Korea, reallocating resources to concentrate on the growth of "Invest" brands.

KEY ENABLERS

STRATEGIC OBJECTIVES	PROGRESS AND MILESTONES 2019
To develop world-class integrated support areas focused on operational excellence.	» People management • Redefinition of the corporate culture with a focus on key values—collaboration, flexibility, respect, and openness to change—and skills required to implement the strategy. • Network of change agents to contribute to cultural change. • Renovation of the company's physical facilities in line with the concept of coworking, strengthening integration, interaction and collaboration between people and areas. • New performance management system which will enable targets to be aligned with the strategy and competencies. • Implementation of listening and feedback opportunities for people management processes. • Training plan linked to the strategy. » Strengthening of the Market Intelligence and Analytics area with new technological support tools, and consolidation of global information on consumers, brands and markets in a single location. » Creation of the New Business area, which is focused on product development. The main milestone in the year was the launch of a product in a new category: Pisco Diablo, which was named launch of the year by Nielsen. » Digitalization of processes and implementation of new technological tools: • Creation of a digital Brand Center with more than 1,500 Concha y Toro and Viña Don Melchor brand and campaign files to facilitate access and contribute to more efficient brand positioning. • PDA Retail for Chilean distribution business. • New commercial planning tool. • Expansion of SAP to the company's key processes. » Consolidation of the Commercial Services area, with the integration of the Customer Experience and Design Lab teams to generate synergies and provide comprehensive support in areas such as customer service, events and design, among others.
To develop processes which systematically support effective and streamlined decision-making, and tools to enable strategic decision-making.	» Simplification of operating processes for more streamlined decision-making. • Development of operating and service agreements between different areas of the company. • Standardization of data analysis methods to improve information for sales management. » New strategic planning initiatives and integration for decision-making. • Integration of Winemaking and Agricultural areas. • Strategic collaboration between the Center for Research and Innovation and the company's subsidiaries in Argentina and the US. • Redesign of the company's strategic committees.

STRATEGIC PILLARS

EXCELLENCE

MILLIONS OF CONSUMERS ALL OVER THE WORLD PLACE THEIR TRUST IN THE QUALITY OF VIÑA CONCHA Y TORO'S WINES. EACH PERSON WHO WORKS AT THE COMPANY AIMS TO ACHIEVE EXCELLENCE IN A CONTINUOUS AND COLLABORATIVE PROCESS.

In 2019, the company received numerous acknowledgments of its corporate reputation. In the 2019 version of the Corporate Reputation Monitor (Merco) ranking, it was placed eleventh out of 100 companies with the best corporate reputation in Chile, and first in the wine industry. The RepTrak Chile 2019 study by international consulting firm Reputation Institute placed it seventh out of 100 Chilean companies evaluated.

Meanwhile, Concha y Toro was included in the Top 100 Wineries of 2019 by Wine & Spirits, becoming the company to have been included in this prestigious ranking the second highest number of times. It was also placed fourth in the World's Most Admired Wine Brands by Drinks International, and its flagship Casillero del Diablo brand was named the second most powerful wine brand in the world by Wine Intelligence for a second consecutive year. Similarly, the Branding Hall of Fame Chile, a select group which Concha y Toro has formed part of since 2011, named Casillero del Diablo as a Great Chilean Brand due to its international prestige.

Renowned British wine critic Tim Atkin named Concha y Toro's Technical Director, Marcelo Papa, Winemaker of the Year. This outstanding achievement is a recognition of his remarkable ability to make excellent wines, with great personality and a sense of origin.

INNOVATION

AT VIÑA CONCHA Y TORO, WE ENCOURAGE AN ENTREPRENEURIAL SPIRIT AND CHALLENGE OURSELVES CONSTANTLY, AIMING TO TRANSCEND WITH SOLUTIONS THAT ADD VALUE TO OUR CONSUMERS. WE BELIEVE IN THE POWER OF SYSTEMATIC RESEARCH, DEVELOPMENT AND INNOVATION TO ACHIEVE A CONNECTED AND SUSTAINABLE FUTURE.

Since its foundation, the Center for Research and Innovation (CRI) has embodied this spirit, promoting applied research and innovation in order to ensure excellence in the company's multi-origin production and promote Chile's wine industry.

After five years in operation, the CRI has achieved major advances in applied research which aim to address the quality, adaptability and productivity challenges facing the wine industry. Thanks to the technological development of the molecular biology laboratory, in 2019 the company took a major step forward in the Strengthening of Plant Material Strategic Program, planting the first mother blocks with superior phytosanitary quality in one of the company's vineyards, with a view to achieving the vineyard of the future. This will enable Viña Concha y Toro to obtain certified grapevines, and plant new vineyards with healthier and strengthened plant material, which will promote longevity, productivity and grape quality.

Under the Resource Management and Water Scarcity Strategic Program, infrastructure at the experimental winery was improved, and this technology was transferred to Cabernet Sauvignon vineyards in the Maule Valley, reducing water consumption by 30%. This experience was expanded to other vineyards in the Maule, Maipo and Colchagua valleys at the start of the 2019/2020 season. Under the Grape and Wine Quality Assessment Program, in 2019, new, faster and more cost-efficient spectroscopic techniques were developed to predict wine quality. Additionally, during the year, key Chilean authorities and wine industry leaders visited the CRI's facilities and signed major partnership agreements for the development of future projects. This includes Chile's Minister of Science, Technology, Knowledge and Innovation, Andrés Couve; Director General of the International Organisation of Vine and Wine (OIV), Pau Roca; and the agreement with Chile's Agricultural and Livestock Service (SAG) to generate new opportunities for technical cooperation and information exchange. This partnership will enable major transfer of information and methodologies that will contribute to the wine industry in areas such as grapevine health and ecosystem protection. These initiatives are an acknowledgment of the CRI and its R&D work, reflecting the excellence that it has achieved and quality of the research that it carries out.

During 2019, four internal workshops were held with a high level of participation among the company's production areas. Additionally, the CRI received visits from 102 young people from educational institutions in the Maule Region, and 131 Chilean and international university students. Meanwhile, the Center's research team gave presentations at several Chilean and international conferences, where they were able to share information on the progress and results of its strategic programs with other renowned wine industry researchers. These events include Climate Change Leadership (Portugal), GiESCO (Greece), In Vino Analytica Scientia (France), the Australian Wine Industry Technical Conference (Australia), the International Workshop on Grapevine Trunk Diseases (Canada) and Pangborn (UK).

SUSTAINABILITY

VIÑA CONCHA Y TORO – FAMILY OF WINERIES UNDERSTANDS THE VALUE OF GROWING IN HARMONY WITH THE ENVIRONMENT AND ITS NEIGHBORING COMMUNITIES. THE COMPANY INCORPORATES SUSTAINABILITY INTO EACH STAGE OF ITS BUSINESS, GENERATING VIRTUOUS CYCLES AND AIMING TO RETURN WHAT IT HAS RECEIVED FROM THE EARTH IN EACH BOTTLE.

In 2019, Viña Concha y Toro decided to join the select group of companies that have signed up to Business Ambition for 1.5°C, an United Nations initiative which aims to achieve high levels of commitment among businesses to accelerate the achievement of climate goals established in the Paris Agreement. Additionally, it has become the first wine company in the world and the first Chilean company to commit to achieving zero greenhouse gas emissions by 2050. Previously, the company published emissions reduction goals approved by the Science Based Targets initiative (SBTi).

In line with its commitment to conserving its natural forests, in 2019 the company implemented the requirements to obtain the Forest Stewardship Council® Forest Management Certification. As such, it became the first wine company in the world to certify its forest assets under FSC® standards for conservation purposes (FSC-C154029). This is a new type of certification for forest owners which aims to preserve biodiversity.

Since 2007, the company has standardized the assessment of its environmental impacts through the measurement of its carbon footprint and water footprint, and is working to reduce and mitigate these impacts. In 2019, the company's carbon footprint increased by 5% compared to the previous year, due to the higher production levels achieved in the year. However, emissions per bottle of wine produced decreased by 2% compared to the previous year. Meanwhile, the water footprint increased by 21%, due primarily to climate conditions during 2019. Lower rainfall and environmental humidity had to be compensated by increased irrigation to maintain the balance required by grapevines.

In 2019, the company achieved major progress in this area, with 80% of the electricity required by its operations in Chile supplied by renewable sources. Total installed capacity reached 2.5 MW, avoiding more than 15,000 tons of CO_2 emissions. The water footprint was 58 liters per glass, 47% lower than the global wine industry average, which reflects the company's excellent water management. These efforts were acknowledged by the CDP (Carbon Disclosure Project) in 2019, which named Viña Concha y Toro as a global leader in water management. Additionally, the company has generated waste use and reuse alternatives, recycling 98% of its waste in 2019 in line with the concept of circular economy.

	UNIT	2017	2018	2019
Carbon Footprint	tCO_2e	263,670	226,354	**238,135**
Electricity supply from renewable sources	%	60%	72%	**80%**
Water Footprint	Lts Water / 125cc Glas	64	48	**58**
Reuse and Recycling of Waste	%	96%	97%	**98%**

In 2019, the company achieved a major milestone with its neighboring communities, inviting them to celebrate a "Christmas with Meaning". For the celebration, it held four events in Ovalle, Puente Alto, Chimbarongo and Lontué which were attended by a total of 2,400 people, with activities and gifts for children and their families. Additionally, the company's corporate volunteering initiative at a kindergarten in Puente Alto was carried out for a second time, in which volunteers built green spaces and playsets for preschool children. In 2019, an innovative multi-purpose volunteering program named "Hands in the Earth" was also launched, in which company employees spent a day planting native tree species in various vineyards.

For a fifth consecutive year, the Production Partnerships Program was implemented together with Chile's Agricultural Development Institute (Indap), which aims to promote the cultivation of iconic grape varieties in Chile through training, transfer of best practices and the provision of technical tools to the 29 grape growers who currently participate in the program.

In terms of sustainability, the holding's subsidiaries also made significant progress in 2019. Viña Cono Sur again offset the emissions generated by the transportation of its wines to destination markets, participating in the West India Wind Power project and a conservation project for the Valdivian Coastal Reserve. Additionally, the subsidiary initiated the expansion of its solar power plant located in Peralillo, which will increase power generation from 95 kWp to 300 kWp, and progress was made on the implementation of solar power plants for its vineyards located in Chimbarongo, San Clemente, Aconcagua and Leyda.

Viña Cono Sur also received major international sustainability acknowledgments in 2019, including a Gold Medal in the Botanical Research Institute of Texas (BRIT) Sustainable Winegrowing Competition, and recognition from Natural Capital Partners for maintaining its global CarbonNeutral® certification for 12 years.

Meanwhile, in 2019, Trivento Bodegas y Viñedos inaugurated a more efficient clean-in-place (CIP) cleaning system and a solar power plant which will enable it to reduce its greenhouse gas emissions. This plant will provide 10% of the electricity required by its Maipú facility, and is the largest private clean energy project in Mendoza's wine industry. This project forms part of an energy savings plan including implementation of the ISO 50001 standard, which aims to ensure continuous energy efficiency improvement.

In order to improve its resource management, in 2019, Trivento obtained certification in the ISO 14001 Environmental Management Systems standard, and the Argentinean Winery Sustainability Protocol. Similarly, it renewed its commitment to the UN Global Compact, setting a target for a fourth Sustainable Development Goal (SDG). Trivento is the only Argentinean winery to report SDG commitments. Given its understanding that education is a tool with a significant multiplier effect, the Argentinean subsidiary provides scholarships for high-performing students to finish their studies through the Winds of Opportunity program. Following the launch of its innovative White Malbec in 2019, Trivento will quadruple annual scholarships provided through Argentinean Scholarship Fund Fonbec.

In the United States, Fetzer Vineyards took an active role in defending national climate change policy, supporting the implementation of a carbon tax law. Joseph Brinkley, Director of Organic and Biodynamic Vineyards, participated in the Lawmaker Education & Advocacy Day held at US Congress in Washington, DC, with Fetzer Vineyards joining more than 75 other companies to advocate for climate change legislation in the country. In 2019, Bonterra Organic Vineyards carried out an unprecedented study on its vineyards located in Mendocino together with Pacific Agroecology. The results demonstrated that Bonterra's biodynamic and organic vineyards have 12.8% and 9.4% more organic carbon respectively compared to a similar traditional vineyard. Carbon provides long-term benefits for soil health including greater drought resistance, erosion prevention and improved aeration.

PEOPLE

AT VIÑA CONCHA Y TORO, WE CONSIDER OUR EMPLOYEES TO BE STRATEGIC PARTNERS AND TRUE PROTAGONISTS OF THE CULTURAL CHANGE THAT IS BEING IMPLEMENTED WITHIN THE COMPANY. OUR SYSTEMIC AND INCLUSIVE PERSPECTIVE ESTABLISHES COLLABORATION AS THE KEY VALUE OF A CULTURE WHICH WILL ENABLE US TO OVERCOME EACH CHALLENGE WE SET OURSELVES.

Last year was dedicated to the dissemination of the new culture and incorporation of its key values. In this context, the company held a series of interactive meetings under the concept of "Connect yourself" to listen to employees and discuss collaboration opportunities. During 2019, 37 meetings were held at most of the company's facilities in Chile, in which close to 500 people participated. Additionally, a committee of change agents called "We Are Culture" was created, with representatives from different areas becoming ambassadors for the new culture and its four key values. The committee, made up of 30 people, meets once a month to discuss how to put the four key values into practice, and to convey the observations of their work teams.

During 2019, operating agreements between the company's departments also started to be developed, and a matrix of the services that each unit provides to other areas was created in order to ensure the delivery of services in line with expectations.

Viña Concha y Toro took a series of measures to support its employees during the social crisis that affected Chile last year. These include signing an agreement with state-owned bank BancoEstado to provide access to loans with preferential interest rates, enabling employees to pay off their debts in advance and thus reduce their financial burden. As of December 31, 2019, just one month after the launch of this benefit, 37 loans had been granted.

VIÑA CONCHA Y TORO PROVIDED A TOTAL OF

73,887

TRAINING HOURS TO ITS EMPLOYEES DURING 2019.

In 2019, the new corporate induction e-learning course was launched, which provides employees joining Viña Concha y Toro with a general overview of the company, its history, global footprint, values, structure, strategy, new culture, and part of its winemaking processes. From October 2019, overseas subsidiaries have also had access to an English version of this induction course, with the Singapore and Gan Lu (China) offices being the first to participate.

Based on our understanding that training is the best way to deliver tools for the development of our employees and their performance, Viña Concha y Toro provided a total of 73,887 hours of training to its employees during 2019.

Additionally, the new People Management System was launched, consisting of a portal with a large amount of human resources information and procedures which is available to the entire company. Through this system, employees can manage their vacation days, find out about benefits, access the employee directory and carry out their performance evaluation.

DISTRIBUTION OF OPERATIONS

	Valleys	Vineyards	Hectares Planted	Cellars	Bottling Plants
CHILE	10 Valleys	56 Vineyards	10,248 Hectares Planted	13 Cellars	3 Bottling Plants
ARGENTINA	3 Valleys	10 Vineyards	1,411 Hectares Planted	3 Cellars	1 Bottling Plant
USA	2 Valleys	14 Vineyards	448 Hectares Planted	1 Cellar	1 Bottling Plant

DISTRIBUTION OF VINEYARDS

(Hectares)

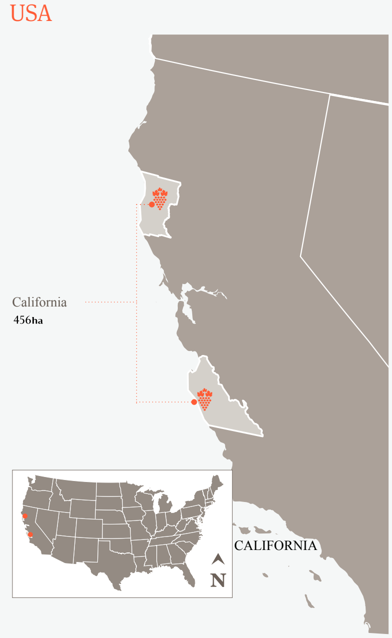
	VINEYARDS IN PRODUCTION	VINEYARDS UNDER DEVELOPMENT	TOTAL VINEYARDS PLANTED (1)	PLOTS IN ROTATION	FRUITS	TOTAL AGRICULTURAL SURFACE AREA (2)
CHILE						
Limarí	969	250	1,219	175	-	1,394
Casablanca	387	-	387	-	-	387
Aconcagua	97	-	97	-	-	97
Leyda	130	-	130	-	-	130
Maipo	646	85	731	17	-	748
Cachapoal	1,607	210	1,817	51	-	1,868
Colchagua	2,059	196	2,255	53	-	2,308
Curicó	653	55	708	78	-	786
Maule	2,137	633	2,770	562	-	3,332
Bío - Bío	-	134	134	78	-	212
Total Chile	**8,685**	**1,563**	**10,248**	**1,014**	**-**	**11,262**
ARGENTINA						
Mendoza	1,156	255	1,411	168	-	1,579
Total Argentina	**1,156**	**255**	**1,411**	**168**	**-**	**1,579**
USA	**-**	-	-	-	-	-
California	375	73	448	5	3	456
Total USA	**375**	**73**	**448**	**5**	**3**	**456**
TOTAL HOLDING	**10,216**	**1,891**	**12,107**	**1,187**	**3**	**13,297**

(1) The total area of planted vineyards include some long-term leases that the company has in the Casablanca, Maipo and Colchagua valleys in Chile and in California, USA.
(2) The total agricultural surface area does not include land belonging to the company that cannot be used for plantation because it contains forest, hills, roads, etc.

