2019

Consolidated Financial Statements *(Thousands of Chilean pesos)*

For the years ended December 31, 2019 and 2018

Viña Concha y Toro S.A. and Subsidiaries

CONTENTS

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. GENERAL CONSIDERATIONS

Viña Concha y Toro S.A. ID No. 90.227.000-0 is registered as a listed Corporation. The Company's registered address is located at Avda. Nueva Tajamar 481, Torre Norte, Floor 15, Las Condes, Santiago, Chile, phone (56-2) 2476-5000, fax (56-2) 203-6740, postal box No. 213, Central Post Office, Santiago, e-mail "webmaster@conchaytoro.cl", website "www.conchaytoro.com", with ticker symbol in Chilean Stocks: Conchaytoro.

Viña Concha y Toro S.A. was formed as a public company via Public Deed dated December 31, 1921 as witnessed by the Notary Public of Santiago Mr. Pedro N. Cruz. The summary of such deed was registered under file 1,051 numbers 875 and 987 both of the Trade Registry of Santiago of the Santiago Real Estate Custodian for 1922 and was published in the Official Gazette under No.13.420 of November 6, 1922. Existence Authorization Decree has the No. 1.556 of October 18, 1922.

The Company is currently registered under file 15.664 No.12.447 with the Trade Registry of Santiago Real Estate Custodian for 1999; and is registered with the Securities Register of the Financial Market Commission (formerly – the Chilean Superintendence of Securities and Insurance) under No.0043.

Viña Concha y Toro is the biggest wine producing and exporting company in Chile. The Company is vertically integrated and operates its own vineyards, wineries and bottling plants. The Company also operates in Argentina, through Trivento Bodegas y Viñedos S.A. and in the United States of America through Fetzer Vineyards.

The Company has developed a wide wine portfolio using the brand Concha y Toro. Likewise, the Company has fostered certain projects through its subsidiaries Viña Cono Sur, Viña Maipo, Viña Quinta de Maipo, Viña Maycas del Limarí, Viña Canepa, Viña Don Melchor SpA. (formerly Viñedos Los Robles), Fetzer Vineyards and Trivento Bodegas y Viñedos. Additionally, together with the prestigious French winery Barón Philippe of Rothschild through a joint venture, Viña Almaviva S.A., produces the Almaviva icon, a first-class wine.

The Company has presence in the main vineyard valleys of Chile: Valle del Limarí, Aconcagua, Casablanca, Leyda, Maipo, Cachapoal, Colchagua, Curicó, BioBío and Maule.

In the distribution business it participates through the subsidiaries; VCT Chile Ltda. (Comercial Peumo) in Chile, which has the most extensive own wine distribution network in the domestic market; and in the international market, Concha y Toro UK Limited (United Kingdom); VCT Brasil Importación y Exportación Ltda. (Brazil), Concha y Toro Sweden AB (Sweden), Concha y Toro Norway AS, VCT Norway AS (Norway), Concha y Toro Finland OY (Finland) y Excelsior Wine Company, LC (USA).

In March 2010 the Company incorporated the subsidiary VCT Group of Wineries Asia Pte. Ltd. in Singapore aimed at reinforcing its footprint in Asia. The subsidiary is responsible for promoting and distributing the products in the region.

In April 2011, the subsidiary VCT USA Inc. was incorporated in accordance with the laws of the State of Delaware, in the United States. Through this subsidiary, the Company acquires 100 % of the shares of the U.S. wine production company, Fetzer Vineyards domiciled in California, United States of America.

This acquisition contemplated a portfolio of brand names mainly focused on the US market including, Fetzer, Bonterra, Five Rivers, Jekel, Sanctuary and the license of Little Black Dress. Likewise, Fetzer Vineyards has 452 hectares of own and leased vineyards in Mendocino County and Monterrey; and warehouses for 37.4 million liters in Hopland, California. Fetzer Vineyards has bottling facilities in Hopland, California employing approximately 205 employees.

In May, 2011, the Company acquired 40% of Southern Brewing Company S.A. with the purpose of obtaining active participation in the Premium segment of domestic beer. On April 15, 2013 a capital contribution was made which increased the Company´s direct ownership by 49%. In November 2017, Viña Concha y Toro S.A. acquired additional shares of Southern Brewing Company S.A.; accordingly, the Company's ownership percentage in such company reached 77%. The remaining 23% is still owned by the former shareholders. On December 26, 2019, Concha y Toro S.A. transferred 100% of the shares that Southern Brewing Company S.A. held to Inversiones Concha y Toro SpA.

In July 2011, VCT USA Inc. together with Banfi Corporation, formed a joint venture with an interest of 50% each, in the Excelsior Wine Company, LLC. Through this joint venture, the distribution of the products becomes performed exclusively by this new company, which was performed by Banfi Corporation prior to the above date. On July 2, 2018, Fetzer Vineyards (“Fetzer”), a subsidiary of Viña Concha y Toro S.A., acquired the remaining 50% shares of Excelsior Wine Company LLC. (“Excelsior”). The transaction amounted to MUS$40.5, from which MUS$20 were paid in cash at the purchase date, and the remaining balance of MUS$20.5 was paid in July 2019. Accordingly, Viña Concha y Toro S.A. became the indirect Parent of 100% shares of Excelsior through Fetzer and VCT USA Inc., the latter being the owner of the remaining 50% shares.

In August 2011, in order to reach new markets, the Company formed the subsidiary, VCT México S. de R.L. de C.V. and through this, jointly with Aldimerco, S.A. de C.V, incorporated, VCT & DG México S.A. de C.V., in accordance with the laws of the Federal District in Mexico. This Company commenced its operations in mid-2012, and is committed to distribute own products.

During November 2011, the Company incorporated the subsidiary, Concha y Toro Canada Limited, in the Province of New Brunswick in Canada. This new subsidiary is intended to promote our products in Canada.

In January 2012, the Company formed in Cape Town, South Africa the subsidiary VCT Africa & Middle East Proprietary Limited. This new subsidiary is intended to promote our products in Africa and the Middle East.

In January 2013, the Company formed Gan Lu Wine Trading (Shanghai) Co., Ltd.; this subsidiary is committed to promote our products in China.

In March 2013, the Company formed Viña Cono Sur Organico SpA in Chile; this subsidiary has the sole purpose of producing and selling organic grapes to its Parent Viña Cono Sur S.A.

In April 2013, the Company acquired 100% of the shares of the Norway company Agardh 227 AS (company with no transactions and assets), changing its Company name to VCT Norway AS. This subsidiary is intended to promote and distribute the products of Fetzer Vineyards in Norway.

In June 2013, the Company formed Cono Sur France SARL, this subsidiary aims at promoting the products of Viña Cono Sur S.A. in Europe.

In September 2013, the Company formed VCT Wine Retail in Brazil, whose objective is to make corporate investments and invest in ownership interests in other companies.

In June 2014, Concha y Toro S.A. through its subsidiary VCT Group of Wineries Asia Pte Ltd, acquired 41% of shares of VCT Japan Company Limited, a company which is committed to export and import of wine and operate the distribution business, in general.

In October 2014, the Company formed Eagle Peak Estates, LLC, a company which is committed to the trading, wine fractionation and alcoholic beverages and the export of wine and related products in the United States.

In December 2014, Concha y Toro Canada Ltd, together with Charton Hobbs Inc. a Company formed in accordance with the Canadian Laws, a joint venture in which participates with 50% each in the Constitution of Escalade Wines & Spirits Inc. in order to import, export, sale, produce and distribute alcoholic beverages

In August 2017, Inmobiliaria El Llano SpA was formed which is committed to making investments and real estate projects.

On September 27, 2018, the business name of Viñedos los Robles SpA changed to Viña Don Melchor SpA, as its investor transferred the total number of shares to Inversiones Concha y Toro SpA.

In other export markets, the Company holds strategic relationships with significant specialized distributors.

The Concha y Toro Group is composed of the companies detailed in section 2.2.1.

Majority shareholders

As of December 31, 2019, the Company's 12 majority shareholders are detailed as follows:

Company	Number of shares	Ownership %
INVERSIONES TOTIHUE S.A.	87,615,431	11.73%
RENTAS SANTA BARBARA S.A.	85,274,628	11.42%
BANCO DE CHILE POR CUENTA DE TERCEROS NO RESIDENTES	64,096,148	8.58%
BANCO ITAU CORPBANCA POR CTA DE INVERSIONISTAS EXTRANJEROS	36,908,460	4.94%
INVERSIONES QUIVOLGO S.A.	33,841,814	4.53%
BCI C DE B S A	33,211,635	4.45%
LARRAIN VIAL S A CORREDORA DE BOLSA	29,906,681	4.00%
AGROFORESTAL E INVER.MAIHUE LTDA.	22,337,075	2.99%
RENTAS SANTA MARTA LIMITADA	22,293,321	2.98%
FUNDACION CULTURA NACIONAL	20,628,904	2.76%
INVERSIONES LA GLORIA LIMITADA	17,050,000	2.28%
BANCO SANTANDER POR CUENTA DE INV EXTRANJEROS	15,817,707	2.12%
Total	468,981,804	62.78%

Board of Directors

The Company is managed by a Board of Directors, which is composed of seven members duly appointed by the General Shareholders Board. This Board of Directors serves for a three-year period, at the end of which it must be renewed in full and its members can be re-elected indefinitely. The current Board of Directors was appointed by the General Shareholders' Meeting held on April 24, 2017, for the three-year period ending in 2020.

Pursuant to its by-laws, the Board of Directors remuneration for 2019 was established by the Company's shareholders at the General Shareholders' Meeting as 1.3% of the net profit for the year. In addition, an allowance of UF300 per month was approved for the executive responsibilities of the Chairman of the Board.

The remuneration paid to the Members of the Audit Committee for 2019 is equivalent to one third additional to the total remuneration that the director receives as such, in accordance with Article 50 bis of the Publicly-held Corporations Act and Circular Letter No. 1956 issued by the Chilean Financial Market Commission.

Headcount

As of December 31, 2019, the staffing and detail of the Company's permanent personnel is as follows:

	Parent	Subsidiaries in Chile	Subsidiaries abroad	Consolidated
Managers, deputy managers and main executives	97	22	74	193
Professionals and technicians	643	146	280	1,069
Other employees, sellers and administrative staff	1,092	414	465	1,971
Total	1,832	582	819	3,233

NOTE 2. BASIS OF PREPARATION AND PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1 Basis of preparation and presentation of the consolidated financial statements

2.1.1 Consolidated Financial Statements

The consolidated financial statements of Viña Concha y Toro S.A. and subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These Consolidated Financial Statements were approved for issue by the Board on March 10, 2020, authorizing Management to issue them.

2.1.2 Basis of measurement

The Consolidated Financial Statements have been prepared on the historical cost basis except for the following:

- Hedging financial instruments are measured at fair value.
- Financial assets at fair value through profit or loss.
- Financial instruments through profit and loss are valued at fair value.
- The provision for severance indemnities and seniority bonus are determined based on an actuarial calculation
- Agricultural produce are measured at harvest date at fair value less costs of sale (See Note 2.13).

2.1.3 Accounting period

These Consolidated Financial Statements cover the following periods:

- The Consolidated Statements of Financial Position for the years ended December 31, 2019 and 2018.
- Consolidated Statements of Profit or Loss by Function for the periods between January 1 and December 31, 2019 and 2018.
- Consolidated Statements of Other Comprehensive Income for the periods between January 1 and December 31, 2019 and 2018.
- Consolidated Statements of Changes in Equity for the periods between January 1 and December 31, 2019 and 2018.
- Consolidated Statements of Cash Flows – Direct Method for the periods between January 1 and December 31, 2019 and 2018.

2.1.4 Use of Estimates and Judgments

For the preparation of the Consolidated Financial Statements, certain estimates have been made by the Company's Management to quantify certain assets, liabilities, income, expenses and commitments recognized therein. These estimates are disclosed in Note 3 and basically relate to:

- The assessment of possible indicators of impairment of property, plant and equipment, intangible assets, goodwill and investments.
- The useful lives assigned to property, plant and equipment, and intangible assets.
- Impairment of financial assets from a trading origin.
- The actuarial calculation of severance indemnity obligations.
- The fair value of derivative contracts or other financial instruments.
- Net realizable value and obsolescence estimates.
- Fair value of biological assets.
- Fair value in business combinations
- Estimation of provision for advertising expense and business discounts.

Although such estimates have been made considering the best information available at the date of their preparation of these Consolidated Financial Statements on the events analyzed, it is possible that events occur in the future requiring making changes in such estimates (increases or decreases) over the next years, which would be made prospectively, recognizing the effects of changes in estimates in the related future Consolidated Financial Statements.

2.1.5 Classification of balances as current and non-current

In the accompanying Consolidated Statements of Financial Position, balances are classified according to their maturities; i.e., balances maturing in twelve months or less as current and balances maturing in periods exceeding twelve months as non-current. If any obligations exist which maturity is less than twelve months, but according to the Company, its long-term refinancing is secured through credit contracts available unconditionally with long-term maturities, they are classified as long-term liabilities.

2.1.6 New standards and interpretations issued but not yet effective

As of the date of issuance of these Consolidated Financial Statements, standards and amendments to standards and interpretations exist whose first-time mandatory application is for the periods beginning on January 1, 2019.

	New standards	Mandatory application for annual periods beginning on:
IFRS 16	Leases	January 1, 2019
	New Interpretations	**Mandatory application for annual periods beginning on:**
IFRIC 23	Uncertainty over income tax treatments	January 1, 2019
	Amendments to IFRS	**Mandatory application for annual periods beginning on:**
IFRS 3	Business combination	January 1, 2019
IFRS 9	Prepayment Features with Negative Compensation	January 1, 2019
IFRS 11	Joint Arrangements	January 1, 2019
IAS 12	Income tax	January 1, 2019
IAS 19	Amendment, Curtailment or Settlement of the Plan	January 1, 2019
IAS 23	Borrowing Costs	January 1, 2019
IAS 28	Long-term interests in associates or joint ventures	January 1, 2019

At the date of issuance of these Consolidated Financial Statements, the following accounting pronouncements have been issued by the International Accounting Standards Board (IASB) but their application was not yet mandatory:

	New standards	Mandatory application for annual periods beginning on:
IFRS 17	Insurance Contracts	January 1, 2021
	Amendments to IFRS	**Mandatory application for annual periods beginning on:**
IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	TBD
IFRS 3	Definition of Business	January 1, 2020
IAS 1 and 8	Definition of Material or Materiality ConsiderationsJanuary	January 1, 2020
IFRS 9 - 7 and IAS 39	Reform of the reference interest rate	January 1, 2020
Conceptual framework	Amendments to other references	January 1, 2020

The Group implemented the new standards and interpretations whose application was mandatory beginning on January 1, 2019, IFRS 16 and IFRIC 23, respectively. The impacts of these new standard and interpretation are detailed in note 4 to the Consolidated Financial Statements. The application of other accounting pronouncements has not had any significant effects for the Group compared to the prior period.

2.1.7 Significant Accounting Policies

The main significant accounting policies are the following:

- Inventories. (See Note 2.8)
- Goodwill. (See Note 2.10.1)
- Property, plant and equipment (2.12) and Financial assets (2.6)
- Derivative financial instruments. (See Note 2.6.6)
- Biological assets. (See Note 2.13)
- Employee benefits. (See Note 2.17)

2.2 Basis of Consolidation

The Consolidated Financial Statements include the assets, liabilities, profit or loss and cash flows of Viña Concha y Toro S.A. and its subsidiaries. The effects of significant transactions performed with subsidiaries have been eliminated and recognized the non-controlling interests that are recorded in the Consolidated Statement of Financial Position and Consolidated Statement of Profit or Loss by Function in the caption Non-controlling interests. The accounting policies of direct and indirect subsidiaries are aligned with the Company's accounting policies.

2.2.1 Subsidiaries

The subsidiaries are entities controlled by Viña Concha y Toro. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date in which control starts through the date in which it ceases.

Viña Concha y Toro uses the acquisition method to account for the acquisition of subsidiaries. The acquisition cost is the fair value of assets delivered, equity instruments issued and liabilities incurred or assumed at the exchange date, and other costs directly attributable to the acquisition. Identifiable assets acquired, identifiable liabilities and contingencies assumed in a business combination are measured by its fair value at the acquisition date. The excess of the acquisition cost compared to the fair value of the Company's ownership in net identifiable assets acquired is recognized as goodwill. Whether the acquisition cost is lower than the fair value of net assets of the acquired subsidiary, the difference is directly recognized in the Consolidated Statement of Profit or Loss.

The subsidiaries, whose financial statements have been included in consolidation are the following:

Taxpayer ID	Company	Ownership percentage			
		As of December 31, 2019			As of December 31, 2018
		Direct	Indirect	Total	Total
85.037.900-9	Comercial Peumo Ltda.	-	100.0000%	100.0000%	100.0000%
84.712.500-4	Bodegas y Viñedos Quinta de Maipo SpA	54.3236%	45.6764%	100.0000%	100.0000%
82.117.400-7	Soc. Export.y Com. Viña Maipo SpA	-	100.0000%	100.0000%	100.0000%
85.687.300-5	Transportes Viconto Ltda.	-	100.0000%	100.0000%	100.0000%
86.326.300-K	Viña Cono Sur S.A.	-	100.0000%	100.0000%	100.0000%
0-E	Trivento Bodegas y Viñedos S.A.	-	100.0000%	100.0000%	100.0000%
0-E	Concha y Toro UK Limited	99.000%	1.0000%	100.0000%	100.0000%
0-E	Cono Sur Europe Limited	-	100.0000%	100.0000%	100.0000%
96.585.740-0	Soc. Export. y Com. Viña Canepa S.A.	-	100.0000%	100.0000%	100.0000%
96.921.850-K	Inversiones Concha y Toro SpA	100.0000%	-	100.0000%	100.0000%
99.513.110-2	Inversiones VCT Internacional SpA	35.990%	64.0100%	100.0000%	100.0000%
0-E	Finca Lunlunta S.A.	-	100.0000%	100.0000%	100.0000%
76.898.350-K	Viña Maycas del Limarí Limitada	-	100.0000%	100.0000%	100.0000%
0-E	Finca Austral S.A.	-	100.0000%	100.0000%	100.0000%
0-E	VCT Brasil Importación y Exportación Ltda.	-	100.0000%	100.0000%	100.0000%
0-E	Concha y Toro Sweden AB	-	100.0000%	100.0000%	100.0000%
0-E	Concha y Toro Finland OY	-	100.0000%	100.0000%	100.0000%
0-E	Concha y Toro Norway AS	-	100.0000%	100.0000%	100.0000%
76.048.605-1	Viña don Melchor SpA	-	100.0000%	100.0000%	100.0000%
0-E	VCT Group Of Wineries Asia Pte. Ltd.	-	100.0000%	100.0000%	100.0000%
0-E	VCT USA, Inc.	100.0000%	-	100.0000%	100.0000%
0-E	Fetzer Vineyards, Inc.	-	100.0000%	100.0000%	100.0000%
0-E	Excelsior Wine Company, LLC	-	100.0000%	100.0000%	100.0000%
0-E	Eagle Peak Estates, LLC	-	100.0000%	100.0000%	100.0000%
0-E	VCT Mexico, S. de R.L. de C.V.	-	100.0000%	100.0000%	100.0000%
0-E	VCT & DG Mexico, S.A. de C.V.	-	51.0000%	51.0000%	51.0000%
0-E	Concha y Toro Canadá Limited	-	100.0000%	100.0000%	100.0000%
76.273.678-0	Viña Cono Sur Orgánico SpA.	-	100.0000%	100.0000%	100.0000%
0-E	VCT África & Middle East Proprietary Ltd.	-	100.0000%	100.0000%	100.0000%
0-E	Gan Lu Wine Trading (Shanghai) Co. Limit	-	100.0000%	100.0000%	100.0000%
0-E	VCT Norway AS	-	100.0000%	100.0000%	100.0000%
0-E	Cono Sur France S.A.R.L	-	100.0000%	100.0000%	100.0000%
0-E	VCT Wine Retail Participacoes Ltda.	-	100.0000%	100.0000%	100.0000%
76.783.225-7	Inmobiliaria El Llano SpA	100.0000%	-	100.0000%	100.0000%
99.527.300-4	Southern Brewing Company S. A.	-	77.0000%	77.0000%	77.0000%

Non-controlling interest represents the effect in profit and loss and equity as of December 31, 2019 and 2018, of those companies which are consolidated as per the global integration method; presented as “Non-controlling interest” in the equity line of the Consolidated statement of financial position and in the line “Profit (loss) attributable to non-controlling interests”, in the accompanying Consolidated Statements of Profit or Loss.