CHILE

ARGENTINA

USA



INTERNATIONAL PRESENCE

130 COUNTRIES OF DESTINATION

13 SALES AND DISTRIBUTION OFFICES

CANADA - Escalade Wine & Spirits (1)
USA - Fetzer Vineyards
MEXICO - VCT & DG México (2)
BRAZIL - VCT Brasil
CHILE - VCT Chile
ARGENTINA - Trivento Bodegas y Viñedos
UNITED KINGDOM - Concha y Toro UK
NORWAY - VCT Norway
SWEDEN - VCT Sweden
FINLAND - VCT Finland
JAPAN - VCT Japan (3)
CHINA - Gan Lu Wine Trading
SINGAPORE - VCT Asia

3 PRODUCTION ORIGINS

CHILE
ARGENTINA
USA

(1) JV 50% Viña Concha y Toro – 50% Charton Hobbs.
(2) JV 51% Viña Concha y Toro – 49% Digrans S.A.
(3) JV 41% Viña Concha y Toro – 41% Mercian Co. – 18% Mitsubishi Co.

06 BOARD OF DIRECTORS

CHAIRMAN

Alfonso Larraín Santa María
Businessman
RUT 3.632.569-0
Company director since 1989, and previously between 1969 and 1973, and CEO between 1973 and 1989.

VICE-CHAIRMAN

Rafael Guilisasti Gana
Degree in History
RUT 6.067.826-K
Company director since 1998.

DIRECTOR

Rafael Marín Jordán
Degree in Business Management
RUT 8.541.800-9
Company director since 2017.

DIRECTOR

Mariano Fontecilla de Santiago Concha
Diplomat
RUT 1.882.762-K
Company director in various periods (since 1949 and 1995).

INDEPENDENT DIRECTOR

Jorge Desormeaux Jiménez
Degree in Business Management
RUT 5.921.048-3
Company director since 2011.

DIRECTOR

Andrés Larraín Santa María
Agriculturist
RUT 4.330.116-0
Company director since 2017.
Also served as a director between 1981 and 1989.

DIRECTOR

Pablo Guilisasti Gana
Degree in Business Management
RUT 7.010.277-3
Company director since 2005.

MANAGEMENT

CEO

Eduardo Guilisasti Gana
Civil Engineer

CORPORATE FINANCE MANAGER

Osvaldo Solar Venegas
Degree in Business Management

DISTRIBUTION OFFICE CORPORATE MANAGER

Thomas Domeyko Cassel
Degree in Business Management

CORPORATE EXPORT MANAGER

Cristián López Pascual
Publicist

CORPORATE PROCUREMENT AND SERVICES MANAGER

Tomás Larraín León
Agricultural Engineer

CORPORATE INFORMATION TECHNOLOGY MANAGER

Daniel Durán Urízar
Civil Engineer

CORPORATE GLOBAL BRAND MARKETING MANAGER

Cristóbal Goycoolea Nagel
Degree in Business Management

FINE WINES MARKETING MANAGER

Isabel Guilisasti Gana
Degree in Arts

USA EXPORT MANAGER

Ignacio Izcue Elgart
Degree in Business Management

VIÑA DON MELCHOR SUBSIDIARY CEO

Enrique Tirado Santelices
Agricultural Engineer and Winemaker

HUMAN RESOURCES MANAGER

Cecilia Cobos Zepeda
Degree in Business Management

AGRICULTURAL MANAGER

Max Larraín León
Agricultural Engineer

TECHNICAL DIRECTOR

Marcelo Papa Cortesi
Agricultural Engineer and Winemaker

OPERATIONS AND SUPPLY CHAIN MANAGER

Sebastián Irarrázaval Weber
Civil Engineer

07

FAMILY OF WINERIES

Viña Concha y Toro

FAMILY OF WINERIES

SUBSIDIARIES

CHILE

CONCHA Y TORO
DESDE 1883

Viña Don Melchor

Almaviva

Cono Sur

Viña Maipo

ARGENTINA

TRIVENTO

USA

FETZER VINEYARDS
ESTD. IN 1968

CONCHA Y TORO

"

THE REORIENTATION TOWARD CONCHA Y TORO'S PREMIUM AND SUPER PREMIUM PORTFOLIO DROVE A **14.7%** INCREASE IN SALES IN TERMS OF VALUE.

"

AN EXTRAORDINARY 2018 VINTAGE

THE BALANCED CLIMATE CONDITIONS, TOGETHER WITH EXCELLENT GRAPE QUALITY, MADE THE 2018 VINTAGE ONE OF THE BEST IN RECENT YEARS.

In 2019, the Extraordinary 2018 Vintage campaign was launched in order to highlight the outstanding quality of Concha y Toro's 2018 vintage wines. The balanced climate conditions, together with excellent grape quality, made it one of the best vintages in recent years. Marques de Casa Concha, Gran Reserva Serie Riberas, Casillero del Diablo and Trio released their 2018 vintage in red varieties including Cabernet Sauvignon, Carmenere, Malbec, Syrah and Merlot, with an innovative proposal that resulted in a 360° campaign in points of sale and activations via digital channels (www.challengeyoursenses-now.com), as well as the implementation of an interactive platform for consumers to challenge their senses, participate in tastings and win prizes.

This initiative, together with the reorientation toward the premium category, has obtained excellent results: sales of Concha y Toro's portfolio reached Ch$326,437 million, 14.7% higher than in the previous year, with 15.9 million cases sold, an increase of 5.5%.

PRESTIGIOUS BRITISH CONSULTING FIRM WINE INTELLIGENCE AGAIN NAMED CASILLERO DEL DIABLO AS THE SECOND MOST POWERFUL WINE BRAND IN THE WORLD.

During the year, the Casillero del Diablo line saw solid performance, with growth of 10% in terms of volume and 13% in terms of value, standing out in key markets such as the United Kingdom, the United States, Brazil and China. Its reach, image and high degree of recognition were highlighted by prestigious British consulting firm Wine Intelligence, which again named Casillero del Diablo as the second most powerful wine brand in the world.

The consistent quality of this line of wines was acknowledged by North American critic James Suckling, who for a second consecutive year awarded the Cabernet Sauvignon Reserva 2018 vintage 90 points. The Sauvignon Blanc variety 2018 vintage also received the same score.

Casillero del Diablo made its debut in the retail travel segment with Route of Cabernet Sauvignon, a new product line designed especially for this channel, including three red wine varieties that showcase the grandeur of Chile's wine valleys. This innovative proposal was named Travel Retail Exclusive of the Year by Drinks International.

After becoming one of the most important launches of 2018, Diablo consolidated its attractive proposal during 2019, reaching sales of 112,000 cases with outstanding performance in markets such as Chile, the United Kingdom, China, Denmark and Ireland.

DIABLO

112,000

CASES

The Frontera brand saw growth of 4.7% in terms of volume, driven by its performance in the US, it's largest market, where it has worked to increase focus and made investments to revitalize its brand. One of its innovative activations was the Wine & Music campaign in the United States and Canada together with Spotify, the world's largest music streaming service, with the creation of various playlists for "a perfect pairing".

Concha y Toro's Fine Wines portfolio achieved major milestones in 2019. Amelia presented a new winemaking proposal, transferring its operations to the Limarí Valley with high-end wines in two varieties, Chardonnay and Pinot Noir.

Both have been widely praised by wine industry publications, achieving outstanding scores in the Descorchados wine guide, where Amelia Chardonnay was named Best White Wine and Chile's Best Chardonnay; and Amelia Pinot Noir was included in Chile's Top 5 Pinot Noir Wines.

The Terrunyo line presented an extended portfolio with wines that bring together the best terroirs of Chile and Argentina, becoming Concha y Toro's first multi-origin ultra-premium wine brand. In addition to the line's three varieties—Cabernet Sauvignon, Carmenere and Sauvignon Blanc—Terrunyo Malbec was launched, originating from the Los Indios vineyard in Paraje Altamira, San Carlos, Mendoza. Similarly, Terrunyo renewed its image with a label focused on highlighting the noble work of the man behind the wine.

DESCORCHADOS INCLUDES AMELIA PINOT NOIR IN CHILE'S

Top 5

PINOT NOIR WINES

Meanwhile, Marques de Casa Concha achieved major local and international acknowledgments, including obtaining three of the four gold medals awarded to Chile in the International Wine Challenge (IWC) for its Pinot Noir 2018, Pinot Noir 2018 Limited Edition and Carmenere 2018 varieties. Additionally, in the super premium segment, Gran Reserva Serie Riberas Carmenere 2018 was awarded 91 points by Wine Spectator.

In 2019, Concha y Toro's Technical Director, Marcelo Papa, was named Chile's best winemaker by renowned British critic Tim Atkin, positioning him among the most prominent figures in the global wine industry.

INTERNATIONAL WINE CHALLENGE AWARDS MARQUES DE CASA CONCHA

3

GOLD MEDALS

VIÑA
DON MELCHOR

“

FOR ITS 30TH ANNIVERSARY, DON MELCHOR HELD EVENTS IN VARIOUS MARKETS TO LAUNCH ITS POSITIONING AS AN INDEPENDENT WINERY.

”

THE 2017 VINTAGE RECEIVED A HISTORIC

99

POINTS FROM NORTH AMERICAN WINE CRITIC JAMES SUCKLING

In 2019, Viña Don Melchor's independent positioning was launched to rebrand its identity and sense of origin, placing it among the world's leading wineries.

Viña Don Melchor's identity was developed based on three key pillars: its impeccable legacy and track record; the unparalleled conditions of its terroir; and the deep understanding and mastery involved in producing its Don Melchor wine.

The iconic wine also celebrated its 30th anniversary with the launch of its 2017 vintage, which received a historic 99 points from North American critic James Suckling.

In the context of this milestone, and in order to present Viña Don Melchor in key markets, the winery's CEO and head winemaker, Enrique Tirado, visited Panama, the United Kingdom, the United States, Brazil, South Korea and China to hold launch events with customers, distributors and the media.

VIÑA ALMAVIVA

“

JAMES SUCKLING AWARDED ALMAVIVA 2017
A PERFECT SCORE OF 100 POINTS, NAMING IT
CHILE’S BEST WINE AND WINE OF THE DECADE.

”

Once again, Almaviva's quality and excellence have positioned it among the world's great wines. After a harvest of great quality, Almaviva 2017 was launched on international markets through the Place de Bordeaux, reaching a price of above US$1,000 per nine-liter case.

Among the most significant acknowledgments obtained in 2019, Almaviva 2016 was awarded 95 points and placed tenth in the Top 100 Wines of 2019 list compiled by renowned magazine Wine Spectator.

After naming Almaviva 2015 Wine of the Year, James Suckling also awarded the 2017 vintage a perfect score of 100 points, naming it Chile's best wine and Wine of the Decade for its huge influence in building the reputation of Chilean wine around the world.

The announcement was made in Miami during the "Great Wines of the World USA" dinner in the presence of 250 attendees, including renowned wine industry figures.

Other acknowledgments for this vintage include being awarded 98 points by critic and Master of Wine Tim Atkin, who also named it as the Overall Red Wine of the Year, and receiving 94+ points from Wine Advocate.

VIÑA CONO SUR

“

DRIVEN BY ITS ‘INVEST’ BRANDS, VIÑA CONO SUR OBTAINED POSITIVE RESULTS IN 2019 IN TERMS OF VOLUME AND VALUE.

”

Follow your road

Cono Sur
VINEYARDS & WINERY

2019 was a positive year for Viña Cono Sur, which returned to growth following a period of price, inventory and portfolio adjustments during 2018. Revenue reached Ch$84,900 million, with growth of 9.9% in terms of volume and more than 5.1 million cases sold, an increase of 6%.

This growth was driven by its "Invest" brands Cono Sur Bicicleta and Orgánico, which grew by 9% in terms of volume and 16% in terms of value, in line with the company's commercial strategy.

The greatest momentum was observed in the EMEA (Europe, the Middle East and Africa) and Latin America regions, where sales increased by 28% and 25% respectively in terms of volume, with highest growth in Poland, the Netherlands, Ireland, Russia, Mexico and Colombia. Meanwhile, sales declined in Chile and Brazil.

Asia saw slight growth of 2.2% in terms of volume, primarily due to lower sales of private brands in China. Sales in Asia increased by 13.7% in terms of value, reflecting an improved mix and growth of 9% for priority brands endorsed by Viña Cono Sur. Japan, China and South Korea—the three largest markets in the region—all saw double digit growth for products endorsed by Viña Cono Sur.

In 2019, the subsidiary's main investments include the acquisition of 48 hectares in San Clemente, Maule Valley, which will be planted with Pinot Noir and Merlot varieties; and the planting of 43 hectares in the Mulchén vineyard, located in the Bíobio Valley. Additionally, significant investments were made in wells, irrigation ponds and other technologies to ensure the necessary supply of water to our vineyards and the Santa Elisa winery.

The quality of Viña Cono Sur's wines again resulted in major international acknowledgments. The subsidiary received multiple awards, including being placed eleventh in the "Most Admired Wine Brands" list compiled by industry publication Drinks International; receiving 95 points for its Ocio Pinot Noir 2015 from wine critic Tim Atkin; and obtaining 95 points for Single Vineyard 8 Grapes 2017 and Reserva Especial Riesling 2018 in wine magazine Decanter.

VIÑA MAIPO

"FOR VIÑA MAIPO, 2019 WAS A YEAR OF COMMERCIAL FOCUS ON ITS WINES, AND CLASSIC SERIES AND MI PUEBLO BRANDS."

As part of the implementation of the new corporate commercial strategy, the various sales teams across the company's subsidiaries were unified in a single area. This initiative reinforced Viña Maipo's focus on its wines and Classic Series and Mi Pueblo brands, both of which have been defined as "Protect" in the brand matrix.

This commercial focus also required the route to market to be modified in some key markets in order to reach major retail chains directly, thus improving sales effectiveness and efficiency. Examples of this shift can be seen in Russia, Colombia and Brazil, where the winery started exporting directly to major retail chains such as Magnit, Éxito and Pão de Açúcar respectively.

Viña Maipo's consolidated global sales exceeded US$40 million with 2 million cases sold. The subsidiary's performance stood out in Nordic countries, where it positioned itself as the leading Chilean winery in the region for the first time, reaching revenue of more than US$13 million with 600,000 cases sold.

Performance was also strong in Mexico, where distribution of Viña Maipo's brands was integrated in the operations of local subsidiary VCT&DG México, with sales growth of 107% compared to the previous year.

TRIVENTO BODEGAS Y VIÑEDOS

“

IN 2019, TRIVENTO OBTAINED OUTSTANDING RESULTS IN ITS MAIN MARKETS.

”

Last year, Argentinean subsidiary Trivento reaped the rewards of the successful implementation of the new corporate strategy, and its flexible and efficient structure. Trivento Reserve and Trivento Golden Reserve—"Invest" brands in the holding's brand matrix—achieved outstanding performance.

In 2019, Trivento's revenue reached US$53 million with a volume of 2.2 million cases sold, an increase of 8.7% in terms of value and 6.2% in terms of volume.