The translation to the presentation currency of the financial statements of foreign companies using a functional currency other than the Chilean peso is performed as is indicated in 2.2.2.

Foreign currency translation differences generated by the translation to the currency used in the Consolidated Financial Statements are recorded under “Foreign currency translation differences” in equity.

All balances and transactions between consolidated companies have been eliminated in the consolidation process.

2.2.2 Functional and presentation currency

The Company has determined that its functional currency is the Chilean peso and the functional currency of each of its subsidiaries has been determined by each entity based on the economic environment in which they operate. The term foreign currency is defined as any currency other than the Chilean peso

The definition of this functional currency relates to the fact that it is the currency that reflects or represents the transactions, events and relevant underlying terms to manage the operations of Viña Concha y Toro. For such purposes, the analysis has considered such variables as: sales price of its products, relevant markets for the Company, and sources of financing, among others.

In consolidation, items in the consolidated statement of comprehensive income related to entities whose functional currency is other than the Chilean peso have been translated to Chilean pesos using the average exchange rates. Items in the consolidated statement of financial position have been translated using the exchange rates prevailing at each year-end. Exchange differences associated with the translation of net assets of these entities have been carried to equity and recorded in a translation reserve under a separate line.

The Company does not use a presentation currency other than the Parent’s functional currency for consolidation.

All financial information is presented in thousands of Chilean pesos (ThCh$) and has been rounded to the nearest unit.

2.3 Operating Segments and Geographic Information

The Concha y Toro Group reports financial information by segments considering the information available to the Company's key decision makers regarding matters which allow measuring profitability and making decisions on investments in business areas. The Board of Directors and the General Manager are considered to be the Company's key decision-makers. The Company’s Management has determined that the Company operates in two business segments: Wines and Other.

The activities of these two operating segments consist of:

- Wine: production, distribution and marketing of Wines under all its brands, including agricultural, oenological and packaging operations that are cross-cutting to all products and markets in Chile, Argentina and the United States; the storage, transportation and marketing of them in the domestic market and exports, including consolidation in those countries where there is an importer, distributor or related commercial office.

- Other: grouping of other products not specifically related to the production, distribution and marketing of Wine. This segment includes the distribution of spirits and premium beers in Chile, wine bar and tours in Pirque, and the activities related to the real estate business, among others.

The accounting policies used to determine the information of operating segments are the same as those used for the preparation of the Company’s Consolidated Financial Statements. The decision-makers use income before taxes as the segment operating measure. Such measurement excludes the operating leases, sales of waste, property, plant and equipment and products not considered in the segment “Other” as these are not directly attribute to the operating segments. The decision-makers use total assets as the measurement for the segment of assets. Such measurement excludes cash and cash equivalents as those assets not directly attributed to operating segments. The decision makers use total liabilities as the measurement of the liabilities segment.

Such measurement excludes corporate debt, derivative financial instruments, deferred taxes and provisions for employee benefits, among others, whose obligations are not attributed to operating segments.

There are no intersegment transactions.

Geographic revenue is determined in accordance with the customer's location.

Geographic non-current assets are determined in accordance with the physical location of assets.

2.4 Transactions in Foreign Currency and Inflation-adjusted Units

Transactions and Balances

Transactions in foreign currencies are recorded initially, applying the applicable exchange rate at the transaction date. Balances of monetary assets and liabilities are translated at the year-end exchange rate; non-monetary items in foreign currency are measured in terms of cost and are translated using the applicable exchange rate at the transaction date. Non-monetary items in foreign currencies measured at fair value are translated using the applicable exchange rate at the date in which the fair value is determined.

Exchange rates used to translate monetary assets and liabilities, denominated in foreign currency and adjustments units at each year-end regarding the Chilean peso, are as follows:

Foreign currencies	Nomenclature	As of December 31, 2019	As of December 31, 2018
(UF) Inflation-adjusted unit	UF	28,309.94	27,565.79
US$	US$	748.74	694.77
Pound Sterling	GBP	983.24	882.36
Euro	EUR	839.58	794.75
Swiss franc	CHF	773.81	706.00
Australian dollar	AUD	524.25	489.17
Canadian dollar	CAD	573.26	509.62
Singapore dollar	SGD	555.36	508.36
Brazilian real	BRL	186.51	179.59
Argentine peso	ARS	12.51	18.41
Danish krone	DKK	112.41	106.44
Norwegian krone	NOK	85.17	79.61
Chinese yuan	CNY	107.31	100.97
Swedish krona	SEK	80.36	77.48
Hong Kong dollar	HKD	96.17	88.73
South African rand	ZAR	53.24	48.40
Mexican peso	MXN	39.64	35.30
Japanese yen	JPY	6.88	6.29

2.5 Cash and Cash Equivalents

Cash and cash equivalents includes balances in cash, banks and short-term highly-liquid investments that are readily convertible to known amounts of cash and subject to insignificant risk regarding change in value.

2.6 Financial Instruments

Financial Assets

Viña Concha y Toro S.A. and subsidiaries classify its financial assets under the following categories: at amortized cost, at fair value through other comprehensive income, and at fair value through profit or loss. Classification depends on the entity's business model to manage financial assets and the characteristics of contractual cash flows from the financial asset.

2.6.1 Financial Assets at Amortized Cost

Amortized cost includes those financial assets that comply with the following conditions (i) the business model aims to maintain financial assets in order to obtain contractual cash flows; and (ii) the contractual terms of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interests.

Financial assets meeting these conditions are: receivables, loans and cash equivalents.

Such assets are recorded at amortized cost, i.e., at the initial fair value less principal refunds performed, plus uncollected accrued interests estimated using the effective interest method (the discount rate that equals the estimated cash flows receivable over the expected life of the instrument with the net carrying amount of the financial asset or the financial liability).

The Company has established a policy to record impairment estimates based on the expected credit losses over the expected life of the assets.

The amount and calculation of the impairment loss estimate is measured at an amount equal to the "expected credit losses," using the simplified approach under IFRS 9, and to determine whether there the portfolio is impaired the Group performs a risk assessment based on the history of its uncollectibility, in order to have sufficient prospective information for the estimate and considering other aging factors, in accordance with the policy, the Group estimates partial impairment losses based on case-by-case individual assessments. In addition, the Company has credit insurance policies for individually significant accounts receivable. Impairment losses are recorded in the statement of profit or loss by function in the period in which they are incurred. The Company believes that the amortized cost calculation records no significant differences compared to the amount invoiced, as the transaction has no associated significant costs.

2.6.2 Financial Assets at Fair Value through Other Comprehensive Income

This category includes financial assets that comply with the following conditions: (i) The financial asset is held within a business model whose objective is to obtain contractual cash flows and subsequently sell such cash flows; and (ii) the contractual terms of the financial asset generate, on specified dates, cash flows, which are solely payments of principal and interests on the outstanding principal amount.

Fair value variances, net of tax effects, are recognized in the consolidated statement of comprehensive income until the disposal of such investments when fully allocated to profit or loss for the period.

2.6.3 Financial Assets at Fair Value through Profit or Loss

A financial asset should be measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income.

Financial liabilities

The Company classifies its financial liabilities under the following categories: at fair value through profit or loss, trade payables, interest bearing borrowings or derivatives designated as hedging instruments. Financial liabilities include other financial liabilities, trade and other payables and payables due to related parties, and non-current payables. They are initially recognized at fair value and subsequently measured at amortized cost calculating the effective interest rate. The Company's management determines the classification of its financial liabilities at initial recognition. Financial liabilities are derecognized when the obligation is canceled, settled or expires.

2.6.4 Financial Liabilities at Fair Value through Profit or Loss

Financial liabilities are classified at fair value through profit or loss when these are held for trading or designated at initial recognition as at fair value through profit or loss. This category includes derivative instruments not designated for hedge accounting.

2.6.5 Trade Payables

Trade payables balances are initially measured at fair value and subsequently measured at nominal value, which does not significantly differ from its amortized cost because the Company expects to settle the liabilities at the amounts recognized at the closing date of each consolidated financial statements.

2.6.6 Hedging Derivatives

The global derivative instrument portfolio is composed of 99.52% by contracts qualifying as hedging instruments. These were entered into by the Concha y Toro Group within the framework of the financial risk management policy to mitigate the risks associated with exchange rate fluctuations, inflation-adjusted units (UF) and interest rates fluctuations, being these currency forward contracts and interest rate swaps.

Derivatives are recorded at fair value at the date of the Consolidated Statement of Financial Position. If their value is positive, these are recorded in the caption “Other financial assets” and when their value is negative, these are recorded in the caption “Other financial liabilities”, reflecting the change in the fair value within the consolidated statement of comprehensive income as described below, as per the type of hedge to which these correspond:

a) Fair value hedges:

The portion of the underlying item for which the risk is being hedged is measured at its fair value the same as the hedging instrument, and the changes in the value of both are recognized netting the effects on the same caption of the Consolidated Statement of Profit or Loss.

b) Cash flow hedges:

Changes in the fair value of derivatives are recorded, in the portion in which these hedges are effective, in the reserve in Total Equity until transferred to the Consolidated Statement of Comprehensive Income netting this effect against the hedged item. The results corresponding to ineffective portion of hedges are directly recorded in the Consolidated Statement of Profit or Loss.

c) Net investment hedges:

Net investments hedges in a foreign operation, including a hedge of a monetary item which is accounted for as a part of the net investment, are recorded as follows: gains or losses for the hedging instrument related to the effective portion of the hedge are recognized as a debit or credit to equity accounts, whereas any gain or loss related to the ineffective portion is recognized as a debit or credit to profit or loss. When disposing of the foreign operation, the accumulated amount of any gain or loss directly recognized in equity is transferred to the Consolidated Statement of Profit or Loss.

A hedge is considered as highly effective based on the application of judgment (qualitative and quantitative), when determining whether there is an economic relationship between the hedged item and the hedging instrument.

2.6.7 Embedded Derivatives

The Concha y Toro Group assesses the existence of embedded derivatives in financial instruments contracts and contracts for the purchase of grapes from third parties in order to determine whether their characteristics and risks are closely related to the main agreement. Should it be concluded that clauses in contracts were related to the main contract, the derivative is measured at fair value.

As of December 31, 2019 and 2018, there are no embedded derivatives for both, financial instruments contracts and contracts to purchase grapes and wine.

2.6.8 Fair value and Classification of Financial Instruments.

The fair value of derivative financial instruments is calculated using the following procedures:

- For derivatives quoted in an organized market, its quote price at year-end.
- For non-negotiable derivatives in organized markets, the Group measures them using the discount of expected cash flows and generally accepted option valuation models based on market conditions, from both, spot operations and futures at year-end.

Considering such procedures, Viña Concha y Toro S.A. and subsidiaries classify their financial instruments in the following levels:

Level 1 Fair value obtained through direct reference to quoted prices with no adjustment.

Level 2 Fair value obtained through use of valuation techniques accepted in the market and based on prices, other than those indicated in Level 1, which are observable directly or indirectly at the date of measurement (adjusted prices).

Level 3 Fair value obtained through models internally developed or methodologies which use information that are not observable or have low liquidity.

2.6.9 Interest-bearing borrowings

All credits and loans are initially recognized at the fair value of the payment received less direct costs attributable to the transaction. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method.

Gains and losses are recognized with a debit or credit to profit or loss when liabilities are derecognized or amortized.

2.7 Non-current Assets Held for Sale

Non-current assets such as property, plant and equipment whose carrying amount will be recovered through sale and not through its ongoing use are classified as held for sale. This condition is considered as met only when the sale is highly probable, and the asset is available for immediate sale in its current state and transferred to the current group.

These are included in non-current assets when the investment is intended to be disposed of in the 12 months following year-end.

These assets are measured at the lower amount between the carrying amount and the estimated sales value less the costs to sell, and are no longer depreciated from the time in which are classified as non-current assets held-for-sale.

2.8 Inventories

Raw materials, products in-process, finished products and materials are initially measured at cost. Subsequent to the initial recognition, these are measured at the lower of net realizable value and cost recorded initially. Inventory of bulk wine is measured at weighted average price, determined through the absorption costing method, which implies adding to acquisition direct costs and/or grapes production costs, indirect costs incurred in the agricultural process, and direct and indirect costs in the wine production process.

Agricultural products (grapes) used as raw materials are measured at fair value less costs of sale as of the harvest date (see Note 2.13 Biological Assets).

The Company and its subsidiaries have recorded impairment for obsolescence of raw materials and supplies based on technical reports and on turnover level of stocks maintained and/or from the assessment of their use in the future.

2.9 Other Non-Financial Assets

Other non-financial assets records current prepayments. These include disbursements due to prepayments related to the lease of farms, insurance and advertising. These are classified as current and non-current depending on the term of their maturity.

2.10 Investments in Associates:

Associates are those entities in which the Viña Concha y Toro has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which Viña Concha y Toro has joint control whereby it has a right to the net assets of the arrangement and not rights on its assets and obligations for its liabilities. Pursuant to the equity method, the investment is initially recorded at cost including transaction costs.

The net profit or loss obtained in each year by these companies is reflected in the Consolidated Statement of Comprehensive Income as “Share of profit (loss) of associates accounted for using the equity method.”

2.10.1 Goodwill of equity-accounted investees

Goodwill from acquisitions of associates is not amortized and at each year-end, the Company tests it for impairment where if indications of impairment exist which may decrease its recoverable amount to an amount lower than the net cost recorded, an impairment adjustment is made.

The allocation is performed in cash-generating units that are expected to receive benefit from the business combination from which goodwill acquired arose. This amount is added to the value of the investment.

2.11 Intangible Assets

2.11.1 Industrial Brand Rights

Viña Concha y Toro and its subsidiaries commercialize their products through the registration of their trademarks in the different countries where they operate. Such registration in general has a term of 10 years in most countries and can be renewed indefinitely for equal, consecutive periods. The main Company's brands include the corporate brand Concha y Toro and its main trademarks Casillero del Diablo, Sunrise, Frontera, Carmín de Peumo, Sendero, Don Melchor, Amelia Terrunyo, Trio, Marqués de Casa Concha, Viña Maipo, Palo Alto and its common brands Vitral, Sonata, Travessia, among others. The subsidiaries have registered the brands Cono Sur, Tocornal, Isla Negra, Cono Sur Bicicleta, Trivento, La Chamiza, Pampas del Sur, Eolo, Tribu, Fetzer, Bonterra, Bel Arbor, Coldwater Creek, Sanctuary, Five Rivers, Jekel, Anthony's Hill, Eagle Peak, Pacific Bay, Full Circle, 1000 Stories, Adorada, among others.

- **Registered in Chile.**

Viña Concha y Toro has a portfolio of own trademarks registered in Chile for a 10-year renewable period. These are measured at the brands' cost of registration. This value is amortized over the term of the brand registered.

- **Registered abroad.**

The Company also registers its own brands abroad where it operates in the wine business. Usually, these registration rights have a term from 7 to 10 years. The registration amounts are amortized in the term of the related brand registration.

Viña Concha y Toro and subsidiaries measure the related Industrial Brand Rights at their registration cost value. Disbursements made in the development of brands are recorded as operating expenses in the period in which they are incurred.

2.11.2 Industrial Brand Rights Acquired

Those industrial brands rights acquired in business combinations have an indefinite useful life. Accordingly, they are not amortized and assessed for impairment on an annual basis.

2.11.3 Domain Rights

Domain rights relate to the rights of use for a single internet address to which users can have access. These domains can be domestic or foreign, for which their effective period will correspond to that indicated by the law of each country, are renewable and range from 1 to 10 years.

2.11.4 IT Software

Licenses for IT software acquired are recorded at cost, net of amortization. Such costs are amortized over their estimated useful lives.

Expenses related to the development or maintenance of computer programs are recognized as expenses as incurred.

2.11.5 Research & Development

Development expenses are recognized as intangible assets provided that their technical feasibility can be assured, and the Company can demonstrate that such expenses can generate probable economic benefits in the future.

Research expenses are recognized as expenses when incurred. As of December 31, 2019, research expenses amounted to ThCh$1,710,980 whereas as of December 31, 2018, research expenses amounted to ThCh$1,603,136.

2.11.6 Water Rights

Water rights acquired by the Company correspond to the existing water rights in natural sources associated to agricultural land which are recorded at cost. These are recognized at acquisition cost and because rights are perpetual, these are not amortizable. However, they are annually tested for impairment.

2.11.7 Easement Rights

Easement rights relate to the amounts associated with the acquisition of rights of way, between several co-owners in the area (access to allotments, aqueduct transit, and power lines), on third party land. These rights are perpetual and accordingly, are not amortized but subject to an annual impairment test, adjusting the value if the related market value is lower, based on the last transactions performed by the Company.

2.11.8 Identification of Classes of Intangible Assets with Finite and Indefinite Useful Lives

Description of class of intangible assets	Useful life
Domains	Finite
Industrial brands (acquired)	Indefinite
Patents, industrial brand rights, registered abroad and in Chile	Finite
Water rights	Indefinite
Easements	Indefinite
Software	Finite

2.11.9 Minimum and Maximum Useful Lives for Amortization of Intangible Assets

The amortization of intangible assets with a finite useful life is calculated using the straight-line method based on their estimated useful lives. Such amortization is recorded in the Consolidated Statement of Profit or Loss by Function in the caption Administrative Expenses and Cost of Sales, where appropriate. The detail of useful lives of finite-lived intangible assets is as follows:

Useful life per Class of Intangible Asset	Minimum	Maximum
Patents, trademark rights	5	15
Software	3	8
Domains	3	10

2.12 Property, plant and equipment

Items of Property, plant and equipment are recognized at cost less accumulated depreciation and impairment losses.

The cost of items of Property, plant and equipment comprises their acquisition cost plus any other costs directly attributable to bringing the assets to a working condition for their intended use as foreseen by the Company and the initial estimate of the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, these are accounted for as separate items (major components) of property, plant and equipment.

Repair, preservation and maintenance expenses are expensed in profit or loss in the period in which they incurred.

Certain items of Property, plant and equipment of the Concha y Toro Group require inspections on a regular basis. In these cases, the items that require replacement are recognized separately from the other assets and with a degree of disaggregation that allows them to be depreciated in the period between the current and next repair.

2.12.1 Cost Policy on Financial Interests

Costs for the financing interest attributable to the acquisition or construction of assets which require a substantial period prior to being ready for use or sale are also included as cost of an item of property, plant and equipment. Capitalized finance costs are obtained when applying a capitalization rate, which is determined using the weighted average of all costs for the entity's interest divided between the loans that have been in force during the period.

Financing costs incurred from the acquisition of an asset up to the date in which these are ready for use are included in the asset value as established in IAS 23.

In the event that the period for the construction of property, plant and equipment is longer than reasonable for its development, the capitalization of interest is discontinued.

2.12.2 Depreciation

Items of property, plant and equipment are depreciated using the straight-line method by distributing the acquisition cost of the assets less their estimated residual value during the estimated years of useful lives of components.

Viña Concha y Toro and subsidiaries assess at each annual reporting date, the existence of any asset impairment of property, plant and equipment. Any reversal of the impairment loss is directly recorded in profit or loss.