The winery continued to invest in the Trivento Reserve brand through new products, with the launch of an innovative White Malbec, the subsidiary's first blanc de noir wine. Through sales of Trivento Reserve White Malbec, funding is provided to the Winds of Opportunity educational scholarship program.

The increase in points of sale in key markets such as the United Kingdom and the United States enabled growth of 39% in terms of volume. Since 2013, Trivento Reserve has positioned itself as the leading Argentinean wine brand in Europe, according to consulting firm IWSR.

Regarding investments, Trivento maintained its partnership with Discovery Channel in the United Kingdom and expanded its operations to Ireland, Denmark and Canada. In addition, the implementation of points of sale was increased through the sponsorship of Major League Soccer in the United States, exceeding the target for new accounts in key states.

Trivento's Malbec remained the most sold wine in this variety in the United Kingdom, according to IRI. Additionally, the 2018 vintage was awarded 91 points by Tim Atkin in his annual report, and stood out for being the Malbec wine with the most extensive global distribution in the US$10-12 price segment to achieve this score.

The British wine critic awarded 95 points to Eolo Malbec 2016, and included it in his select list of the top Argentinean Malbecs. Gaudeo, the new single vineyard high-end wine line, obtained high scores, highlighting its terroir and the winemaking expression in each of its products: Gaudeo Malbec Paraje Altamira 2016, 94 points, Gaudeo Malbec Tunuyán 2016, 93 points, and Gaudeo Malbec Tupungato 2016, 92 points.

TIM ATKIN AWARDS EOLO MALBEC 2016

95 points

TOP ARGENTINEAN MALBECS

FETZER VINEYARDS

“

FOCUSING ON CONTINUING TO CONSOLIDATE DISTRIBUTION OF VIÑA CONCHA Y TORO’S FULL PORTFOLIO, FETZER VINEYARDS SAW SIGNIFICANT GROWTH IN THE FRONTERA, CASILLERO DEL DIABLO AND TRIVENTO BRANDS.

”

During 2019, the United States subsidiary continued to integrate distribution of the portfolios imported from Chile and Argentina in Fetzer Vineyards' sales efforts. This increased commercial focus and marketing investment drove growth of priority imported brands in the US market.

Fetzer Vineyards' sales reached US$172 million in 2019, with 4 million cases sold. This result was primarily driven by growth of 1.6% in domestic volume, together with a recovery of the imported portfolio and growth in terms of volume for the Frontera (+10%), Casillero del Diablo (+15%) and Trivento (+20%) brands. Meanwhile, in its Californian portfolio, 1000 Stories maintained its volume, while Bonterra and Fetzer's sales fell in terms of volume in a context of increased competition and higher availability of wine, together with inventory adjustments by distributors which impacted the Californian wine category.

With regard to promotional activity, the Extraordinary 2018 Vintage campaign, which on this occasion focused on the Casillero del Diablo brand, stood out for its significant reach. The company also carried out successful presentations, seminars and tastings in the states of Colorado, New York, Florida and Texas, allowing consumers to enjoy a sensory and educational experience with this brand's wines. The campaign aimed to increase recognition, reposition the brand with consumers, and support sales efforts.

With regard to innovation, last year Bonterra launched an organic wine in a new 250ml can format, with Young Red, Sauvignon Blanc and Rosé varieties available. The objective of this initiative is to promote new consumption occasions among younger audiences, with portable and environmentally-friendly packaging.

Reasserting its leadership in and commitment to sustainable agriculture, last year Bonterra presented an unprecedented soil study, whose results highlighted the benefits of organic and biodynamic agriculture. Meanwhile, Fetzer Vineyards took an active role in the defense of United States climate change policy, supporting the implementation of carbon tax legislation. To do this, Joseph Brinkley, Director of Organic and Biodynamic Vineyards, participated in the Lawmaker Education & Advocacy Day held in Washington DC.

08

COMPANY INFORMATION

HISTORY

1883

Prominent Chilean politician and businessman Don Melchor Concha y Toro founds Viña Concha y Toro.

1922

The company is incorporated as a corporation and broadens its scope to wine production in general.

1933

Its shares begin to be traded on the Santiago Stock Exchange, and the company makes its first export.

1957

Eduardo Guilisasti Tagle joins the Board of Directors. His management lays the foundations for the winery's future expansion.

1966

The launch of Casillero del Diablo marks the beginning of the production of more complex wines.

1968

Acquisition of Viña Maipo.

1987

Launch of the first vintage of Don Melchor, the Chilean wine industry's first ultra-premium wine.

1993

Creation of Viña Cono Sur.

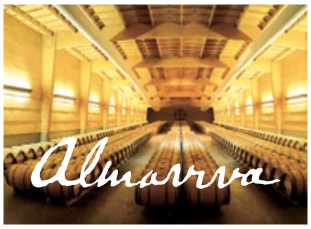
1994

Viña Concha y Toro becomes the first winery in the world to trade its shares on the New York Stock Exchange.

1996

Foundation of Trivento Bodegas y Viñedos in Argentina.

1997



The company enters into a joint venture with Baron Philippe de Rothschild to produce Almaviva.

2001

The first distribution subsidiary outside of Chile is created: Concha y Toro UK.

2005

Acquisition of the winery Francisco de Aguirre, which led to the initiation of Viña Maycas del Limarí a year later.

2006

Launch of Viña Palo Alto.

2010

Creation of the subsidiary Quinta de Maipo.

Casillero del Diablo seals a strategic partnership with English soccer club Manchester United.

2011

Acquisition of Fetzer Vineyards in California, USA, a pioneering winery in sustainable practices.

Concha y Toro is named the World's Most Admired Wine Brand, Drinks International.

2013

Concha y Toro obtains the Wines of Chile Sustainability Certification.

2014

Inauguration of the Center for Research and Innovation.

CENTRO DE INVESTIGACIÓN E INNOVACIÓN

2015

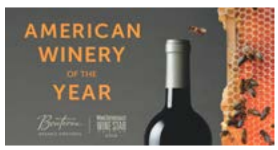
MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM

For the first time, Viña Concha y Toro forms part of the Dow Jones Sustainability Chile Index, the Santiago Stock Exchange's first sustainability index.

Concha y Toro is named the World's Most Admired Wine Brand, Drinks International.

2016

Bonterra, a subsidiary of Fetzer Vineyards, is named American Winery of the Year by Wine Enthusiast.



Viña Concha y Toro is the most highly evaluated company in the RepTrak Chile corporate reputation ranking.

2017

Concha y Toro is named the World's Most Admired Wine Brand, Drinks International.

Almaviva 2015 is named Wine of the Year by renowned critic James Suckling, achieving perfect 100 points.

2018

Casillero del Diablo Reserva Cabernet Sauvignon 2017 receives a historic score of 90 points from American critic James Suckling, demonstrating its quality.

Creation of Viña Don Melchor.

VIÑA DON MELCHOR

2019

BUSINESS AMBITION FOR 1.5°C

First Chilean company to sign up to the UN's Business Ambition for 1.5°C initiative.

Concha y Toro is the winery included the second highest number of times in Wine & Spirits' Top 100 Wineries.

INCORPORATION DOCUMENTS

Viña Concha y Toro S.A was incorporated as a corporation (Sociedad Anónima) on December 31, 1921, through a public deed signed before the Santiago Notary Mr. Pedro N. Cruz. The excerpt was registered in folio 1,051, numbers 875 and 987 of the Real Estate Registry of Santiago's Trade Register for 1922, and published in the Official Journal, issue No. 13,420 of November 6, 1922. The Authorization Decree for the incorporation, number 1,556, was issued on October 18, 1922. The company is currently registered in folio 15,664 No. 12,447 of the Real Estate Registry of Santiago's Trade Register for 1999, and in the Financial Market Commission's (CMF) Securities Register, under number 0043.

Name:
Viña Concha y Toro S.A.
Tax ID No. (RUT):
90.227.000-0
Organization Type:
Publicly traded corporation
Corporate Domicile:
Santiago
Head Office Address:
Avda. Nueva Tajamar 481, Torre Norte, Piso Nº 15, Las Condes, Santiago, Chile
Telephone:
(56-2) 2476-5200
PO Box:
213, Correo Central, Santiago
Email:
webmaster@conchaytoro.cl
Website:
www.conchaytoro.com
Ticker Symbol Chilean Stock Exchange:
CONCHATORO
Trade Name:
VICONTO
Investor Relations
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conchaytoro-ir@conchaytoro.cl
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(56-2) 2476-5768
Claudia Cavada,
Head of Investor Relations
Email:
claudia.cavada@conchaytoro.cl
Telephone:
(562) 2476 5768
Website:
https://conchaytoro.com/en/holding/investor-relations/

CORPORATE GOVERNANCE

Viña Concha y Toro S.A. is a company which continuously analyzes global best corporate governance practices, in order to identify and implement practices which, given the specific characteristics of its organization, enable it to improve its processes and operations to increase shareholder value. Examples of this include the company's decision to implement GRI's G4 Sustainability Reporting Guidelines, adopt COSO methodology, and prepare a Corporate Governance Code, among other measures.

For this reason, every year the company analyzes not only best practices required by Chilean regulators in accordance with General Regulation No. 385, but also other best practices that may be implemented, with the assistance of expert corporate governance consultants who collaborate in this process.

Notwithstanding the above, the company is aware that this value creation process is highly dynamic, and requires permanent efforts and analysis.

For this reason, Viña Concha y Toro S.A.'s Board of Directors has approved several documents which aim to ensure proper corporate governance. These include the following, among others:

- Corporate Governance Code
- Code of Ethics and Conduct
- Protocol on Transactions with Related Parties
- Induction Procedure for Directors
- Policy on Recruitment of Advisors by the Board of Directors
- Policy on Nomination and Election of Directors
- Anonymous Complaints Channel

However, as indicated previously, the Board of Directors, together with the CEO, periodically analyzes ways of implementing improvements in its functioning as part of its dynamic assessment process on these issues. Information on the corporate governance criteria and practices adopted by Viña Concha y Toro is available on the company's website (https://conchaytoro.com/en/holding/legal-information/downloads/).

STAKEHOLDERS

For Viña Concha y Toro, identifying its stakeholders and establishing relationship mechanisms which enable it to understand their concerns and requirements is of paramount importance. The company also aims to maintain communications with stakeholders to enable the exchange of information, and to receive their opinions and comments. To maintain effective stakeholder relations, the winery has established several communication mechanisms and channels for both its Chilean and international stakeholders, in line with the characteristics of each group.

The most recent update to Viña Concha y Toro's stakeholder identification and prioritization process was carried out in 2019. As a result of this exercise, eight stakeholder categories were defined, broken down into 32 sub-groups. The categories are classified as external or internal, depending on the type of relationship that the stakeholder has with the company. Stakeholders are then prioritized according to the influence and interest grid.

Viña Concha y Toro S.A. releases an annual sustainability report which contains a description of each stakeholder, communication mechanisms, and the points of interest for each of them. These annual reports can be found on the company's website.

BOARD OF DIRECTORS

The company is managed by a seven-member Board of Directors elected at the Annual General Meeting. Directors serve for a three-year term, after which the entire Board is renewed; members may be re-elected indefinitely. The current Board of Directors was elected at the Annual General Meeting held on April 24, 2017 for a three-year period ending in 2020. As of December 31, 2019, it included one independent director, Jorge Desormeaux Jiménez, in accordance with the provisions of article 50 bis of Chile's Corporations Act. The company's bylaws do not require the appointment of alternate directors.

BOARD MEETINGS

The Board of Directors holds ordinary meetings once a month to analyze and resolve the matters under its competence, as well as extraordinary meetings whenever necessary.

MEETINGS ATTENDED BY:	BOARD OF DIRECTORS	DIRECTORS' COMMITTEE
Alfonso Larraín Santa María	13	-
Rafael Guilisasti Gana	13	12
Jorge Desormeaux Jiménez	13	12
Mariano Fontecilla de Santiago Concha	13	-
Pablo Guilisasti Gana	11	-
Andrés Larraín Santa María	13	-
Rafael Marín Jordán	11	11
TOTAL MEETINGS IN THE YEAR	**13**	**12**

REMUNERATION OF THE BOARD OF DIRECTORS

According to the bylaws, the remuneration of the Board of Directors for 2019 was set at the Annual General Meeting as 1.3% of net income attributable to the shareholders, as fixed remuneration for each member.

During 2019 and 2018, the members of the Board of Directors did not receive variable remunerations. In addition, a monthly allowance of UF 300 was approved for the Chairman's executive responsibilities. The remunerations received by Directors during the 2019 and 2018 financial years for expenses approved by the Board of Directors and the Chairman's executive responsibilities reached the sum of ThCh$831,564 and ThCh$835,775 respectively. During the 2019 financial year, the Board of Directors did not register consulting or other similar expenses.

During 2019, senior director Andrés Larraín Santa María received the sum of ThCh$33,458 in professional fees for consulting services provided to the company, which were duly approved in accordance with section XI of Chile's Corporations Act. In 2018, he received ThCh$33,079 for the same reason.

REMUNERATION OF THE BOARD OF DIRECTORS	2019	2018
SHAREHOLDINGS	M$	M$
Alfonso Larraín Santa María	91,206	92,067
Rafael Guilisasti Gana	91,206	92,067
Francisco Marín Estévez	-	30,689
Mariano Fontecilla de Santiago Concha	91,206	92,067
Sergio de la Cuadra Fabres	-	30,689
Pablo Guilisasti Gana	91,206	92,067
Jorge Desormeaux Jiménez	91,206	92,067
Andrés Larraín Santa María *	91,206	61,378
Rafael Marín Jordán *	91,206	61,378
REMUNERATION OF THE CHAIRMAN		
Alfonso Larraín Santa María	101,916	99,237
REMUNERATION OF THE DIRECTORS' COMMITTEE		
Rafael Guilisasti Gana	30,402	30,689
Sergio de la Cuadra Fabres	-	10,230
Jorge Desormeaux Jiménez	30,402	30,689
Rafael Marín Jordán	30,402	20,459
TOTAL	831,564	835,775

** In April 2017, Andrés Larraín Santa María and Rafael Marín Jordán were elected as directors (the latter also being named as a member of the Directors' Committee).*

DIRECTORS' COMMITTEE

As of December 31, 2019, Viña Concha y Toro's Directors' Committee was composed of the following directors: Jorge Desormeaux Jiménez (Chairman), Rafael Guilisasti Gana and Rafael Marín Jordán, all of which were elected at the extraordinary board meeting held on April 27, 2017. In accordance with the provisions of Article No. 50 bis of Law No. 18,046, as amended by Law No. 20,382, of October 20, 2009, and CMF Circular No. 560, of December 22, 2009, Jorge Desormeaux Jiménez signed the sworn statement as independent director.

In the same meeting, on April 27, 2017, in order to comply with the aforementioned legal provisions, Jorge Desormeaux Jiménez, independent director, agreed to appoint the directors Rafael Guilisasti Gana and Rafael Marín Jordán as the second and third members of the Directors' Committee respectively.

The Directors' Committee met 12 times in 2019 to discuss and review all matters required by Article No. 50 bis of Chile's Corporations Act. In particular, it reviewed the transactions governed by Article No. 146 and subsequent of Law No. 18,046, ensuring that they contributed to the company's interests, and were in line with market prices, terms and conditions at the moment in which they were approved. The details of transactions approved by the Committee can be found in Note No. 9 of the company's Consolidated Financial Statements.

Directors' Committee annual management report

The main activities carried out by the Directors' Committee during 2019 include the following:

» Review of the external auditors' annual and quarterly reports, the balance sheet and other financial statements presented by the company's management.

» Evaluation and proposal of external auditors and ratings agencies to the Board of Directors, which were recommended at the respective Annual General Meeting.

» The Committee reviewed and approved the information regarding transactions with related parties referred to by Section XVI of Law No. 18,046. The details of these transactions is contained in the notes on the Consolidated Financial Statements included in this report, especially those related to the purchase and sale of grapes and wine.

» Review of remuneration systems and compensation plans for the company's senior employees and executives.

» Review and approval of the company's Form 20-F for 2018.

» Study of the internal audit reports and compliance with the annual audit plan prepared by the company's Chief Audit Executive.

Remuneration of the Directors' Committee

Remuneration for each member of the Directors' Committee equivalent to one third of remuneration for Directors was approved at the Annual General Meeting. An annual operating budget for this Committee of Ch$60 million was approved at the Annual General Meeting. During 2019, the Committee hired external consultancy services for the assessment of transactions with related parties, and the evaluation of internal control regarding grape and wine purchase contracts with third parties. The Committee's annual expenditure reached UF 809.

AUDIT COMMITTEE

In compliance with the US Sarbanes-Oxley Act (2002), in its meeting held on April 27, 2017, the Board of Directors appointed from among its members those that would form part of the Audit Committee required by said legislation, electing the same directors that make up the Directors' Committee required by Chilean law. In accordance with the aforementioned legislation, director Rafael Guilisasti Gana sits on the Audit Committee with right to speak but not to vote. In view of the foregoing, he abstained from voting on each of the resolutions submitted to the Committee.

As Viña Concha y Toro has terminated its ADR program in the United States, the Audit Committee stopped meeting after August 2019, notwithstanding the fact that its members continue to form part of the Directors' Committee required by Chilean law.

ETHICAL FRAMEWORK AND ETHICS COMMITTEE

Code of Ethics and Conduct

On May 31, 2012, the company's Board of Directors approved a new text for the Code of Ethics and Conduct of Viña Concha y Toro S.A. and its subsidiaries. This Code summarizes the ethical and conduct principles and values that must be adhered to by directors, executives and employees of Viña Concha y Toro and its subsidiaries, without exception.

For the company, it is essential that directors, executives and employees comply with the rules and regulations in force in the jurisdictions in which they operate in all stages of production, distribution and sale of products. Additionally, Viña Concha y Toro requires its directors, executives and employees to be aware of and fully commit to the company's ethical values in the pursuit of excellence and transparency. The Code of Ethics and Conduct is available on the company's website: (https://conchaytoro.com/en/holding/legal-information/code-of-business-conduct-and-ethics/).

Ethics Committee

On May 31, 2012, the Board of Directors approved the creation of an Ethics Committee whose main mission is to promote and regulate excellence in the personal and professional conduct of Viña Concha y Toro's employees, consistent with the company's principles and values.

In fulfilling this mission, the special responsibilities of the Ethics Committee include the following:

» Being aware of and resolving queries regarding the scope and applicability of the Code of Ethics and Conduct.
» Being aware of anonymous complaints received by the company through the channel designed for this purpose.
» Reporting such complaints to the Directors' Committee.
» Analyzing those complaints that fall within the scope of the crime prevention model or are associated with the crimes outlined in Law No. 20,393.
» Coordinating the investigations derived from such complaints; supporting the Crime Prevention Officer in the various control activities they carry out; and requesting reports from the Crime Prevention Officer when circumstances require.

Anonymous complaints

Through its website, Viña Concha y Toro has implemented a simple and efficient anonymous reporting system. Complaints can also be received via email in accordance with the Anonymous Complaints Procedure introduced in 2019. In this way, employees, suppliers, customers, shareholders and third parties can make anonymous complaints via a confidential channel regarding issues that require an internal investigation. Complaints may be in relation to the following, among other reasons: (i) Corruption crimes (bribery, terrorism financing, money laundering or others contained in Law No. 20,393); (ii) Workplace issues that may violate the Code of Ethics and Conduct or labor legislation; (iii) Misuse of company resources or other actions that may constitute fraud; (iv) Failure to comply with product quality standards, that is, situations that may affect the legality, integrity or safety of our products.

Crime prevention model

In order to prevent illegal activities such as money laundering, terrorism financing or bribery, the company's Board of Directors has approved the crime prevention model, consisting of a preventive and monitoring process through various control actions over processes or activities that are exposed to the commission of offenses under this law. In 2019, the crime prevention model, as well as the associated risk matrix, was updated to include new offenses associated with the criminal liability of legal entities. Similarly, training sessions on the crime prevention model have been provided to different areas of the company. Viña Concha y Toro is currently finalizing the certification process for its crime prevention model.

Manual on the management of market information

Through self-regulation, this manual seeks to establish rules for the handling of information that, while not material information, might be useful for proper financial analysis of Viña Concha y Toro and its subsidiaries, or the securities issued by them. This is understood to refer to all information of a legal, economic or financial nature referring to relevant aspects of the company's operations or that might have a significant impact on them.

The Board of Directors has also agreed that the manual should contain criteria for guiding the conduct of its employees when handling information and using it in relation to possible securities transactions, establishing their freedom to trade securities, except for blocked periods during which such trading is prohibited. This manual is available on the company's website.

MAIN MANAGERS AND EXECUTIVES

NAME	MAIN EXECUTIVE POSITION	DATE OF APPOINTMENT	R.U.T.
Eduardo Guilisasti Gana	CEO	28-04-1989	6.290.361-9
Osvaldo Solar Venegas	Corporate Finance Manager	01-09-1996	9.002.083-8
Thomas Domeyko Cassel	Corporate Distribution Offices Manager	01-06-2006	10.165.540-7
Cristián López Pascual	Corporate Export Manager	01-01-2013	9.257.024-k
Tomás Larraín León	Corporate Procurement and Services Manager	01-07-2017	9.672.342-3
Daniel Durán Urízar	Corporate Informaion Technology Manager	01-07-2013	12.274.492-2
Cristóbal Goycoolea Nagel	Global Brands Corporate Marketing Manager	01-01-2015	12.023.135-9
Isabel Guilisasti Gana	Origin Wines Marketing Manager	01-07-2004	7.010.269-2
Cecilia Cobos Zepeda	Human Resources Manager	26-08-2013	6.867.267-8
Max Larraín León	Agricultural Manager	19-04-2017	9.908.934-2
Marcelo Papa Cortesi	Technical Director	01-11-2017	7.818.103-6
Ignacio Izcue Elgart	US Export Manager	28-07-2014	10.782.792-7
Carlos Longhi Leinenweber	Premium Product Export Manager	15-01-2018	14.564.043-1
Enrique Ortúzar Vergara	Legal Affairs Manager	01-09-2010	12.455.118-8
Sebastián Irarrázaval Weber	Operations and Supply Chain Manager	30-10-2019	13.232.972-9
Paul Konar Elder	Viña Cono Sur S.A. CEO	01-04-2012	9.978.661-2
Giancarlo Bianchetti González	Fetzer Vineyards CEO	15-04-2011	7.636.597-0
Niclas Blomstrom Bjuvman	VCT Chile CEO	27-11-2017	15.593.207-4
Enrique Tirado Santelices	Viña Don Melchor SpA CEO	01-01-1993	10.474.266-1
Marcos Jofré	Trivento Bodegas y Viñedos S.A. CEO	01-09-2019	26.314.580

Remuneration of executives

The remuneration received by the company's main managers and executives during 2019, covering a total of 39 executives, reached ThCh$7,584,695. The outgoings related to severance packages for the termination of contracts with the company's main managers and executives during 2019 reached ThCh$383,584.

The remuneration received by the company's main managers and executives during 2018, covering a total of 40 executives, reached ThCh$7,303,518. The outgoings related to severance packages for the termination of contracts with the company's main managers and executives during 2018 reached ThCh$1,340,577.

Main managers and executives are offered an annual bonus plan based on profit sharing and meeting objectives. The company's employees receive a total annual bonus equivalent to 4.5% of net income, proportional to their remuneration.

PEOPLE

In 2019, the company provided 73,887 hours of training, averaging 27 hours per employee on a corporate level.

Staff

As of December 31, 2019, Viña Concha y Toro had 3,363 permanent employees, distributed in the following way.

POSITION	HEAD OFFICE	LOCAL SUBSIDIARIES	OVERSEAS SUBSIDIARIES	TOTAL
Managers, Deputy Managers and Main Executives	97	21	76	194
Professional and Technical Staf	684	156	309	1,149
Operators, Salespeople and Administrative Staff	1,068	401	551	2,020

DIVERSITY IN THE ORGANIZATION

		DIRECTORS	MANAGERS	EMPLOYEES
Gender	Male	7	104	2356
	Female	0	32	871
Nationality	Chilean	7	66	2292
	Other nationalities	0	70	935
Age range	Under 30 years of age	0	1	577
	Between 30 and 40 years of age	0	42	1227
	Between 41 and 50 years of age	1	55	811
	Between 51 and 60 years of age	0	28	421
	Between 61 and 70 years of age	3	10	177
	More than 70 years of age	3	0	14
Length of service	Under 3 years	2	22	1120
	Between 3 and 6 years	0	18	584
	Between 6 and 9 years	1	26	467
	Between 9 and 12 years	0	22	295
	More than 12 years	4	48	761

Viña Concha y Toro values the merits and capacities of all people, and provides equal opportunities to its employees. As such, there are no gender differences in the company with regard to remuneration for the same position.

The table below shows the salary gap based on the position held by the company's employees, indicating female employees' average base salary as a percentage of the average base salary of male employees.

Although differences can be seen in remuneration, these are explained by the breadth of each category, in which employees' profile, responsibilities and experience level are not specified.

POSITION	FEMALE EXECUTIVES/EMPLOYEES' SALARY AS A PERCENTAGE OF MALE EXECUTIVES/EMPLOYEES' SALARY
Managers and Assistant Managers	79%
Professional and Technical Staff	91%
Administrative Staff	90%
Salespeople	103%
Operators	87%

OWNERSHIP STRUCTURE AND CONTROL

CONTROL OF THE COMPANY

The percentage held directly and indirectly by the Controlling Group is 36.04%, with its members having an informal joint action agreement.

Each individual representing a member of the Controlling Group and their respective percentage of ownership is listed in Note No. 9.2 on the Consolidated Financial Statements. There are no legal entities or individuals other than the Controlling Group that hold shares or rights representing 10% or more of the company's equity, nor individuals who hold less than 10% and reach that percentage when including the shares of their spouse and/or family members, either directly or through legal entities.

MAJOR SHAREHOLDERS

As of December 31, 2019, the 12 largest shareholders held the following number of shares and percentage of ownership:

SHAREHOLDERS	NUMBER OF SHARES	% OF OWNERSHIP
Inversiones Totihue S.A. (1)	87,615,431	11.73%
Rentas Santa Bárbara S.A.(1)	85,274,628	11.42%
Banco de Chile Cta Terceros No Residentes	64,096,148	8.58%
Itaú Corpbanca Cta Inversionistas Ext.	36,908,460	4.94%
Inversiones Quivolgo S.A.(1)	33,841,814	4.53%
BCI C de B S.A.	33,211,635	4.45%
Larraín Vial Corredores de Bolsa S.A.	29,906,681	4.00%
Agroforestal en Inv. Maihue Ltda.	22,337,075	2.99%
Rentas Santa Marta Ltda.	22,293,321	2.98%
Fundación Cultura Nacional	20,628,904	2.76%
Inversiones La Gloria Ltda. (1)	17,050,000	2.28%
Banco Santander Cta de Terceros	15,817,707	2.12%
TOTAL SHARES OF 12 LARGEST SHAREHOLDERS	468,981,804	62.78%
TOTAL COMMON SHARES SUBSCRIBED	747,005,982	100.00%
TOTAL SHAREHOLDERS	1,259	

(1) Company owned by the Controlling Group.

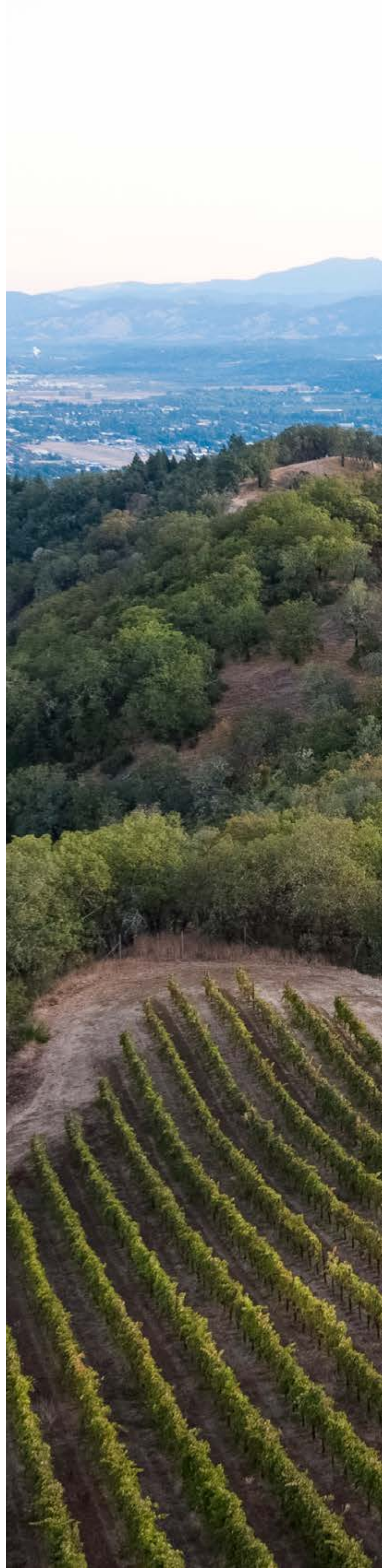
The most significant change in the company's ownership compared to the previous year is that Bank of New York Mellon is no longer a shareholder following termination of the ADR program in May 2019. Meanwhile, AFP Habitat's share fell from 5.89% to 2.08%, according to the reports released as of December 31, 2018 and December 31, 2019, respectively. BCI Corredores de Bolsa increased its share from 1.43% to 4.45% in the same period.

SHAREHOLDING OF DIRECTORS AND MAIN EXECUTIVES (1)

(As of December 31, 2019)

DIRECTOR / MAIN EXECUTIVE (1)	% OF OWNERSHIP
Alfonso Larraín Santa María	7.20%
Rafael Guilisasti Gana (2)(3)	23.70%
Pablo Guilisasti Gana (2)(3)	24.20%
Mariano Fontecilla de Santiago Concha	*
Rafael Marín Jordán	2.99%
Andrés Larraín Santa María	*
Jorge Desormeaux Jiménez	*
MAIN EXECUTIVE	
Eduardo Guilisasti Gana (2)(3)	24.08%
Osvaldo Solar Venegas	*
Thomas Domeyko Cassel	*
Tomás Larraín León	*
Cristián López Pascual	*
Giancarlo Bianchetti González	*
Isabel Guilisasti Gana (3)	0.62%
Enrique Tirado Santelices	*
Daniel Durán Urízar	*
Cristóbal Goycoolea Nagel	*
Paul Konar Elder	*
Carlos Longhi Leinenweber	*
Sebastián Irarrázaval Weber	*
Cecilia Cobos Zepeda	*
Marcelo Papa Cortesi	*
Ignacio Izcue Elgart	*
Enrique Ortúzar Vergara	*
Niclas Blomstrom Bjuvman	*

(1) This table shows the percentage ownership of all the company's main executives and directors. For these purposes, only shares held by them personally or through companies which they manage and own have been included. Shares held by other related individuals or entities have not been included.
(2) The shares attributed to directors Rafael Guilisasti Gana and Pablo Guilisasti Gana, and the CEO Eduardo Guilisasti Gana, include the following: (i) their personal shares and shares held by companies which they own; (ii) shares held by Agrícola Alto Quitralman S.A., Inversiones Totihue S.A. and Rentas Santa Bárbara S.A., all owned by the Guilisasti Gana family.
(3) The Guilisasti Gana family jointly held 27.9% of the shares in Viña Concha y Toro as of December 31, 2019.
(*) Less than 0.5% of the shares.



STOCK INFORMATION

Viña Concha y Toro's equity is represented by 747,005,982 ordinary shares, in a single series and without par value.

DIVIDEND POLICY

Net income in the 2019 financial year attributable to the company's controllers amounted to Ch$52,500 million.

At the Annual General Meeting held on April 25, 2019, the Board of Directors stated its intention to distribute, from earnings for the 2019 financial year, interim dividends No. 276, No. 277 and No. 278 of Ch$3.50 per share, which were paid on September 27, 2019, December 30, 2019, and March 31, 2020, respectively. Each interim dividend was, in turn, approved by the company's Board of Directors.

At the Annual General Meeting, the Board of Directors will also propose the payment, from earnings in the 2019 financial year, of final dividend No. 279 of Ch$17.60, which, if approved, will be paid from May 22, 2020.

The dividend policy has consisted of distributing 40% of each year's net income, excluding the earnings of Fetzer Vineyards, through the payment of three interim dividends and a final dividend in May of the following year. The Board of Directors intends to maintain this policy in the coming years, notwithstanding any adjustments that may be made.