The useful lives of assets are detailed as follows:

Asset	Useful life
Buildings	10 to 40
Plant and equipment	3 to 20
IT equipment	3 to 7
Fixtures and fittings (*)	5 to 30
Vehicles	6
Improvements to leased assets	5 to 19
Other property, plant and equipment	3 to 20

(*) Includes the barrels used for the oenological process on which the diminishing balance depreciation method is applied throughout their useful life.

The Company depreciates its fruit producing plants using the straight-line method over the estimated useful life on the plantations of vines and submitting the value in each year to assess for indications of impairment. The useful life years used re detailed as follows:

	Useful life
Plantations	20 to 30

Diminishing balance method: It consists of a decreasing calculation of the depreciation where the quotas decrease throughout the useful life of the good, the Company determined a useful life of 6 years for the barrels which are depreciated according to the following table:

Barrels	Depreciation %
Year 1	40%
Year 2	25%
Year 3	15%
Year 4	10%
Year 5	5%
Year 6	5%

2.12.3 Government Grants

The Company has received the following grants from the Chilean Government:

a) In accordance with Law No. 18.450 on Drainage and Irrigation related to the wine production activity performed, these are recognized in the caption Property, plant and equipment (see note 14.2.d) under the capital method and deducted from the amount of constructions in progress and irrigation materials.

b) In accordance with Law No. 20.570 on Private Investment in Research and Development related to activities performed by the Research and Innovation Center (CII), the Company has received Government grants for its benefit deducted from research expenses incurred through the present date.

2.13 Biological Assets

Viña Concha y Toro S.A. and subsidiaries present in the caption current biological assets the agricultural product (grapes) derived from plantations under production which are intended to be a supply for the wine production process.

For the agricultural product (grapes) which is in the growing stage up to the date of the harvest, costs are accumulated up to the harvest.

In accordance with IAS 41 and based on the results of analysis and calculation conducted by the Company the fair value of grapes at the time of harvest approximates its carrying amount and consequently, grapes at the point of harvest are measured at fair value less costs of sell, and then transferred to inventories.

2.14 Impairment of non-financial assets

On an annual basis, the Company assesses impairment under with the methodology established by the Company under IAS 36. Assets on which this methodology applies, are as follows:

- Property, plant and equipment
- Intangible assets
- Investments in associates
- Goodwill

Assets subject to depreciation and amortization are tested for impairment, provided that at any event or changes in circumstances indicate that the carrying amounts may not be recovered. An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the higher of the asset fair value less the costs to sell or value in use. In order to evaluate impairment losses, assets are grouped together into cash generating units (CGUs). Non-financial assets, other than goodwill that have been affected by an impairment loss are subject to reviews as of each year-end for any events which justifies the reversal of losses. Impairment tests are performed under the following methods indicated in IAS 36:

- Cash flows discounted from income for groups of assets (CGU) identified.
- Comparison of market fair values against cash flows to determine the recoverable amount between them and then compare to the carrying amount.

2.14.1 Impairment of Property, plant and equipment

These assets are subject to tests to determine impairment losses in order to verify whether there is any indication that the carrying amount is lower than the recoverable amount. If such an indication exists, the asset recoverable amount is estimated to determine the extent of the impairment loss, if any. In the event that the asset did not generate any cash flows which are independent from other assets, the Company determines the recoverable amount of the cash generating unit to which the asset belongs pursuant to the business segment (wines and others).

2.14.2 Impairment of intangible assets

The Company annually performs tests on its indefinite-lived intangible assets for impairment or when there is an indication that an asset could be impaired.

If the recoverable value of an asset is considered to be lower than its carrying amount, the latter is decreased to its recoverable amount.

2.14.3 Impairment of Investments in Associates

Upon application of the equity method, Viña Concha y Toro S.A. and subsidiaries determine whether it is necessary to recognize an impairment loss for the investment maintained in its associates. On an annual basis, the Company establishes if exist an objective evidence that the investment in associates or joint ventures is exposed to impairment risk. If this is the case, the Company calculates the impairment amount as the difference between the fair value of the associate and the acquisition cost. According to IAS 36, and in the event, that the acquisition cost is higher, the difference is recognized with a charge to profit and loss.

2.14.4 Impairment of goodwill

Goodwill generated from the purchase of investments are not amortized. At December 31st of each fiscal year, or with more frequency, when indications of impairment, an impairment test is carried out; and, on the other hand, if there are indications that they may decrease their recoverable value to an amount lower than the net cost recorded, an impairment adjustment occurs.

The allocation is performed in cash-generating units that are expected to receive benefit from the business combination from which goodwill arose.

2.15 Leases

2.15.1 Leases under IAS 17

Lease agreements where all risks and substantial benefits are transferred are classified as finance leases. Assets received through lease agreements, which meet the characteristics of a finance lease arrangement, are recorded as acquisition of property, plant and equipment at the lower between fair value and the present value of the future minimum lease payments.

Each lease payment is allocated between the liability and the finance charges to obtain a constant interest rate on the debt outstanding balance.

The related lease obligations, net of finance charges are included within other current and non-current financial liabilities. The interest element of the finance expenses is charged to the consolidated statement of profit or loss during the lease term to obtain a constant recurring interest rate on the liability remaining balance for each year. The asset acquired through a finance lease arrangement is depreciated over the lower of its useful life or the contract lifespan.

Contracts which do not comply with the characteristics required to be recorded as a finance lease are classified as operating leases.

Operating leases are those where the lessor holds a significant portion of the risks and rewards from the ownership of leased assets. Operating lease payments (net of any benefit received from the lesser) are charged to the consolidated statement of profit or loss or capitalized (if applicable) on a straight-line basis over the lease term. The IAS 17 standard was applied until December 31, 2018.

2.15.2 Leases

At the commencement of the contract, the Group assesses whether a contract is or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

i) the contract conveys the use of an identified asset. If the supplier has a substantial substitution right, then the asset is not identified;

ii) the Group has the right to substantially receive all the economic benefits from the use of the identified asset throughout the period of use

iii) the Group has the right to decide the use of the asset, the Group has the right to decide for what purpose the asset is used, whether the Group has the right to operate the asset or it designed the asset to predetermine how and for what purpose the asset is used.

A. As lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, adjusted for the lease payments made at the commencement date or before, plus any initial direct cost incurred and an estimate of the costs to dismantle and remove the underlying asset, less any lease incentives received.

The right-of-use asset is subsequently depreciated on a straight-line basis from the first between the commencement date to the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives are determined on the same basis as property plant and equipment. In addition, the right-of-use asset is periodically reduced for impairment losses, if applicable, and adjusted for remeasurements of the lease liability.

The lease liability is initially measured at the present value of the remaining lease payments that have not been paid at the commencement date, discounted using the Company's incremental borrowing rate, or the interest rate implicit in the lease if cannot be readily determined.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or rate, any residual value guarantees provided to the lessor by the lessee, and the exercise price of a purchase option if the Group is reasonably certain to exercise that option. The lease liability is measured at amortized cost using the effective interest rate method.

The Group presents right-of-use assets that do not comply with the definition of investment property under the captions "Property, plant and equipment" and "Other financial liabilities, current and non-current" in the consolidated statement of financial position (see Note 14.1.2 and Note 19(e)).

B. As lessor

The Group performs an overall evaluation at the commencement of the lease, if the lease transfers or does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset. If this is the case, the lease is considered a finance lease; if not, is considered an operating lease. The accounting policies applied by the Group as lessor in the comparative period do not differ from the IFRS 16 standard.

2.16 Income tax and deferred taxes

2.16.1 Income tax

Viña Concha y Toro S.A. and its subsidiaries records its income tax based on the net taxable income determined under regulations established by the Chilean Income Tax Law (ITL) and in each of the countries where certain subsidiaries are based.

The income tax expense for the year for these companies is determined as the sum of the current taxes of the different companies, resulting after the application of the tax rate on taxable income for the year once the tax deductions are applied and legally added.

Under Laws 20.780/2014 and 20.899/16, beginning on January 1, 2018, companies in Chile are subject to a corporate tax rate of 27%. For tax purposes related to its shareholders and/or owners, the companies are subject to Article 14 B) of the Income Tax Law, which is known as the "Partially-Integrated System."

There have also been reforms affecting our subsidiaries abroad, such as Argentina, where Law No.27.430 was passed on December 29, 2017, which reduced the income tax rate for companies and permanent establishments, from 35% to 30% from 2018 and up to December 31, 2019, and to 25% for subsequent years starting from January 1, 2020.

Note that the last reduction was not completed due to the passing of Law No.27,541, which postponed the reduction starting from January 1, 2022.

In addition, the mentioned Law established a one-time optional tax revaluation regime in order to facilitate an equity restructuring process through the revaluation of certain assets held by owners.

This regulation established the option to apply the one-time tax revaluation of assets located in Argentina whose income generation was subject to the generation of taxable income in Argentina. This option was exercised on the assets existing as of December 31, 2017, for one time only.

On November 12, 2018, the Board of Directors of Argentine subsidiary Trivento Bodegas y Viñedos S.A. has opted to apply the aforementioned option, submitting an affidavit on the revaluation and making a payment on the account of the special tax on March 11, 2019.

As a result of the abovementioned, the revaluation is generating a small deferred tax in the consolidated statement of financial, position as of December 31, 2019, amounting to ThUS$4,741, due to the increase in the tax bases of revalued assets, as well as a small income tax for the year 2019 of ThUS$1,016 for the higher tax depreciation of such assets.

On December 22, 2017, the Tax Cuts and Jobs Act was enacted in the United States, which introduces several amendments, such as the reduction of the federal corporate tax from 34% to 21%, which is currently in effect (January 1, 2018).

2.16.2 Deferred taxes

Viña Concha y Toro S.A. and subsidiaries recognize deferred taxes originated by all temporary differences and other events that generate differences between the taxable and financial base of assets and liabilities in accordance with IAS 12 Income Taxes.

Differences between the carrying amount of the assets and liabilities and their tax base generate deferred tax assets or liabilities balances, which are calculated using the tax rates that are expected to be in force when the assets and liabilities are realized.