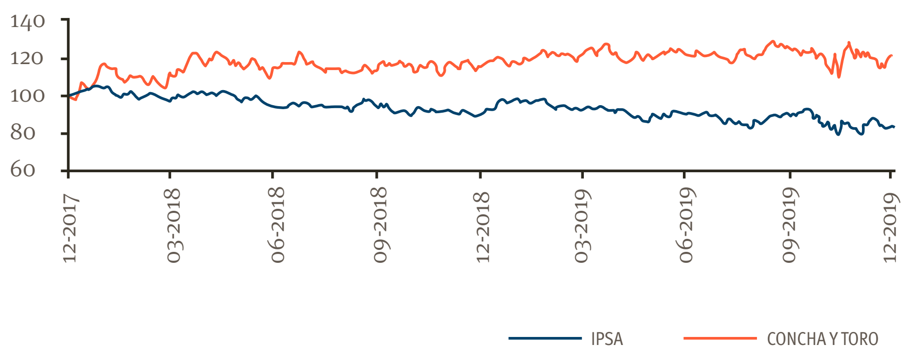
Dividends per share paid over the last three years, expressed in current prices, have been as follows:

DATE	N° / TYPE	PER SHARE	FINANCIAL YEAR
March 31, 2017	No. 266 interim	Ch$3.50	2016
May 23, 2017	No. 267 final	Ch$16.80	2016
September 29, 2017	No. 268 interim	Ch$3.50	2017
December 29, 2017	No. 269 interim	Ch$3.50	2017
March 29, 2018	No. 270 interim	Ch$3.50	2017
May 23, 2018	No. 271 final	Ch$13.50	2017
September 28, 2018	No. 272 interim	Ch$3.50	2018
December 28, 2018	No. 273 interim	Ch$3.50	2018
March 29, 2019	No. 274 interim	Ch$3.50	2018
May 24, 2019	No. 275 final	Ch$14.50	2018
September 27, 2019	No. 276 interim	Ch$3.50	2019
December 30, 2019	No. 277 interim	Ch$3.50	2019
March 31, 2020	No. 278 interim	Ch$3.50	2019

CONCHA Y TORO SHARE PRICE VS. IPSA

The company's shares have been traded on the Santiago Stock Exchange since 1933. It is registered in the Financial Market Commission's (CMF) Securities Register under number 0043.

During 2019, Viña Concha y Toro's share price increased by 4.5%, compared to 16.3% in 2018. The share price closed 2019 at Ch$1,415.8, compared to Ch$1,354.6 at the end of 2018. Meanwhile, the IPSA share index fell by 8.5% in 2019 and 8.3% in 2018.



Source: Santiago Stock Exchange.

STOCK EXCHANGE TRANSACTIONS

In 2019, the company's shares were traded on the Santiago Stock Exchange and the Chilean Electronic Stock Exchange[1]. Its ADRs in the United States stopped being traded on the New York Stock Exchange (NYSE) in July 2018, and their registration in the United States was eliminated in August 2019. For further information, please see the Material Information section.

In Chile, 100% of the company's shares are traded on the stock market. The number of shares and amounts traded, as well as their average price per quarter, are detailed below.

CHILEAN STOCK EXCHANGES(1)	SHARES TRADED	AMOUNT TRADED (CH$ MILLION)	AVERAGE PRICE (CH$)
2018			
First quarter	43,154,946	55,329	1,282
Second quarter	38,489,011	52,209	1,356
Third quarter	50,910,620	68,587	1,347
Fourth quarter	48,887,091	66,094	1,352
YEAR	181,441,668	242,219	1,335
2019			
First quarter	26,085,644	36,478	1,398
Second quarter	45,596,330	64,886	1,423
Third quarter	36,521,895	51,969	1,423
Fourth quarter	48,533,642	66,887	1,378
YEAR	156,737,511	220,219	1,405

(1) Includes transactions on the Santiago Stock Exchange and Chilean Electronic Stock Exchange.

NEW YORK STOCK EXCHANGE (2)	ADRS TRADED	AMOUNT (US$)	AVERAGE PRICE (US$)
2018			
First quarter	459,168	19,374,307	42.19
Second quarter	598,856	25,523,578	42.62
Third quarter	224,397	9,216,487	41.07
Fourth quarter	-	-	-
YEAR	1,282,421	54,114,371	42.20
2019			
First quarter	-	-	-
Second quarter	-	-	-
Third quarter	-	-	-
Fourth quarter	-	-	-
YEAR	-	-	-

(2) Includes ADR transactions on the New York Stock Exchange.

[1] *This information does not include transactions on the Valparaíso Stock Exchange, whose operations were finalized in September 2018.*

RISK MANAGEMENT

The company participates in all stages of the production process, including grape growing, fermentation, production and bottling of wines, and distribution. As such, Viña Concha y Toro's business is exposed to a series of risks.

The company has worked to develop and perfect its risk management process based on ISO 31000 and COSO 2013 standards. It has also implemented risk management governance based on the concept of Three Lines of Defense[2].

During 2019, Viña Concha y Toro has developed a risk update, identification, assessment and mitigation process, which is audited annually by the Internal Corporate Audit area and reported to the Directors' Committee on a quarterly basis.

In order to strengthen risk management, the Internal Control area has been redesigned, and now forms part of the Corporate Finance Department. This area is responsible for providing consulting, training, methodology and monitoring of risk management functions for the first line of defense, that is, each of the company's departments and areas.

The main risks to which the company is exposed are indicated below:

[2] *Three Lines of Defense in Effective Risk Management and Control, published by the IIA (Institute of Internal Auditors).*

OPERATIONAL RISKS

Agricultural risks

This is considered a key risk globally due to global warming and climate change, and the company is aware that it may be exposed to adverse phenomena such as droughts, frosts, hailstorms and temperature increases, among others, which may affect the quality, quantity and cost of grapes supplied to the company through its own and third-party vineyards. Vineyards may also be exposed to diseases caused by pests and fungi, etc., which may generate similar impacts to climate phenomena.

The risks described above are primarily mitigated through the geographic diversification of vineyards, as the company owns vineyards in Chile, Argentina and the United States. In Chile, Viña Concha y Toro's vineyards are distributed throughout different wine valleys, each with distinct climate conditions and natural or ecological barriers.

The Agricultural Department manages the risks associated with grapevine diseases through phytosanitary plans, which have implementation programs that are rigorously controlled through SAP ERP. The management of these risks is also strengthened by projects developed by the Center for Research and Innovation.

Finally, the Agricultural Department continuously monitors climate change, introducing improvements each year to optimize the use of water resources.

Risks associated with dependence on suppliers

To meet its non-grape supply needs in the bottling process, particularly for bottles purchased in Chile, the company depends on its main supplier, Cristalerías Chile S.A. ("Cristalerías"). Although there are other bottle suppliers with lower production capacity, a disruption in the supply of bottles by Cristalerías could have a negative impact on Viña Concha y Toro's normal operations.

The company has a license from Tetra Pak de Chile Comercial Ltda. ("Tetra Pak Chile") to package wine in Tetra Brik containers, and purchases these containers from Tetra Pak Chile. Although there are alternative suppliers, a disruption in supply from Tetra Pak Chile could have a negative impact on the company's normal operations.

It is important to note that other for non-grape supplies used in wine packaging—and those used by Viña Concha y Toro's other wine production subsidiaries (Trivento Bodegas y Viñedos and Fetzer Vineyards)—there are alternative suppliers which minimize the risk of dependence on a single supplier.

The company meets its grape demand through its own production and the purchase of grapes from multiple independent growers. Disruptions in the supply of grapes from independent growers or increases in the purchase price could have a negative effect on its normal operations.

Risks associated with consumption

Consumers' wine preferences and tastes evolve and generate new consumption trends. This is both an opportunity and a threat for the company and other industry players. Viña Concha y Toro aims to constantly detect these changes in a timely manner in order to adapt to them and, through product innovation, anticipate them in its commercial offering.

Additionally, the strength of the company's brands, as well as the diversification of its sales in different markets, enables it to reasonably mitigate these risks.

RISKS DUE TO POLITICAL AND ECONOMIC CONDITIONS

Risks associated with changes in tax laws and their interpretation

The company and its subsidiaries are subject to tax laws and regulations in Chile, Argentina, the United States, the United Kingdom, and all countries in which they operate and sell their products. Changes in these laws may affect the company's results and its normal operation. Similarly, Chile maintains free trade agreements and other tariff arrangements with several countries, which favor the company's exports. Potential geopolitical changes that affect the validity of these agreements may adversely affect the company's sales and profitability. The company is continuously exploring new markets, which enables it to diversify this risk.

Risks associated with government regulations

The production and sale of wine is subject to extensive regulation in Chile and abroad. These regulations are intended to control licensing requirements, price setting and sales practices, product labeling, advertising campaigns, and relationships with distributors and wholesalers, among others. It is currently not possible to guarantee that new regulations or revisions of current regulations will not have adverse effects on the company's activities and the results of its operations. For this reason, the company has an area which constantly reviews the legal requirements of the various markets in which its products are sold.

Risks associated with the Chilean economy

As of December 31, 2019, 71% of the company's total non-current assets were located in Chile, and 81% of its consolidated sales originated from its Chilean operations. Accordingly, the company's financial position and results depend to a significant degree on prevailing economic conditions in Chile.

FINANCIAL RISKS

Risks associated with exchange rate and interest rate variations

The Chilean peso has registered various fluctuations over the years, and may be subject to further changes in the future. Changes in exchange rates with respect to the Chilean peso may have both negative and positive effects on the company's financial position and operating results. In international markets, the company sells its products in US dollars, pound sterling, euros, Brazilian reais, Swedish krona, Norwegian krone, Mexican pesos, Argentine pesos and Canadian dollars, among others. In turn, it has overseas subsidiaries and affiliated companies with assets denominated in various currencies which are subject to exchange rate fluctuations. In order to minimize the effects of variations in exchange rates on revenue, costs, assets and liabilities, the company monitors its exposure in each of the currencies on its balance sheets on a daily basis, entering into derivatives contracts or other instruments with major banks to hedge these positions. Further risk information and analysis can be found in Note 5 on the Consolidated Financial Statements – Financial Risk Management.

Risks associated with interest rate variations for our financial liabilities risks are eliminated by the company's policy of only acquiring loans with fixed interest rates, which is imposed for all of our subsidiaries around the world. Similarly, all loans taken out by subsidiaries must receive prior approval from the Corporate Finance Department and, if required due to the amount of the loan requested, by the Board of Directors.

Credit risk

To mitigate the risk of insolvency of its customers, the company has taken out credit insurance through some of the most highly renowned insurance companies in Chile. It also requires letters of credit or other guarantees for accounts receivable. Additionally, Viña Concha y Toro periodically monitors accounts receivable in order to properly manage collections and prevent possible arrears, as well as maintaining seamless communication with our customers.

TECHNOLOGICAL RISKS

Cybersecurity and information security

Given the significance and increase of incidents related to cybersecurity that have occurred around the world, together with new regulatory requirements for data protection (GDPR in the United Kingdom, for example), the company has increased its efforts to mitigate technological risks through various control measures in relation to its technological processes, infrastructure and tools. Similarly, it has updated its methodologies to identify, assess and mitigate this type of risks based on global best practices. Viña Concha y Toro has also received external consulting services to assess its exposure to risks associated with cyberattacks, and the Internal Corporate Audit area carries out annual IT control audits, generating action plans which enable continuous improvement in the security of our information systems.

CREDIT RATING

The credit ratings for the company's publicly-traded securities as of December 2019, issued by two independent agencies, are as follows:

SECURITY	HUMPHREYS	HUMPHREYS
Shares	First Class Level 1	First Class Level 2
Bond Line No. 407	AA-	AA-
Bond Line No. 574 and No. 575	AA-	AA-
Bond Line No. 840 and No. 841	AA-	AA-
Bond Line No. 876	AA-	AA-
Commercial Paper Line No. 49	Level 1+/AA-	Level 1+/AA-
Bond Line No. 931	AA-	AA-

EXTERNAL AUDITORS

BDO Auditores y Consultores Ltda.

MAIN LEGAL ADVISORS

» CP Abogados
» Baker & McKenzie
» Vicuña Abogados
» Ossandón Abogados
» Sargent & Krahn
» Uribe, Hübner & Cía. Abogados
» Luis Felipe Cruzat Larraín

SUMMARY OF COMMENTS AND PROPOSALS

The comments and proposals made by the Directors' Committee are incorporated in the annual management report, contained in this Annual Report.

PROPERTIES, BRANDS AND INSURANCE

PROPERTIES

In Chile, the company's main properties are its vineyards, wine cellars and bottling plants. It owns 18,274 hectares of land in Chile, distributed throughout ten grape-growing valleys. The total area of planted vineyards includes some long-term leases that the company has in the Casablanca, Maipo and Colchagua valleys. Of this total, 11,262 hectares correspond to arable land, 10,248 hectares of which are planted.

In Argentina, Trivento Bodegas y Viñedos owns 1,658 hectares of land, 1,579 hectares of which is arable land and 1,411 hectares are planted.

In the United States, Fetzer Vineyards owns 457 hectares of arable land (including proprietary and long-term leased vineyards), with a planted area of 449 hectares.

PRODUCTION PLANTS AND EQUIPMENT

In Chile, Viña Concha y Toro has 13 wine cellars. Their distribution throughout the country's different grape-growing regions aims to increase the efficiency of winemaking processes, and improve the quality of grapes and wines.

To ferment, age and store its wines, the company uses a combination of epoxy-coated cement tanks, stainless steel tanks and American and French oak barrels. It also uses world-class technological equipment for harvesting, winemaking, aging and production processes. As of December 2019, the total winemaking and aging capacity in Chile was 466 million liters.

Viña Concha y Toro owns three modern bottling plants in Chile, located in Pirque (Santiago Metropolitan Region), Vespucio (Santiago Metropolitan Region) and Lontué (Maule Region). The plants have a total of 15 bottling lines.

Trivento Bodegas y Viñedos has three winemaking and aging cellars with a total capacity of 35 million liters, as well as a plant with three bottling lines.

Fetzer Vineyards has one wine cellar with a capacity of 38 million liters, as well as a plant with four bottling lines.

INVESTMENT AND FINANCING POLICY

The company's investments are aimed at sustaining growth and the normal replacement of operating assets, upgrades, new facilities for expanding and improving production capacity, and land acquisitions to plant vineyards. In 2019, investments in fixed assets of this nature totaled Ch$41,267 million. These investments were financed mainly by the company's operating cash flow.

BRANDS

Viña Concha y Toro markets its products under proprietary, duly registered and valid brands. The main brands include Concha y Toro and sub-brands Don Melchor, Amelia, Terrunyo, Marques de Casa Concha, Subercaseaux, Trio, Casillero del Diablo, SBX, Sunrise, Sendero, Frontera, Tocornal and Maipo. The following subsidiaries have registered their brands: Cono Sur, Isla Negra, Ocio, 20 Barrels, Bicicleta, Palo Alto, Maycas del Limarí, Trivento, Eolo, Pampas del Sur, La Chamiza, Fetzer, Bonterra, Jekel, Coldwater Creek, Eagle Peak, Sanctuary, Sundial, Valley Oaks, Bel Arbor, Stony Brook, Five Rivers, Pacific Bay and 1000 Stories, among others. Additionally, the company holds a license for the Santa Emiliana brand, owned by Viñedos Emiliana S.A., for the Chilean market. In other business lines, Cervecera Southern Brewing Company S.A. stands out with its Kross, Kross Cervecería Independiente and Krossbar brands, among others.

INSURANCE

Viña Concha y Toro and its subsidiaries have contracts with world-class insurance companies. These contracts enable the company's physical assets such as wine cellars, plants, inventory, supplies, buildings and their contents, vehicles and machinery, among others, to be insured against risks such as fire, breakdown of machinery, earthquakes, and damages due to business interruption that any of these risks may cause to its operations. In addition, the company has insurance for extracontractual civil liability that may arise from material damage and/or bodily harm caused to third parties as a result of its activity, as well as civil liability of directors and executives. Finally, it also has credit insurance for both domestic sales and exports. For more details regarding this insurance, see Note 5 on the Consolidated Financial Statements in the Credit Risk section.

MATERIAL INFORMATION

During the 2019 financial year, the company disclosed the following material information to the Financial Market Commission (CMF) and the various stock exchanges in the country:

DISTRIBUTION AND PAYMENT OF INTERIM DIVIDEND

On February 28, 2019, the Board of Directors' decision on the same date to distribute interim dividend No. 274 from profits in the 2018 financial year was disclosed.