Changes in deferred tax assets or liabilities not arising from business combinations are recognized in profit or loss or net equity in the consolidated statement of financial position based on where the originating gain or losses arise.

Deferred tax assets and fiscal credits are only recognized when it is considered probable that consolidated entities will receive sufficient future tax earnings to recover the temporary difference deductions and apply fiscal credits.

Deferred tax liabilities are recognized for all temporary differences, except those derived from the initial recognition of goodwill as well as those associated to investments in subsidiaries, associates and entities under joint control in which is possible to control its reversals and probable not to perform a revert in a predictable future.

As of the date of the consolidated statement of financial position, the unrecognized deferred tax assets are revaluated and recognized provided that is probable that future taxable gains will allow the recovering of this deferred tax asset.

2.17 Employee benefits

2.17.1 Accrued vacations

Costs associated to personnel contractual benefits and related to services provided by employees during the year are charged to income in the related period.

2.17.2 Severance indemnities and seniority bonus

Management uses assumptions to determine the best estimate for these benefits. These obligations are measured using an actuarial calculation. The actuarial valuation is based on the projected unit credit method to determine the current value of obligations. Under the projected unit credit method, or the accrued benefit method pro-rated on service method, each service period is deemed as giving rise to an additional unit of benefit entitlement, on which the service cost is based (IAS 19). The assumptions used for this calculation include assumptions related to the retirement turnover rate, mortality rate, discount rate and expected increases in salaries, among others.

Actuarial gains or losses arise from the deviations between estimates and actuality of the actuarial hypothesis behavior or in the reformulation of the established actuarial hypothesis, which are directly recorded in Other Comprehensive Income.

The Company's policy is to make a provision for severance indemnity payments a given number of days per year and in the event of the dismissal of an employee the Company makes the severance indemnity payment established in the Law contained in the Chilean Labor Code (30 days with a limit of 11 years).

The seniority bonus is a benefit included in collective negotiations, contracts with unions and negotiating groups. The amount of the benefit is defined for one single time when employees have 10 or 15 years of seniority (depending on the employment contract) and subsequently every 5-year period.

2.18 Other provisions

The provisions are recorded when relate to present, legal or assumed obligations, generated because of a past event which can be estimated in a reliable manner and is probable that an amount is required to pay the obligation.

2.19 Capital

The capital of Viña Concha y Toro is represented by ordinary shares of a unique series and with no par value.

2.20 Minimum dividend

Article No. 79 of Law for Corporations in Chile establishes that, unless a different agreement is adopted in the Shareholders' Meeting considering all shares issued, openly-held shareholders' corporations should annually distribute as dividend in cash to their shareholders, at pro rata of their shares or considering the proportional share established in the Company's By-Laws if preference shares exists, at least 30% of the Company's net profit for each year, except when the Company has to absorb retained losses from prior years.

2.21 Earnings (Losses) per Share

The basic earnings (losses) per share are calculated as the quotient between the net earnings (losses) of the year attributable to the Parent Company and the weighted average number of ordinary shares of the Parent in circulation during the same year. The Company has not performed any type of operation of potential diluted effect which supposes a benefit per diluted share other than the basic benefit per share.

2.22 Statement of Cash Flows – Direct Method

For the purposes of the consolidated statement of cash flows, cash and cash equivalents relates to cash and highly-liquid short-term investments, respectively; the latter are easily convertible into cash and subject to a non-significant risk of change in its value.

The consolidated statement of cash flow gathers the cash movements performed during the year, determined by the direct method. In these consolidated statements of cash flows the following expressions are used as detailed below:

- - Cash Flows: cash or cash equivalents inflows and outflows including term investments lower than three months with large liquidity and low risk of value alterations.

- - Operating activities: activities which constitute the main source of ordinary income for the Group, as well as other activities which cannot be classified as investment or financing.

- - Investing activities: activities of acquisition or disposal by other means of non-current assets and other investments not included in cash and its equivalents.

- - Financing activities: activities which produce changes in the volume and composition of the net equity and of financial liabilities.

2.23 Revenue and expense recognition

The Company assesses and takes into account all significant events and circumstances when applying the model under IFRS 15 to its contracts with customers: (i) identifying the contract, (ii) identifying performance obligations, (iii) determining the transaction price, (iv) allocating the price, and (v) recognizing revenue.

In addition, the Company assesses the existence of incremental costs of obtaining a contract and costs directly related to compliance with a contract.

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a good or service to a customer, and is presented net of value-added tax, specific taxes, returns, discounts and rappel.

The Company's revenue is mainly derived from its main performance obligation of transferring its goods under agreements, in which the Company transfers the control and complies with its performance obligation at the same time.

2.23.1 Sale of goods and products

Local customers obtain control of goods when these are delivered and accepted at their facilities. Invoices and revenue are recognized only at the time of transfer of control of the goods. In addition, when discounts are offered, these are discounted from the transaction price.

With respect to export customers, such customers obtain control of the goods in accordance with the commercial sale terms (Incoterms 2010; CIF; FOB; DAP, DPP, FCA, EXW, and CFR), as per the Interpretation of Commercial Terms issued by the International Chamber of Commerce.

For contracts in which the Company will perform multiple revenue-generating activities (multiple element contracts), the recognition criteria consists of recognizing each separate identifiable component of the transaction, in order to reflect the essence of the transaction, or of two or more joint transactions when they are intertwined in a manner that it is not possible to assess without referencing the complete set of transactions. Viña Concha y Toro S.A. and its subsidiaries do not include the amounts in the revenue amounts the contributions to be provided to customers when they comply with the conditions of their considerations paid to them (distributors, supermarkets, and other direct customers) with the sole purpose of marketing the Viña Concha y Toro Group's goods, sold by them and that will be paid based on the actual advertising expenses incurred by the customers.

Commercial discounts and rebates

Frequently, products are sold with volume discounts and other rebates. Sales are recognized based on the consideration established in the sale contracts, net of the discount or discounts estimated at the time of the sale. Such discounts or rebates are considered a variable consideration and are accounted for to determine the transaction price of a contract. The method used by the group to estimate the discounts or rebates is the most likely amount. The accumulated experience is used to estimate and provide discounts and rebates based on anticipated purchases.

2.23.2 Revenue from Rendering of Services

Service revenue is recognized considering the stage of completion of transaction at the end of the reporting period provided that the outcome of the transaction can be reliably estimated. Revenue is recognized over time as the service is provided. The percentage of completion for determining the amount of revenue to be recognized is assessed based on inspections of work performed.

2.23.3 Finance Income and Finance Costs

Finance income is recognized as soon as interests are accrued in function of the principal that is pending of payment and of the applicable interest rate.

Interest paid, accrued on loans from financial institutions and public bonds payable are used in the financing of operations, are presented as finance costs.

2.23.4 Dividends

Dividend income is recognized when the right to receive payment is established, and is presented as other finance income.

2.24 Environment

Concha y Toro Group presents disbursements due to environmental investments in Water Treatment Plant intended to protect the environment. The amounts of elements incorporated in facilities, machinery and equipment intended for the same purpose are considered as Property, plant and equipment.

NOTE 3. ESTIMATES DETERMINED BY MANAGEMENT

The preparation of consolidated financial statements require that Management perform estimates and use assumptions which affect the amounts included in these consolidated financial statements and related notes. Estimates made and assumptions used by the Company are based on the historic experience, changes in the industry and information provided by qualified external sources. However, the final results could differ from estimates under certain conditions, and in some cases, have a significant variation.

Estimates are defined as those that are important to properly reflect the Company’s results and financial position and/or those which require a high degree of Management’s judgment.

Main estimates and applications of the professional criteria that because of its variation could give rise to adjustments on book values of assets and liabilities within the next financial period are related to the following concepts:

3.1 Assessment of possible impairment losses

As of the closing date of each year, or in those dates in which is considered as necessary, an analysis is performed to asset's value in order to determine if there is an indication that these have been impaired. If any, estimation on the recoverable amount of this asset is performed and the book value of the related asset will be updated accordingly. If these are identifiable assets which do not independently generate cash flows, an estimate is performed of the recoverability of the Cash Generating Unit to which this asset belongs.

In the case of Cash Generating Units to which tangible or intangible assets have been assigned with an indefinite useful life, its recoverability analysis is performed systematically at each year-end or under circumstances considered as required to perform this analysis.

3.2 Impairment of financial assets of trading origin

In the case of financial assets with a trading origin, the Company has defined a policy for the recording of impairment accruals in function of expected credit losses during the useful life of assets. (See 2.6.1).

3.3 Assignment of Useful Lives of Property, Plant and Equipment and Intangible Assets of Finite Life

The Company's management determines the estimated useful lives on technical basis and the related depreciation charges of its fixed and intangibles assets. This estimate is based on the projected life cycles of goods assigned to the respective segments: Wine and Others. The Company reviews the estimated useful lives of Property, Plant and equipment and Intangible assets, at the closing date of each annual financial report.

3.4 Actuarial Calculation of Benefits to Employees

Management uses assumptions to determine the best estimate for these benefits. These obligations are measured using an actuarial calculation. The assumptions used for this calculation include assumptions related to the retirement turnover rate, mortality rate, discount rate and expected increases in salaries, among others.

3.5 Fair Value of Derivative Contracts or Other Financial Instruments (Hedges)

In the case of derivative financial instruments, the assumptions used by the Group are based on the market rates quoted, restated by the instrument's specific features.

3.6 Expected Fair Value in a Business Combination

The Company has recorded separately from goodwill, identifiable assets acquired and liabilities assumed at fair value at acquisition date. (Note 12). This goodwill is assigned to the cash-generating units (CGU) with the purpose of testing the impairment losses. The allocation is performed in cash-generating units that are expected to receive benefit from the business combination from which goodwill arose. The goodwill is annually submitted to impairment tests, recognizing the accumulated impairment losses that are applicable.

3.7 Estimation of the net realizable value and allowance for obsolescence

The Company and its subsidiaries have recorded an impairment due to the obsolescence of finished goods, raw materials and supplies based on technical reports, the level of turnover of stock stored in warehouses, and/or the assessment of their future use.