NOTIFICATION OF THE ANNUAL GENERAL MEETING TO BE HELD ON APRIL 25, 2019

On March 18, 2019, it was disclosed that, in the extraordinary board meeting held on the same date, it was agreed that the Annual General Meeting would be held on April 25, 2019.

PROPOSAL AT THE ANNUAL GENERAL MEETING

On March 29, 2019, the Board of Directors' decision to distribute a final dividend (No. 275) of Ch$14.5 per share from profits in the 2018 financial year was disclosed. Additionally, the Board of Directors agreed to propose at the Annual General Meeting that the dividend policy of distributing 40% of net income should be maintained, excluding earnings generated by the subsidiary Fetzer Vineyards, which will continue to be used to meet its operating requirements.

RESOLUTIONS OF THE ANNUAL GENERAL MEETING

On April 26, 2019, the CMF was informed that Viña Concha y Toro S.A.'s Annual General Meeting had been held on April 25 of the same year. In this material information, the following agreements arising from the meeting were disclosed:

- To distribute dividend No. 275 for the amount of Ch$14.5 per share as a final dividend from profits in the 2018 financial year.
- To maintain the dividend policy of distributing 40% of net income, excluding that generated by Fetzer Vineyards. The dividend policy is subject to the company's cash flow availability.

SECURITIES REGISTRATION CANCELLATION PROCESS ON THE NEW YORK STOCK EXCHANGE ("NYSE") AND IN THE SECURITIES AND EXCHANGE COMMISSION ("SEC")

On July 31, 2019, the company informed the CMF of the request to cancel registration of its ADRs and ordinary shares with the Securities and Exchange Commission, thus terminating its reporting obligations under US securities regulations and the application of the US Sarbanes-Oxley Act.

BOND ISSUE

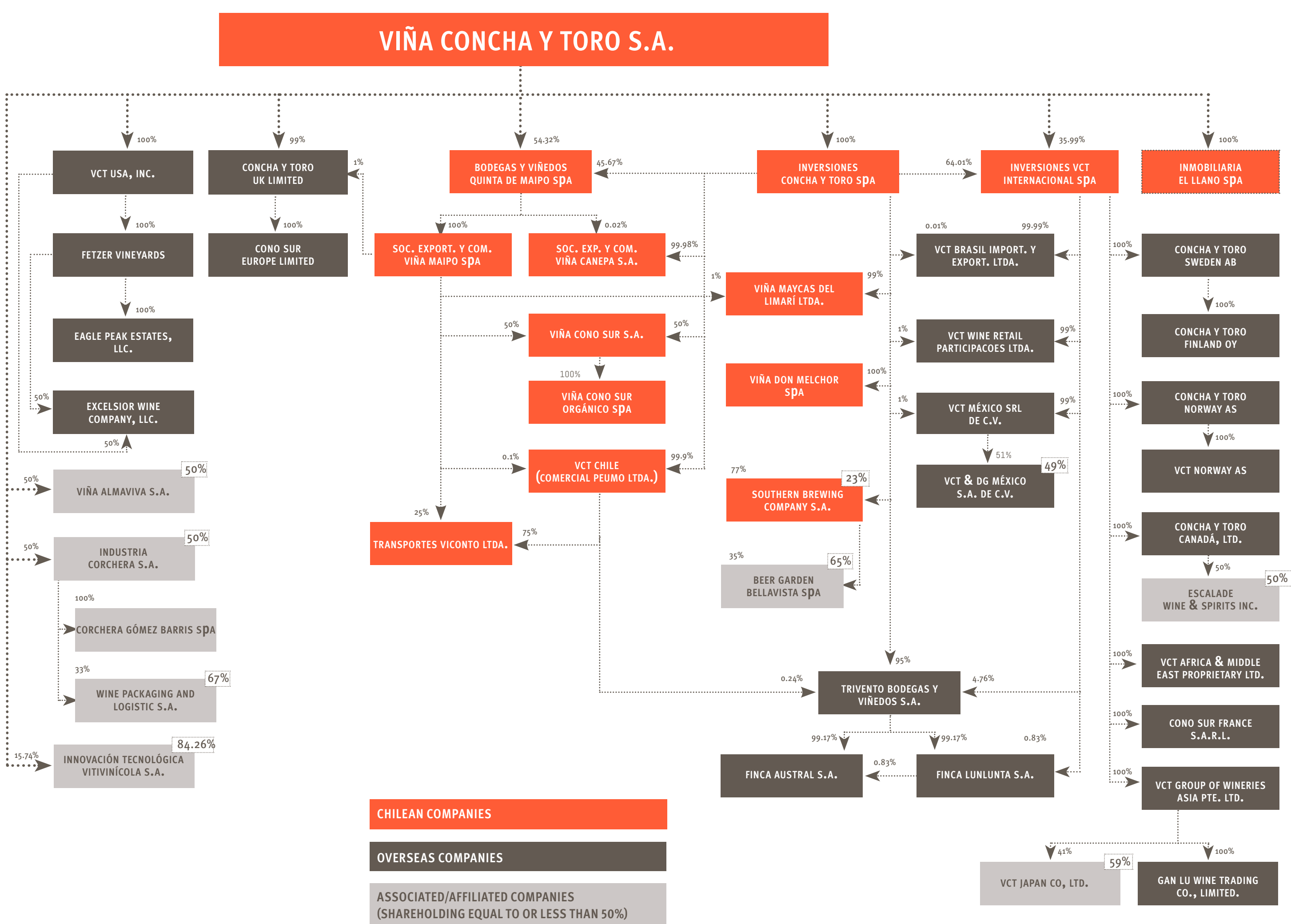
Through the material information released on August 6, 2019, the company informed the CMF that it had issued all of its series T bonds on the same date. This bonds were issued from the bond line registered in the CMF's Securities Register under number 931 on March 20, 2019 for a sum equivalent to UF 2,000,000, 25-year maturity and an annual rate of 1.35%.

DISTRIBUTION OF DIVIDENDS

On August 29, the decision to distribute interim dividend No. 276 from profits in the 2019 financial year was disclosed.

On November 29, 2019, the decision made at the board meeting held on November 28 to distribute interim dividend No. 277 from profits in the 2019 financial year was disclosed.

SUBSIDIARIES AND AFFILIATED COMPANIES



SUBSIDIARIES

INVERSIONES CONCHA Y TORO SPA

Tax ID No. (RUT):
96.921.850-K
Address:
Virginia Subercaseaux 210, Pirque, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$23,423,092

Corporate purpose
Investment in all types of tangible and intangible assets, immovable and movable, in order to receive proceeds or returns. Incorporating, forming part of, or acquiring stakes or shares in companies. In the fulfillment of its corporate purpose, the company does not conduct commercial activities.

Relationship with the parent company
It manages some subsidiary companies. Inversiones Concha y Toro SpA owns 50% of Viña Cono Sur S.A., 45.68% of Bodegas y Viñedos Quinta de Maipo SpA, 64.01% of Inversiones VCT Internacional SpA, 99.9% of Comercial Peumo Limitada, 0.01% of VCT Brasil Importación y Exportación Limitada, 99.98% of Sociedad Exportadora y Comercial Viña Canepa S.A., 99% of Viña Maycas del Limarí Limitada, 1% of VCT Mexico S.R.L. de C.V., 95% of Trivento Bodegas y Viñedos SpA, 1% of VCT Wine Retail Participacoes Ltda., and 100% of Viña Don Melchor SpA. All of the above are subsidiaries of the parent company.

CEO
Eduardo Guilisasti Gana (M)

Management
Managed by Viña Concha y Toro S.A. through specially appointed representatives.

INVERSIONES VCT INTERNACIONAL SPA

Tax ID No. (RUT):
99.513.110-2
Address:
Virginia Subercaseaux 210, Pirque, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$18,540,470

Corporate purpose
Making permanent or lease investments overseas in all types of movable or immovable property, tangible or intangible, related to the parent company's business; as well as incorporating and participating in all types of companies, preferably overseas. In the fulfillment of its corporate purpose, the company does not conduct commercial activities.

Relationship with the parent company
This company owns 99.99% of Brazilian subsidiary VCT Brasil Importación y Exportación Limitada, 100% of VCT Sweden AB, 100% of Concha y Toro Norway AS, 100% of VCT Group of Wineries Asia Pte. Ltd., 100% of VCT Africa & Middle East Proprietary Limited, 100% of Concha y Toro Canada Ltd. and 99% of VCT México S.R.L. de C.V, as well as 4.759% of Argentinean subsidiary Trivento Bodegas y Viñedos S.A. and 0.83% of Finca Lunlunta S.A. It also owns 100% of Cono Sur France S.A.R.L. and 99% of VCT Wine Retail Participacoes Ltda.

CEO
Eduardo Guilisasti Gana (M)

Management
Managed by Inversiones Concha y Toro SpA through specially appointed representatives.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VCT CHILE (COMERCIAL PEUMO LTDA.)

Tax ID No. (RUT):
85.037.900-9
Address:
Avda. Santa Rosa 0837, Paradero 43, Puente Alto, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$2,617,586

Corporate purpose

To carry out all types of commercial operations, in particular the import and export, purchase, sale, distribution, acquisition and sale (in general) of all types of merchandise within and outside of Chile. To conduct commerce in any form and all other businesses agreed by the partners.

Relationship with the parent company

This company owns 75% of the parent company's subsidiary Transportes Viconto Ltda. and 0.241% of Trivento Bodegas y Viñedos S.A. It engages in the sale, distribution and marketing of products produced by the parent company and its subsidiaries in Chile. Comercial Peumo Ltda. carries out these activities through a specialized sales force in both wholesale and retail markets, as well as online.

CEO

Niclas Blomstrom Bjuvman (MS)

Main contracts with the parent company

Purchase and sale of wines and products of the parent company, and its subsidiaries and affiliated companies. Advertising services for the brands of the parent company and its subsidiaries.

VIÑA CONO SUR S.A.

Tax ID No. (RUT):
86.326.300-K
Address:
Nueva Tajamar 481, Torre Norte, Piso 19, Las Condes, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$497,171

Corporate purpose

Production, bottling, distribution, purchase, sale, export, import and marketing in any form of wines, sparkling wines and liquors.

Relationship with the parent company

Production and marketing of grapes and wines under its own brands. This company owns 100% of Viña Cono Sur Orgánico SpA.

Directors

Eduardo Guilisasti Gana (Chiarman) (M)
Osvaldo Solar Venegas (M)
Rafael Marín Jordán (D)
Pablo Guilisasti Gana (D)

CEO

Paul Konar Elder

Main contracts with the parent company

Purchase and sale of grapes and products of the parent company and VCT Chile. Bottling services contract with the parent company.

(D) Director of Viña Concha y Toro S.A.   (M) Manager of Viña Concha y Toro S.A.   (MS) Manager of a Viña Concha y Toro S.A. subsidiary

BODEGAS Y VIÑEDOS QUINTA DE MAIPO SPA

Tax ID No. (RUT):
84.712.500-4
Address:
Virginia Subercaseaux 210, Pirque, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$51,470

Corporate purpose
Production, bottling, labeling, distribution, purchase, sale, export, import and marketing in any form of wines and sparkling wines.

Relationship with the parent company
This company owns 100% of the parent company's subsidiary Sociedad Exportadora y Comercial Viña Maipo SpA, and 0.0172% of Sociedad Exportadora y Comercial Viña Canepa S.A.

Management
Managed by Inversiones Concha y Toro SpA through representatives.

Main contracts with the parent company
Purchase and sale of wines and products.

SOCIEDAD EXPORTADORA Y COMERCIAL VIÑA MAIPO SPA

Tax ID No. (RUT):
82.117.400-7
Address:
Virginia Subercaseaux 210, Pirque, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$22,922

Corporate purpose
Production, bottling, labeling, distribution, purchase, sale, export, import and marketing in any form of wines and sparkling wines.

Relationship with the parent company
This company owns 25% of the parent company's subsidiary Transportes Viconto Ltda.; 1% of Concha y Toro UK Limited; 0.1% of VCT Chile; 50% of Viña Cono Sur S.A.; and 1% of Viña Maycas del Limarí Limitada.

Management
Managed by Bodegas y Viñedos Quinta de Maipo SpA through specially appointed representatives.

Main contracts with the parent company
Purchase and sale of wines and products.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

SOCIEDAD EXPORTADORA Y COMERCIAL VIÑA CANEPA S.A.

Tax ID No. (RUT):
96.585.740-0
Address:
Lo Espejo 1500,
Cerrillos, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$176,920

Corporate purpose
Production and bottling of wines and related products; marketing, purchase, sale, import and export of wines and other similar products; the provision of promotional services, advertising, and positioning of its products and brands.

Relationship with the parent company
Production and marketing of wines.

Management
Managed by Inversiones Concha y Toro SpA through representatives.

Directors
Alfonso Larraín Santa María (Chairman) (D)
Eduardo Guilisasti Gana (M)
Osvaldo Solar Venegas (M)

CEO
Eduardo Guilisasti Gana (M)

Main contracts with the parent company
Purchase and sale of wines and products.

VIÑA DON MELCHOR SPA

Tax ID No. (RUT):
76.048.605-1
Address:
Virginia Subercaseaux 210,
Pirque, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$1,000

Corporate purpose
Production and bottling of wines and related products; marketing, purchase, sale, import and export of wines and other similar products; the provision of promotional services, advertising, marketing, and positioning of its products and brands; and any other activity agreed by the shareholders.

Directors
Eduardo Guilisasti Gana (M)
Osvaldo Solar Venegas (M)
Mariano Fontencilla de Santiago Concha (D)
Rafael Guilisasti Gana (D)

CEO
Enrique Tirado Santelices

Main contracts with the parent company
Purchase and sale of wines and products.

(D) Director of Viña Concha y Toro S.A.   (M) Manager of Viña Concha y Toro S.A.   (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VIÑAS MAYCAS DEL LIMARÍ LTDA.

Tax ID No. (RUT):
76.898.350-K
Address:
Nueva Tajamar 481, Torre Norte, Oficina 505, Las Condes, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$1,000

Corporate purpose
Production and bottling of wines and related products; marketing, purchase, sale import and export of wines and other similar products; the provision of promotional services, advertising, and positioning of its products and brands.

Management
Managed by Inversiones Concha y Toro SpA through representatives.

Main contracts with the parent company
Purchase and sale of wines and products.

TRANSPORTES VICONTO LTDA.

Tax ID No. (RUT):
85.687.300-5
Address:
Avda. Santa Rosa 0821, Puente Alto, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$35,076

Corporate purpose
Provision of all types of services related to transport and freight within and outside of the country, through the use of trucks and other similar means of transport.

Relationship with the parent company
It conducts the transport of products produced by the parent company and its subsidiaries to distinct points of sale and distribution. It carries out this function through owned or leased vehicles.

Management
Managed interchangeably by its shareholders Comercial Peumo Limitada and Sociedad Exportadora y Comercial Viña Maipo SpA, which act through representatives.

Main contracts with the parent company
Transport of bulk wine and end products.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VIÑA CONO SUR ORGÁNICO SPA

Tax ID No. (RUT):
76.273.678-0
Address:
Nueva Tajamar 481, Torre Norte, Oficina 306, Las Condes, Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$1,000

Corporate purpose

The production, purchase and sale of organic grapes; production and bottling of organic wines; marketing, purchase, sale, import and export of organic wines.

Management

Managed by Viña Cono Sur S.A. through specially appointed representatives.

Main contracts with the parent company

Service provision contract for production of organic wines with the subsidiary Viña Cono Sur S.A.

SOUTHERN BREWING COMPANY S.A. (KROSS)

Tax ID No. (RUT):
99.527.300-4
Address:
Av. Américo Vespucio 2.500 Of. 702, Vitacura, Santiago.
% ownership (direct and indirect):
77%
Subscribed and paid-up capital:
ThCh$2,065,808

Corporate purpose

Production of malt beverages and beers.

Relationship with the parent company

It has a distribution contract with Viña Concha y Toro subsidiary VCT Chile.

Directors

Christoph Schiess Schmitz (Chairman)
Eduardo Guilisasti Gana (M)
Osvaldo Solar Venegas (M)
Ignacio Izcue Elgart (M)
Rodrigo Infante Ossa

CEO

José Tomás Infante Güell

Main contracts with the parent company

Distribution contract for the marketing of Kross products.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

TRIVENTO BODEGAS Y VIÑEDOS S.A.

Tax ID No. (RUT):
33-68989817-9
Address:
Canal Pescara 9347, Russell C.P.5517, Maipú, Mendoza, Argentina.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$29,472,509

Corporate purpose
Production, marketing, bottling and labeling of wines and alcoholic beverages, import and export of wines and related products.

Relationship with the parent company
Production in Argentina and marketing of grapes and wines under its own brands. It owns 99.17% of the parent company's subsidiary Finca Lunlunta S.A. and 99.17% of Finca Austral S.A.

Directors
Alfonso Larraín Santa María (Chairman) (D)
Rafael Guilisasti Gana (D)
Marcos Augusto Jofré (MS)

Alternate Directors
Christian Linares
Alejandro Montarcé (MS)

CEO
Marcos Augusto Jofré

INMOBILIARIA EL LLANO SPA.

Tax ID No. (RUT):
76.783.225-7
Address:
Avenida Nueva Tajamar No. 481, Oficina No. 1501, Torre Norte, Las Condes. Santiago.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$1,000

Corporate purpose
To carry out real estate activities in the broadest sense, in particular real estate investments and projects.

Directors
Eduardo Guilisasti Gana (M)
Andrés Larraín Santa María (D)
Osvaldo Solar Venegas (M)

CEO
Ernesto Hevia Balbontín

Main contracts with the parent company
To date, it does not have any contracts with the parent company.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

FINCA AUSTRAL S.A.

Tax ID No. (RUT):
30-70997638-5
Address:
Canal Pescara 9347, Russell C.P. 5517, Maipú, Mendoza, Argentina.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$2,966

Corporate purpose

Production, marketing, bottling and labeling of wines and alcoholic beverages, import and export of wines and related products.

Relationship with the parent company

Marketing of grapes and wines under its own brands.

Directors

Marcos Augusto Jofré (acting) (MS)
Alejandro Montarcé (alternate) (MS)

CEO

Marcos Augusto Jofré

FINCA LUNLUNTA S.A.

Tax ID No. (RUT):
30-70913379-5
Address:
Canal Pescara 9347, Russell C.P.5517, Maipú, Mendoza, Argentina.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$2,966

Corporate purpose

Production, marketing, bottling and labeling of wines and alcoholic beverages, import and export of wines and related products.

Relationship with the parent company

Marketing of grapes and wines under its own brands.
It owns 0.83% of the subsidiary Finca Austral S.A.

Directors

Marcos Augusto Jofré (acting) (MS)
Alejandro Montarcé (alternate) (MS)

CEO

Marcos Augusto Jofré

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VCT BRASIL WINE RETAIL PARTICIPAÇÕES LTDA.

Tax ID No. (CNPJ):
18.975.892/0001-01
Address:
Rua Alcides Lourenço Rocha 167, 4° andar, Conj. 41 y 42, Cidade Monções, Sao Paulo, Brazil.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$630,404

Corporate purpose
Investment company whose aim is to consolidate Viña Concha y Toro's investments in Brazil.

Relationship with the parent company
Its aim is to consolidate investments in Brazil, principally in the retail sector.

VCT BRASIL IMPORTACIÓN Y EXPORTACIÓN LIMITADA

Tax ID No. (RUT):
9.300.053/0001-00
Address:
Rua Alcides Lourenço Rocha 167, 4° andar, Conj. 41 y 42 Cidade Monções, Sao Paulo, Brazil.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$154,970

Corporate purpose
The import, export, purchase, sale and distribution of wines, alcoholic and non-alcoholic beverages and similar products; carrying out the import, purchase, sale and distribution, and advertising, publicity, marketing, communications and promotions for each of the above items; conducting business in any form; providing advertising, publicity, marketing, communication and promotional services; and holding stakes in other companies as a partner or shareholder.

Relationship with the parent company
Distribution and brokerage of products of the parent company and some subsidiaries.

CEO
Mauricio Cordero Barrera

Main contracts with the parent company
Purchase and sale of products of the parent company, its subsidiaries and affiliated companies.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

CONO SUR EUROPE LIMITED

Company number:
5231308 Registered in England and Wales
Address:
1st Floor West Wing, Davidson House, Forbury Square, Reading, Berkshire, RG1 3 EU, UK.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$98

Corporate purpose
Import of wines and distribution in Europe.

Director
Paul Konar Elder (M)

CONCHA Y TORO UK LIMITED

Company number:
4131411 Registered in England and Wales
Address:
9 Ashurst Court, London Road, Wheatley, Oxfordshire, UK.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$665

Corporate purpose
Import, distribution, sales and marketing in any form of wines and sparkling wines.

Relationship with the parent company
This company distributes products of the parent company, its subsidiaries and affiliated companies in the United Kingdom. It owns 100% of the subsidiary Cono Sur Europe Limited.

Directors
Osvaldo Solar Venegas (M)
Thomas Domeyko Cassel (M)

CEO
Simon Doyle

Main contracts with the parent company
Purchase and sale of products of the parent company, its subsidiaries and affiliated companies; promotion and advertising of these products.

(D) Director of Viña Concha y Toro S.A.   (M) Manager of Viña Concha y Toro S.A.   (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VCT SWEDEN AB

O.N.:
556.762-6816
Address:
Dalagatan 34, Stockholm, Sweden.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$8,036

Corporate purpose

Import, export, sale and distribution of alcoholic beverages and related products.

Relationship with the parent company

This company distributes products of the parent company, its subsidiaries and affiliated companies in Sweden. This company owns 100% of the subsidiary VCT Finland OY.

Directors

Thomas Domeyko Cassel (M)
Christian Hargreaves
Peter Lidvall

Main contracts with the parent company

Purchase and sale of products of the parent company, its subsidiaries and affiliated companies.

CONCHA Y TORO NORWAY AS

O.N.:
993 253 391
Address:
c/o Cuveco AS Postboks 93 Skøyen, 0212 Oslo, Norway.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$15,331

Corporate purpose

Import, export, sale and distribution of alcoholic beverages and related products.

Relationship with the parent company

This company distributes products of the parent company, its subsidiaries and affiliated companies in Norway. In addition, it owns 100% of the subsidiary VCT Norway AS.

Directors

Thomas Domeyko Cassel (M)
Peter Lidvall
Anne Eliasson

Main contracts with the parent company

Purchase and sale of products of the parent company, its subsidiaries and affiliated companies; promotion and advertising of these products.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VCT FINLAND OY

O.N.:
2.223.825-5
Address:
Sörnäisten Rantatie 27 C, 4th floor, 00500 Helsinki, Finland.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$16,792

Corporate purpose

Import, export, sale and distribution of alcoholic beverages and related products.

Relationship with the parent company

This company distributes products of the parent company, its subsidiaries and affiliated companies in Finland.

Directors

Thomas Domeyko Cassel (M)
Peter Lidvall
Ilkka Perttu

Main contracts with the parent company

Purchase and sale of products of the parent company, its subsidiaries and affiliated companies.

VCT NORWAY AS

Reg. No.:
999 522 920
Address:
c/o Cuveco AS Postboks 93 Skøyen, 0212 Oslo, Norway.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$2,555

Corporate purpose

Import, export, sale and distribution of alcoholic beverages and related products.

Relationship with the parent company

This company distributes products of the parent company, its subsidiaries and affiliated companies in Norway.

Directors

Thomas Domeyko Cassel (M)
Peter Lidvall
Anne Eliasson

Main contracts with the parent company

Purchase and sale of products of the parent company, its subsidiaries and affiliated companies; promotion and advertising of these products.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

CONO SUR FRANCE S.A.R.L.

Tax ID No. (SIRET):
9375757600002
Address:
1 Venelle de Riviere, 29840 Lanildut, France.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$16,792

Corporate purpose
Export agent activities for European, Eastern European, Middle East and African markets.

Relationship with the parent company
This company acts as an export agent and promoter of its parent company Viña Cono Sur S.A.'s wines in the European market.

CEO
François Le Chat

Main contracts with the parent company
Commission contract with Viña Cono Sur S.A.

GAN LU WINE TRADING (SHANGHAI) CO. LTD.

ID:
91310115057683746O
Address:
Room A, Union Shin May Square 27 F, No.506 Shang Cheng Road, Pudong, Shanghai.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$100,179

Corporate purpose
Production, advertising and agency activities for wine products in the Asian market, in particular China.

Relationship with the parent company
This company acts as an export agent and promoter of wines of the parent company and other subsidiaries in Asia, in particular China.

Directors
Cristián López Pascual (M)
Enrique Ortúzar Vergara (M)
Andrea Benavides Hebel (M)

Main contracts with the parent company
Commission contracts with the parent company and its subsidiaries.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VCT GROUP OF WINERIES ASIA PTE. LTD.

Registration No.:
201006669D
Address:
VCT Group of Wineries Asia Pte. Ltd.
7 Straits View #12-00
Marina One East Tower
Singapore 018936
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$910,250

Corporate purpose
Import and reexport of Chilean and Argentinean wines in the Asian market. It is also dedicated to the promotion and advertising of wine products in Singapore and the Asian market.

Relationship with the parent company
This company acts as an export agent and promoter of wines of the parent company and other subsidiaries in the Asian market. In addition, it owns 100% of the subsidiary Gan Lu Wine Trading (Shanghai) Co. Ltd. and 41% of the affiliated company VCT Japan Co. Ltd.

Directors
Alfonso Larraín Santa María (D)
Andrea Benavides Hebel (M)
Osvaldo Solar Venegas (M)
Cristián López Pascual (M)
Guy Andrew Nussey

Regional Director
Guy Andrew Nussey

FETZER VINEYARDS

EIN:
94-2458321
Address:
12901 Old River Road, Hopland, CA 95449, United States.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$174,865,471

Corporate purpose
Production, marketing, bottling and labeling of wines and alcoholic beverages, import and export of wines and related products.

Relationship with the parent company
Production in the US and marketing of grapes and wines under its own brands. It also owns 100% of the subsidiary Eagle Peak Estates, LLC.

Directors
Eduardo Guilisasti Gana (Chiarman) (M)
Jorge Desormeaux Jiménez (D)
Rafael Guilisasti Gana (D)
Osvaldo Solar Venegas (M)

CEO
Giancarlo Bianchetti González

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

EXCELSIOR WINE COMPANY, LLC.

EIN:
45-2968791
Address:
1111 Cedar Swamp Road, Old Brookville, New York, United States.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$748,740

Corporate purpose

The distribution of products of Viña Concha y Toro S.A., Trivento Bodegas y Viñedos S.A. and some of Fetzer Vineyards' brands in the United States market.

Relationship with the parent company

Markets and distributes products of Fetzer, as well as Viña Concha y Toro and its subsidiaries in the United States.

Main contracts with the parent company

Purchase and sale of products of the parent company, its subsidiaries and affiliated companies; promotion and advertising of these products.

VCT USA, INC.

EIN:
33-1220465
Address:
106 Greentree Drive, Suite 101, Delaware 19904, United States.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$82,361,400

Corporate purpose

Investment company whose aim is to consolidate the investments of Viña Concha y Toro in the United States.

Relationship with the parent company

Company owned 100% by Viña Concha y Toro, which consolidates investments in the United States. It also owns 100% of Fetzer Vineyards and 50% of Excelsior Wine Company, LLC.

Directors

Alfonso Larraín Santa María (D)
Eduardo Guilisasti Gana (M)
Osvaldo Solar Venegas (M)

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

EAGLE PEAK ESTATES LLC.

EIN:
47-2185056
Address:
375 Healdsburg Ave., Suite 200, Healdsburg, Sonoma, CA 95448, United States.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$7,991

Corporate purpose
Marketing, bottling and labeling of wines and alcoholic beverages, import and export of wines and related products.

Relationship with the parent company
It does not maintain a direct contractual relationship with Viña Concha y Toro.

Directors
Giancarlo Bianchetti González (Chairman)
Cindy DeVries (Vice-Chairwoman)

VCT AFRICA & MIDDLE EAST PROPRIETARY LIMITED

Registration number:
2012/009704/07
Tax ID No. (VAT):
4930260635
Address:
1 Century Way, The Colosseum, Foyer 3, 1st Floor. Century City, Cape Town, South Africa.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$15,956

Corporate purpose
To promote the sales of products of Concha y Toro and its subsidiaries in South Africa and other territories.

Relationship with the parent company
This company acts as a sales promoter for the products of Viña Concha y Toro and its subsidiaries in South Africa and other territories.

Director
Enrique Ortúzar Vergara (M)

CEO
Diego Baeza Contreras

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VCT MÉXICO S.R.L DE C.V.

Tax ID No.:
VME110815LJ3
Address:
Carretera Picacho a Jusco 238 502 A., Jardines en la Montaña, Distrito Federal 14210, Mexico.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$364,228

Corporate purpose
Investment company whose aim is to consolidate Viña Concha y Toro's investments in Mexico.

Relationship with the parent company
Owner of 51% of VCT & DG México S.A. De C.V.

Board of directors
Osvaldo Solar Venegas (M)
Enrique Ortúzar Vergara (M)

VCT&DG MÉXICO S.A. DE C.V.

Tax ID No.:
VAD1111076E1
Address:
Bosque de los Ciruelos 304, 7 Bosques de Las Lomas, Distrito Federal 11700, Mexico.
% ownership (direct and indirect):
51%
Subscribed and paid-up capital:
ThCh$636,222

Corporate purpose
Company whose aim is to consolidate the distribution of Viña Concha y Toro's products in Mexico.

Relationship with the parent company
To distribute products of the parent company and its subsidiaries in Mexico.

Directors
Alfonso Larraín Santa María (D)
Celestino Álvarez
Thomas Domeyko (M)
Osvaldo Solar (M)
Rodrigo Álvarez

CEO
Cristian Paut

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

CONCHA Y TORO CANADA, LTD.

Tax ID No.:
845322502
Address:
44 Chipman Hill, Suite 1000. P.O. Box 7289, Stn. "A". Saint John, N.B. E2L 4S6, Canada.
% ownership (direct and indirect):
100%
Subscribed and paid-up capital:
ThCh$459,192

Corporate purpose

Investment company whose aim is to consolidate Viña Concha y Toro's investments in Canada.

Relationship with the parent company

Owner of 50% of Escalade Wines & Spirits Inc.

Directors

Enrique Ortúzar Vergara (M)

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

AFFILIATED COMPANIES

BEER GARDEN BELLAVISTA SPA.

Tax ID No. (RUT):
99,527,300-4
Address:
Américo Vespucio 2.500 Of. 701, Las Condes. Santiago.
% ownership (direct and indirect):
26.95%
Subscribed and paid-up capital:
ThCh$70,000

Corporate purpose
Implementation, development and operation of all types of restaurants, bars and other establishments in the culinary and entertainment sector, in particular those associated with the sale of craft beer under the "Kross"® brand.

Directors
Carlos Brito Claissac
José Tomás Infante Güell (MS)
Jerome Georges Marcel Reynes

CEO
Jerome Georges Marcel Reynes

Contracts with the parent company
It maintains a supply contract and license with Southern Brewing Company S.A. (Kross).

ESCALADE WINES & SPIRITS INC.

Tax ID No.:
821482783RT0001
Address:
5006 Timberlea Suite 1, Mississauga, Ontario, Canada.
% ownership (direct and indirect):
50%
Subscribed and paid-up capital:
ThCh$966,276

Corporate purpose
Import, export, sale, production and distribution of alcoholic beverages.

Relationship with the parent company
This company acts as an export agent and distributor of the wines of Viña Concha y Toro and other subsidiaries in the Canadian market.

Directors
Duncan Hobbs (Chairman)
Thomas Domeyko Cassel (M)
Osvaldo Solar Venegas (M)
Carlos Longhi Leinenweber (M)
Jonathan Hobbs
Brigitte Lachance

CEO
Veronica Novak

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VCT JAPAN COMPANY LTD.

Tax ID No.:
01112-01-017295
Address:
4-10-2 Nakano, Nakano-ward, Tokyo, Japan.
% ownership (direct and indirect):
41%
Subscribed and paid-up capital:
ThCh$307,200

Corporate purpose

The import, export, sale and distribution of alcoholic beverages.

Relationship with the parent company

Joint venture with a local distributor, whose aim is to strengthen the sale of products of Concha y Toro and some of its subsidiaries in the Japanese market.