3.8 Fair value of biological assets

Based on the Company's assessment and calculation, the fair value of grapes at the date of harvest approximates the carrying amount and, consequently, grapes at the date of harvest are measured at fair value less costs of sale, and are then transferred to inventory.

3.9 Estimation of the provision for advertising contributions and commercial discounts

This relates to estimates of amounts payable related to marketing and advertising activities. Uncertainty exists related to the cash disbursement associated with these estimates, as they are linked to the actual information the customer should provide.

Sales are recognized based on the consideration established in the sale contracts, net of the discount estimated at the time of the sale. Such discounts are considered a variable consideration and are accounted for to determine the transaction price of a contract. The method used by the group to estimate the discounts or rebates is the most likely amount. The accumulated experience is used to estimate and provide discounts and rebates based on anticipated purchases.

NOTE 4. CHANGES IN ESTIMATES AND ACCOUNTING POLICIES

Except for the changes indicated below, the Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

The Standard IFRIC 23 is oriented to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates when there is uncertainty with respect to the treatment under IAS 12. The Group has determined that this standard has no impact on the consolidated financial statements.

The Group applied IFRS 16 with initial application date January 1, 2019, using the modified retrospective approach, measuring the right-of-use asset in an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease. Consequently, the comparative information has not been restated and continues to be reported in conformity with IAS 17 and IFRIC 4. The detail of changes in accounting policies is disclosed below.

A. As lessee

As lessee, the Group previously classified leases as operating or finance leases, depending on its evaluation as to whether the lease would transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the Group. Under IFRS 16, the Group recognizes right-of-use assets and lease liabilities for most of the leases; i.e., such leases are accounted for.

For contracts prior to January 1, 2019, the Group determined if the contract was or contained a lease based on the evaluation of whether:

i) complying with the contract depended on the use of specific assets; and

ii) the contract would have implied a right to use the asset. A contract implied the right to use the asset if it complied with the following conditions:

iii) the buyer had the ability or the right to operate the asset obtaining or controlling a more than insignificant amount of the product;

iii) the buyer had the ability or the right to control de physical access to the asset obtaining or controlling a more than insignificant amount of the product; or

v) the facts and circumstances showed that there was a remote possibility that other parts obtained a more than insignificant part of the product, and the price per unit of the product was not fixed or equal to the current market price per unit of the product.

i. Leases classified as operating leases under IAS 17

At the time of transition, lease liabilities were measures at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of January 1, 2019. Right-of-use of assets are measured at an amount equal to the lease liability, adjusted for the amount of any advance or accumulated lease payment made.

The Group used the following practical expedients for the application of IFRS 16 to leases previously classified as operating leases under IAS 17.

a. It applied a single discount rate to a portfolio of leases with similar characteristics.
b. It applied the exemption of not recognizing assets and liabilities of the right of use leases with a lease term of less than 12 months.
c. It excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.
d. The retrospective approach was used when determining the lease term if the contract contains options to extend or terminate the lease

ii. Leases previously classified as a finance lease

In the case of leases that were classified as finance leases under IAS 17, the carrying amount of the right-of-use asset and lease liability as of January 1, 2019, is determined using the carrying amount of the lease asset and lease liability under IAS 17 immediately before that date.

iii. Short-term leases and leases of low value

The Group has chosen not to recognize right-of-use assets and lease liabilities for short-term leases of general assets with a lease term of 12 months or less and leases of assets of low value (US$5,000), including IT equipment. The Group recognizes the lease payments associated with such leases as an expense on a straight-line basis during the lease term.

B. As lessor

The Group is not required to perform any adjustments during the transition to IFRS 16 with respect to the leases in which it acts as lessor. The Group accounted for its leases in accordance with IFRS 16 starting from the date of initial application.

C. Impacts on the financial statements

At the date of transition to IFRS 16, January 1, 2019, the Group recognized right-of-use assets and lease liabilities for an amount of ThCh$12,089,491 (see Note 14.1.2).

When measuring the lease liabilities, the Group discounted the lease payments using the incremental borrowing rate as of January 1, 2019. The weighted average rate applied was 3%.

NOTE 5. FINANCIAL RISK MANAGEMENT

5.1 Analysis of Market Financial Risk

The Company is exposed to different types of market risks, among others main risks are; exchange rate risk, interest rate risk and variation risk in consumer price index.

5.1.1 Exchange Rate Risk

Due to the exporting nature of Viña Concha y Toro, the exchange rate risk corresponds to the appreciation risk of the Chilean Peso (its functional currency) with respect to the currencies in which the Company receives its Income.

The exchange rate risk exposure of Viña Concha y Toro corresponds to the net position between assets and liabilities denominated in currencies other than the functional currency. This net position is mainly generated by the difference between the sum of accounts receivable and inventories compared with the sum of advertising contributions, financial debt and supplies costs, all of them denominated in US$ Dollars, Euros, Pound Sterling, Canadian Dollars, Swedish Crowns, Norway Crowns, Brazilian Real, Mexican Pesos and Argentinean pesos.

In order to mitigate and manage the exchange rate risk, the Company reviews daily the net exposure on each currency for the existing entries, and hedge this differential mainly using currency forward operations at a term lower or equal to 90 days. In certain opportunities, the Company can also use Cross Currency Swap or any other derivative.

The sensitivity analysis assuming that the Company had no hedging during 2019, indicates that a depreciation /appreciation by 10% of the Chilean peso, with respect to the different currencies in which the Company maintains assets and liabilities, would have generated a loss/gain amounting to ThCh$17,123,451 and ThCh$11,599,302, as of December 31, 2019 and 2018. This sensitization is performed assuming that all other variables remained constant and considering, in all the currencies, the average assets and liabilities is maintained during the indicated period of time.

Sensitivity analysis by currency, effect on net income for the year ended as of December 31, 2019:

	Depreciation 10% in ThCh$	Appreciation 10% in ThCh$
United States dollar	9,081,798	(9,081,798)
Pound Sterling	3,717,683	(3,717,683)
Euro	1,137,485	(1,137,485)
Canadian dollar	566,241	(566,241)
Brazilian real	1,476,146	(1,476,146)
Swedish krona	649,842	(649,842)
Norwegian krone	256,933	(256,933)
Mexican peso	764,119	(764,119)
Argentine peso	(543,284)	543,284
Yuan	16,490	(16,490)
Total	17,123,451	(17,123,451)

Sensitivity analysis by currency, effect on net income for the year ended as of December 31, 2018:

	Depreciation 10% in ThCh$	Appreciation 10% in ThCh$
United States dollar	5,173,337	(5,173,337)
Pound Sterling	3,356,201	(3,356,201)
Euro	935,103	(935,103)
Canadian dollar	608,437	(608,437)
Brazilian real	1,220,912	(1,220,912)
Swedish krona	571,344	(571,344)
Norwegian krone	234,836	(234,836)
Mexican peso	492,579	(492,579)
Argentine peso	(993,447)	993,447
Total	11,599,302	(11,599,302)

Additionally, and in accordance with the sensitivity of the impact on net equity and the appreciation or depreciation of each currency, the Company hedges a portion of the expected entries pursuant to its sale forecasts with currency forward sales at terms higher than 90 days.

The impact in net equity on expected entries emanates, on the revenue side, from losses /gains which could generate the depreciations /appreciations of the Chilean peso with respect to the currencies in which the export is made; and, on the costs side, emanates from losses/gains which could be generated because of lower/higher costs in the cases in which these currencies are denominated or indexed to the variation of these currencies.

The sensitivity analysis manifests that a depreciation/appreciation by 10 % of the Chilean peso with respect to the different currencies in which the Company generate income and expenses, would have represented in 2019 an effect in equity of ThCh$26,685,595 and in 2018 of ThCh$23,570,164. This sensitivity is performed assuming all other variables as constant and considering in all the currencies, the forecasted income and expenses for the year.

Sensitivity analysis by currency, effect on Equity as of December 2019:

	Depreciation 10% in ThCh$	Appreciation 10% in ThCh$
United States dollar	7,610,999	(7,610,999)
Pound Sterling	8,367,457	(8,367,457)
Euro	4,186,108	(4,186,108)
Canadian dollar	1,574,941	(1,574,941)
Brazilian real	1,431,172	(1,431,172)
Swedish krona	1,262,334	(1,262,334)
Norwegian krone	538,280	(538,280)
Mexican peso	1,714,304	(1,714,304)
Total	26,685,595	(26,685,595)

Sensitivity analysis by currency, effect on Equity as of December 2018:

	Depreciation 10% in ThCh$	Appreciation 10% in ThCh$
United States dollar	6,517,149	(6,517,149)
Pound Sterling	7,136,623	(7,136,623)
Euro	4,005,063	(4,005,063)
Canadian dollar	1,569,182	(1,569,182)
Brazilian real	1,349,934	(1,349,934)
Swedish krona	1,172,260	(1,172,260)
Norwegian krone	488,270	(488,270)
Mexican peso	1,331,683	(1,331,683)
Total	23,570,164	(23,570,164)

Notwithstanding the abovementioned, in scenarios of appreciation of our local currency is possible to mitigate the effect on income through adjustments in prices always considering, the appreciation level of the currencies of our competitors.

5.1.2 Interest rate risk

The interest rate risk impacts the Company’s financial debt. As of December 31, 2019, Viña Concha y Toro has a total financial debt, net of interest, amounting to ThCh$343,069,502, and 64.3% of this debt correspond to non-current liability and 35.7% corresponds to current liability. At this year-end, the Company maintains no debt with a variable interest.

5.1.3 Inflation risk

A very particular feature of the Chilean financial market is the deep and liquid market related with corporative bonds denominated in UF and not in Chilean pesos. This is because the first guarantees the investor a specific return in real terms, it is, isolating the inflation risk; however, this is transferred to the debt issuer. Currently, Viña Concha y Toro is exposed to the UF (Unidad de Fomento) in the following instruments: Corporate Bonds, Bank Loans and short-term time deposits. These latter, decreases in part the Company´s overall exposure.