Directors

Hiroaki Ikeda, Representative Director and President
Takashi Nishimoto
Hirokazu Maeda
Cristián López Pascual (M)
Guy Andrew Nussey

INDUSTRIA CORCHERA S.A.

Tax ID No. (RUT):
90,950,000-1
Address:
Jorge Cáceres 220, La Cisterna, Santiago.
% ownership (direct and indirect):
49.987%
Subscribed and paid-up capital:
ThCh$5,796,064

Corporate purpose

The manufacturing, production, import and export, distribution and marketing of cork and its derivatives or substitutes, such as caps or lids. The representation of machinery and other supplies; the provision of services for the wine industry, making investments in rural or urban real estate, its purchase, sale and construction, on its own behalf or that of a third party, administrating such real estate and receiving its returns; and carrying out other business related with the corporate purpose.

Relationship with the parent company

It provides corks and other supplies to Viña Concha y Toro, its subsidiaries and affiliated companies.

Directors

Rafael Guilisasti Gana (Chairman) (D)
Pedro Felix de Matos
Christophe Fouquet
Osvaldo Solar Venegas (M)

Alternate Directors

Pablo Guilisasti Gana (D)
Luis Felipe Fellay Rodríguez
Antonio Ríos Amorim
Andrea Benavides Hebel (M)

CEO

Luis Felipe Fellay Rodríguez

Main contracts with Viña Concha y Toro

Supply contract for cork and other supplies (caps, lids, capsules and other similar products).

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

VIÑA ALMAVIVA S.A.

Tax ID No. (RUT):
96,824,300-4
Address:
Avda. Santa Rosa 821, Paradero 45, Puente Alto, Santiago.
% ownership (direct and indirect):
50%
Subscribed and paid-up capital:
ThCh$2,424,784

Corporate purpose

Its main purpose is the production and marketing of unique and distinctive super premium wines, including their export and distribution.

Directors

Rafael Guilisasti Gana (Chairman) (D)
Philippe Dhalluin
Eduardo Guilisasti Gana (M)
Enrique Tirado Santelices (M)
Eric Bergman
Hervé Gouin

CEO

Manuel Vigario Santos Louzada

Main contracts with the parent company

Purchase and sale of products.

CORCHERA GÓMEZ BARRIS S.A.

Tax ID No. (RUT):
76,410,919-8
Address:
Jorge Cáceres No. 220, La Cisterna. Santiago.
% ownership (direct and indirect):
49.987%
Subscribed and paid-up capital:
ThCh$380,050

Corporate purpose

The production, distribution, marketing, purchase and sale of corks and lids for bottles, machinery, tools and equipment used in the wine industry, and the provision of bottling and logistics services.

Relationship with the parent company

It does not maintain a direct commercial relationship with Viña Concha y Toro.

CEO

Luis Felipe Fellay Rodríguez

Main contracts with the parent company

It does not maintain a direct contractual relationship with Viña Concha y Toro.

(D) Director of Viña Concha y Toro S.A. (M) Manager of Viña Concha y Toro S.A. (MS) Manager of a Viña Concha y Toro S.A. subsidiary

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FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2019 and 2018

ASSETS	Note	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Current assets			
Cash and cash equivalents	(6)	72,037,137	37,486,337
Other current financial assets	(7)	9,269,892	8,275,354
Other current non-financial assets	(17)	8,922,412	6,268,438
Trade and other current receivables	(8)	211,128,612	190,675,390
Trade receivables due from related parties, current	(9)	3,358,743	2,581,328
Inventories, current	(10)	293,371,556	277,389,786
Biological assets	(16)	23,061,507	20,782,597
Current tax assets, current	(22)	21,338,466	24,283,220
Total current assets other than assets or disposal groups classified as held-for-sale or as held for distribution to owners		642,488,325	567,742,450
Non current assets held for sale	(15)	-	31,092
Total current assets		642,488,325	567,773,542
Non-current assets			
Other non-current financial assets	(7)	16,307,966	25,741,638
Other non-current non-financial assets	(17)	2,603,245	1,764,309
Non-current receivables	(8)	751,453	693,696
Equity-accounted investees	(11)	22,731,211	21,262,939
Intangible assets other than goodwill	(13)	84,775,283	79,539,839
Goodwill	(12)	39,578,343	37,208,095
Property, plant and equipment, net	(14)	422,471,464	391,263,749
Deferred tax assets	(22)	22,109,837	19,232,446
Total non-current assets		611,328,802	576,706,711
Total assets		1,253,817,127	1,144,480,253

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2019 and 2018

LIABILITIES AND EQUITY	Note	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Current liabilities			
Other current financial liabilities	(19)	147,539,239	129,149,694
Trade and other payables	(21)	123,364,660	124,333,481
Trade payables due to related parties, current	(9)	6,853,552	5,777,642
Other provisions, current	(24)	28,323,632	24,407,046
Current tax liabilities, current	(22)	15,776,292	12,540,564
Provisions for employee benefits	(23)	16,265,814	16,216,767
Other current non-financial liabilities		824,809	770,158
Total current liabilities other than liabilities included in disposal groups classified as held for sale		338,947,998	313,195,352
Total current liabilities		338,947,998	313,195,352
Non-current liabilities			
Other financial liabilities, non-current	(19)	244,035,418	189,594,090
Trade payables due to related parties, non-current	(9)	240,380	300,937
Deferred tax liabilities	(22)	72,996,679	63,966,069
Non-current provisions for employee benefits	(23)	2,975,081	2,867,500
Other non-current non-financial liabilities		587,105	2,403,061
Total non-current liabilities		320,834,663	259,131,657
Total liabilities		659,782,661	572,327,009
Equity			
Issued capital	(26)	84,178,790	84,178,790
Retained earnings		514,555,498	481,812,864
Other reserves		(9,142,958)	2,330,314
Equity attributable to Owners of the Parent		589,591,330	568,321,968
Non-controlling interests		4,443,136	3,831,276
Total equity		594,034,466	572,153,244
Total liabilities and equity		1,253,817,127	1,144,480,253

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS BY FUNCTION

For the years ended December 31, 2019 and 2018

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS BY FUNCTION	Note	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Revenue	(29)	656,980,447	614,128,905
Cost of sales	(30)	(415,583,553)	(409,542,596)
Gross profit		241,396,894	204,586,309
Other income	(31)	1,875,854	8,549,635
Distribution expenses	(30)	(131,543,755)	(114,151,288)
Administrative expenses	(30)	(31,430,822)	(34,975,242)
Other expenses, by function	(30)	(3,221,155)	(4,002,077)
Profit from operating activities		77,077,016	60,007,337
Finance income	(32)	587,277	924,066
Finance costs	(32)	(12,413,267)	(11,647,790)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	(11)	3,229,468	2,578,197
Foreign currency translation differences	(32)	2,686,502	10,648,800
Income (expense) from inflation-adjusted units	(32)	(685,477)	(1,015,159)
Profit before tax		70,481,519	61,495,451
Income tax expense	(22)	(17,071,544)	(11,394,118)
Profit from continuing operations		53,409,975	50,101,333
Profit		53,409,975	50,101,333
Profit attributable to:			
Owners of the Parent	(25)	52,499,765	49,111,118
Non-controlling interests		910,210	990,215
Profit		53,409,975	50,101,333
Earnings per share			
Basic and diluted earnings per share from continuing operations	(25)	70.28	65.74
Basic earnings per share		70.28	65.74

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

For the years ended December 31, 2019 and 2018.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Profit for the year	53,409,975	50,101,333
Components of other comprehensive income, before tax		
Exchange differences on translation		
Gain (losses) on exchange differences on translation (*)	13,471,581	17,133,508
Defined benefit plans		
Gains on remeasurements of defined benefit plans	-	-
Financial assets measured at fair value through other comprehensive income		
(Losses) on financial assets remeasured at fair value through other comprehensive income, before tax (*)	-	-
Cash flow hedges		
(Loss) gain on cash flow hedges, before tax (*)	(14,722,241)	(9,698,355)
Hedges of net investments in foreign operations		
(Losses) gain on hedges of net investments in foreign operations, before tax (*)	(14,275,804)	(16,578,529)
Revaluation		
Other comprehensive income, before tax, gain (losses) on revaluation (*)		
Other components of comprehensive Income		
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(593,848)	12,305
Income tax related to other comprehensive income		
Income tax related to exchange differences on translation of other comprehensive income (*)	(2,199,032)	(3,897,222)
Income tax related to cash flow hedges of other comprehensive income (*)	3,371,123	2,618,556
Income tax related to hedges of net investments in foreign operations of other comprehensive income (*)	3,474,949	4,476,203
Total other comprehensive income	(11,473,272)	(5,933,534)
Total comprehensive income	41,936,703	44,167,799
Comprehensive income attributable to :		
Owners of the Parent	41,026,493	43,177,584
Non-controlling interests	910,210	990,215
Total comprehensive income	41,936,703	44,167,799

(*) These will be the only concepts that upon settlement will be reclassified to the Consolidated Statement of Profit or Loss by Function.

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

From January 1 through December 31, 2019

STATEMENT OF CHANGES IN EQUITY	Note	Issued capital	Reserve of exchange differences on translation	Reserve of cash flow hedges	Reserve of actuarial gain or losses on defined benefit plans	Reserve of gains or losses from investments in equity instruments	Reserves of gains or losses on remeasuring financial assets at fair value through other comprehensive income	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to the owners of the Parent	Non-controlling interests	Total equity
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of January 1, 2019		84,178,790	10,901,958	3,503,891	14,602	(16,655,367)	(108,859)	4,674,089	2,330,314	481,812,864	568,321,968	3,831,276	572,153,244
Changes in equity													
Comprehensive income													
Profit for the year	(26)	-	-	-	-	-	-	-	-	52,499,765	52,499,765	910,210	53,409,975
Other comprehensive income	(26)	-	11,272,549	(11,351,118)	-	(10,800,855)	-	(593,848)	(11,473,272)	-	(11,473,272)	-	(11,473,272)
Comprehensive income		-	11,272,549	(11,351,118)	-	(10,800,855)	-	(593,848)	(11,473,272)	52,499,765	41,026,493	910,210	41,936,703
Transactions with owners of the Company													
Dividends	(26)	-	-	-	-	-	-	-	-	(19,691,744)	(19,691,744)	(278,821)	(19,970,565)
Total transactions with owners of the Company		-	-	-	-	-	-	-	-	(19,691,744)	(19,691,744)	(278,821)	(19,970,565)
Increase (decrease) through transfers and other changes	(26)	-	-	-	-	-	-	-	-	(65,387)	(65,387)	(19,529)	(84,916)
Total changes in equity		-	11,272,549	(11,351,118)	-	(10,800,855)	-	(593,848)	(11,473,272)	32,742,634	21,269,362	611,860	21,881,222
Closing balance as of December 31, 2019		84,178,790	22,174,507	(7,847,227)	14,602	(27,456,222)	(108,859)	4,080,241	(9,142,958)	514,555,498	589,591,330	4,443,136	594,034,466

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

From January 1 through December 31, 2018

STATEMENT OF CHANGES IN EQUITY	Note	Issued capital	Reserve of exchange differences on translation	Reserve of cash flow hedges	Reserve of actuarial gain or losses on defined benefit plans	Reserve of gains or losses from investments in equity instruments	Reserves of gains or losses on remeasuring financial assets at fair value through other comprehensive income	Other miscellaneous reserves	Other reserves	Retained earnings (losses)	Equity attributable to the owners of the Parent	Non-controlling interests	Total equity
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of January 1, 2018		84,178,790	(2,334,328)	10,583,690	14,602	(4,553,041)	(108,859)	4,661,784	8,263,848	455,924,169	548,366,807	2,866,429	551,233,236
Increase (decrease) through transfers and other changes (*)		-	-	-	-	-	-	-	-	(4,687,843)	(4,687,843)	-	(4,687,843)
Changes in equity													
Comprehensive income													
Profit for the year	(26)	-	-	-	-	-	-	-	-	49,111,118	49,111,118	990,215	50,101,333
Other comprehensive income	(26)	-	13,236,286	(7,079,799)	-	(12,102,326)	-	12,305	(5,933,534)	-	(5,933,534)	-	(5,933,534)
Comprehensive income		-	13,236,286	(7,079,799)	-	(12,102,326)	-	12,305	(5,933,534)	49,111,118	43,177,584	990,215	44,167,799
Transactions with owners of the Company													
Dividends	(26)	-	-	-	-	-	-	-	-	(18,534,580)	(18,534,580)	(248,953)	(18,783,533)
Total transactions with owners of the Company		-	-	-	-	-	-	-	-	(18,534,580)	(18,534,580)	(248,953)	(18,783,533)
Increase (decrease) through transfers and other changes	(26)	-	-	-	-	-	-	-	-	-	-	223,585	223,585
Total changes in equity		-	13,236,286	(7,079,799)	-	(12,102,326)	-	12,305	(5,933,534)	25,888,695	19,955,161	964,847	20,920,008
Closing balance as of December 31, 2018		84,178,790	10,901,958	3,503,891	14,602	(16,655,367)	(108,859)	4,674,089	2,330,314	481,812,864	568,321,968	3,831,276	572,153,244

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS - DIRECT METHOD

For the years between January 1 and December 31, 2019 and 2018

CONSOLIDATED STATEMENTS OF CASH FLOWS - DIRECT METHOD	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Cash flows from (used in) operating activities		
Proceeds from sale of goods and rendering of services	718,988,892	763,155,449
Payments to suppliers for goods and services	(528,833,266)	(621,361,219)
Payments to and on behalf of employees	(80,481,530)	(79,790,690)
Dividends paid	(19,144,896)	(18,439,630)
Interest received	731,487	987,260
Income taxes (paid) refund	(26,478,026)	(15,271,530)
Other inflows (outflows) of cash	3,932,161	6,995,065
Net cash from (used in) operating activities	68,714,822	36,274,705
Cash flows from (used in) investing activities		
Cash flows used to obtain control of subsidiaries or other businesses	(15,379,120)	-
Other payments to acquire equity or debt securities of other entities		(12,831,000)
Proceeds from the sale of property, plant and equipment	29,069	31,491
Acquisition of property and equipment	(41,267,414)	(26,413,695)
Acquisition of intangible assets	(2,301,836)	(2,051,819)
Proceeds from Government grants	45,136	150,555
Dividends received	1,193,855	1,019,296
Net cash from (used in) investing activities	(57,680,310)	(40,095,172)
Cash flows from (used in) financing activities		
Proceeds from long-term borrowings	92,249,269	31,596,338
Proceeds from short-term borrowings	75,494,729	126,742,148
Repayment of borrowings	(135,523,717)	(142,308,695)
Cash payments of liabilities under finance lease agreements	-	(67,801)
Cash payments of liabilities under lease agreements	(2,593,789)	-
Interest paid	(7,275,791)	(8,287,629)
Other inflows (outflows) of cash	(228,945)	11,492
Net cash from (used in) financing activities	22,121,756	7,685,853
Net increase (decrease) in cash and cash equivalents before the effect of exchange rate changes	33,156,268	3,865,386
Effect of movements in exchange rates on cash and cash equivalents		
Effect of movements in exchange rates on cash and cash equivalents	1,394,532	2,458,605
Net increase (decrease) in cash and cash equivalents	34,550,800	6,323,991
Cash and cash equivalents at January 1	37,486,337	31,162,346
	72,037,137	37,486,337

The accompanying notes form an integral part of these Consolidated Financial Statements.

STATEMENT OF RESPONSIBILITY

The Directors and CEO signing this Annual Report for the year ending on December 31, 2019 declare under oath that its content is a faithful expression of the truth according to the information they have in their possession.

CHAIRMAN
Alfonso Larraín Santa María
RUT 3.632.569-0

VICE-CHAIRMAN
Rafael Guilisasti Gana
RUT 6.067.826-K

DIRECTOR
Mariano Fontecilla Santiago Concha
RUT 1.882.762-K

DIRECTOR
Pablo Guilisasti Gana
RUT 7.010.277-3

INDEPENDENT DIRECTOR
Jorge Desormeaux Jiménez
RUT 5.921.048-3

DIRECTOR
Andrés Larraín Santa María
RUT 4.330.116-0

DIRECTOR
Rafael Marín Jordán
RUT 8.541.800-9

CEO
Eduardo Guilisasti Gana
RUT 6.290.361-9

VIÑA CONCHA Y TORO

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FAMILY OF WINERIES