As of December 31, 2019, 60.8% of the Company's debt is denominated in UF. In order to hedge part of the fluctuation in UF, the Company has taken swap contracts.

During 2019, the Company recognized a loss amounting to ThCh$4,773,429 which relates to the adjustment of current and non-current financial debts indexed to the variation of UF. A variation of 100 base points in the inflation that refine the UF in this period would generate a greater loss /gain amounting to ThCh$1,657,914 with effect on profit or loss.

5.2 Credit risk

The Credit Risk relates to the uncertainty with respect to the compliance of obligations from the Company's counterpart, for contract, agreement or financial instrument, when this breach generates a loss in the market value of any financial asset.

5.2.1 Accounts Receivable

The credit risk to which the Company is exposed related mainly to trade receivables not quoted in an active market; therefore, they are measured at amortized cost. Trade receivables are recognized for the amount of the invoice and the corresponding impairment, if any, is recognized.

The granting of loans to customers is evaluated by Management, which determines the lines of credit and payment terms in order to reduce the risk of uncollectability. This includes mainly the gathering of financial, commercial and tax information, plus the opinion and coverage of credit insurance policies assigned by the Insurance Company.

The Company's policy is to cover with a credit insurance all of its customers, both from the local and export markets, and also for customers of its subsidiaries, with a coverage of 90% of the lines of credit granted. In the case of customers with rejected coverage, the Company looks for other mechanisms to guarantee its payments. For this, it requests bank credit letters, advance payments, post-dated check or any other that could exist, according to the country's legislation.

The uncollectibility of receivables, and consequently, the allowance for doubtful accounts, is determined considering the amounts not covered by the insurance company, analyzing the risk for the aging of past-due debts, in accordance with the historical experience or when occurs one or more of the following:

- Once the collection process of the past-due debt has been executed, the customer does not recognize the debt.
- Once the collection process of the past-due debt has been executed, the client has any intention of payment with respect to the commitments acquired.
- The customer has ceased to make payments and/or has significant financial difficulties.
- Other cases in which the receivable is impaired due to the observable data, objectives and measurements that require the attention of the Company, as they can affect the future cash flows of this asset.

a) Sale to third-parties from Chile:

The local market is diversified in more than 10,000 customers, considering supermarket chains, wholesale distributors and retails.

In the case of accounts receivable for the domestic market, 97.9% of customers have a credit insurance which covers 90% of the claim. As of December 31, 2019, the main five customers concentrate 52.4% of receivables for this market, consequently, 100% of this receivable is covered by the credit insurance. A 66.3% of accounts receivable is concentrated in customers that maintain accounts receivable in amounts higher than M$100, while a 18.1% correspond to customers with a receivable lower than M$10.

The Company exports to more than 130 countries abroad, achieving a large customer base, mainly distributors or supermarket chains.

For exports performed from Chile to third-parties, 94.8% have an insurance credit which covers a 90% of the accounts receivable, also 4.3% corresponds to sales to state-owned monopolies. As of December 31, 2019, the twenty main customers concentrate a 62.5% of accounts receivable for this market, consequently, 95.2% of this receivable is covered by an insurance credit, and also 4.4% corresponds to sales to state-owned monopolies. The remaining 37.5% is comprised of approximately 200 customers.

As of December 31, 2019, 12.94% of the impairment estimate was composed of domestic insured customers.

As of December 31, 2019, 87.06% of the impairment estimate was composed of domestic uninsured customers.

b) Sale to third-parties from abroad:

The Company has distribution subsidiaries of its products in England, Sweden, Norway, Finland, Argentina, Brazil, Singapore and China.

Bodegas y Viñedos Trivento S.A. maintains credit insurance for 64.0% of its domestic accounts receivable, and 100% of its export accounts receivable. In both cases, the insurance covers 90% of the claim. A 76.3% of its export accounts receivable are concentrated in the main 20 customers, from these, 100.0% of the debt is insured, while the 20 main customers of the domestic market, represents 52.9% of total accounts receivable, from these 55.9% is insured.

The subsidiary Concha y Toro UK maintains 98.8% of its accounts receivable portfolio hedged by a credit insurance, which covers a 90% of the value. 91.8% of accounts receivable is concentrated in its 20 main customers, from these 99.5% of the debt is insured, while the remaining 8.2% of accounts receivable is distributed in more than 120 customers.

VCT Brazil concentrates of 62.8% of its accounts receivable in its 20 main customers, distributing the remaining 37.2% in more than 200 customers. 90.6% of its accounts receivable are subject to a credit insurance, which covers 90% of the value.

Fetzer maintains credit insurances for 79.8% of its domestic receivables, and 95.5% of its export receivables, in both cases, the insurance covers 90% of the claim. Additionally, 41.1% of exports are sales to state-owned monopolies.

VCT & DG México concentrates 92.7% of its accounts receivable in its 20 main customers, distributing the remaining 7.3% in more than 70 customers. 91.0% of its accounts receivable are subject to a credit insurance, which covers 90% of the value.

VCT Group of Wineries Asia has less than 40 customers, form which 95.7% are covered by the credit insurance, which covers 90% of its value.

The subsidiaries of Sweden, Norway and Finland, concentrates more than 90% of their accounts receivable in sales performed to state-owned monopolies, entities with no credit insurance due to its low credit risk.

As of December 31, 2019, 0.27% of the impairment estimate was composed of foreign insured customers.

As of December 31, 2019, 99.73% of the impairment estimate was composed of foreign uninsured customers.

5.2.2 Short-term investments and forward

Surpluses of cash are invested pursuant the short-term investing policy, mainly, using sell–back agreements on central bank documents, time deposits with different financial institutions, short- term mutual fund units of fixed rent. These investments are recorded as cash and cash equivalents and in investments maintained up to its maturity.

Hedging instruments, mainly Forwards and Swaps, are agreed to on terms of up to four years with bank institutions only.

In order to decrease the counterpart risk, and that the assumed risk is known and managed by the Company, the investments are diversified with different bank institutions. Thus, the Company evaluates the credit quality of each counterpart and the investment levels, based on: (i) its risk classification and (ii) the counterparty's equity volume.

5.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the contractual commitments assumed with its suppliers and financial institutions.

The Company's main liquidity source corresponds to cash flows from operating activities. In addition, the Company has unused revolving credit facilities, and the ability to issue debt and equity instruments in the capital markets.

As of December 31, 2019, the Company has ThCh$72,037,137 in bank balances, term deposits, overnight deposits and mutual funds, in addition to bank credit lines.

In order to mitigate and manage the liquidity risk, the Company, through projected cash flows, reviews on a monthly and annual basis, its ability to fund its working capital, future investments and its debts maturities.

Liquidity Risk with respect to agricultural activity

With regards to the Company's agricultural activity, the liquidity risk corresponds to the inability that may confront the Company on its compliance, in time and form, with its contractual obligations assumed with its grapes suppliers, given that the Company depends on external vineyards for its supply of grapes and wine in bulk.

As of December 31, 2019 and 2018, the maturities of the Company's non-derivative and derivative financial liabilities are summarized as follows:

As of December 31, 2019	Carrying amount	To maturity (*)			
		Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Other non-derivative financial liabilities					
Bank borrowings	136,145,378	119,460,655	18,170,133	211,917	168,365
Bonds payable and promisory notes	212,674,614	14,590,625	9,956,275	9,956,275	261,790,074
Trade and other payables	123,364,660	123,364,660	-	-	-
Payables due to related parties	7,093,932	7,083,932	10,000	-	-
Subtotal	479,278,583	264,499,872	28,136,408	10,168,192	261,958,439
Derivative financial liabilities					
Hedging liabilities	32,780,544	7,698,593	10,271,077	6,019,402	8,791,472
Non-hedging liabilities	42,147	42,148	-	-	-
Subtotal	32,822,691	7,740,741	10,271,077	6,019,402	8,791,472
Total	512,101,275	272,240,613	38,407,485	16,187,594	270,749,911

As of December 31, 2018	Carrying amount	To maturity (*)			
		Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Other non-derivative financial liabilities					
Bank borrowings	138,055,946	111,891,041	28,049,538	245,247	250,866
Bonds payable and promisory notes	155,981,513	13,447,438	17,078,477	7,718,650	186,100,199
Trade and other payables	124,333,481	124,333,481	-	-	-
Payables due to related parties	6,078,579	5,777,642	300,937	-	-
Subtotal	424,449,519	255,449,602	45,428,952	7,963,897	186,351,065
Derivative financial liabilities					
Hedging liabilities	23,284,654	7,823,630	6,758,394	8,702,630	-
Non-hedging liabilities	948,145	948,145	-	-	-
Subtotal	24,232,799	8,771,775	6,758,394	8,702,630	-
Total	448,682,318	264,221,377	52,187,346	16,666,527	186,351,065

5.4 Raw Material Price Risk

The Company depends on external vineyards for its supply of grapes and wine in bulk. The grapes purchased from external producers are subject to price and quality fluctuations, and are generally more expensive than grapes from the Company´s own vineyards.

For the elaboration of premium wines, such as varietals (wine made exclusively or almost exclusively from one variety of grape) and sparkling wine, 43.9% of the grapes and wine in bulk used corresponded to independent grape producers of Chile. In addition, the Company purchased approximately 81.8% of the grape and wine in bulk necessary to produce non-premium wine. The disruption in the grape or wine offer, as well as the increase in prices by external suppliers could have an adverse effect on the Company's operating income.

NOTE 6. CASH AND CASH EQUIVALENTS

a) This caption is detailed as follows:

Cash and cash equivalents comprises balances in banks and mutual funds.

Cash and cash equivalents	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Balances in banks	30,086,532	32,984,904
Balances in mutual funds	40,000,000	4,501,433
Overnight deposits	1,925,217	-
Term deposits	25,388	-
Total	72,037,137	37,486,337

As of December 31, 2019, the Company's mutual funds are detailed as follows:

Mutual fund	No. of deposits	Deposit amount	As of December 31, 2019 ThCh$
Banchile Corredores de Bolsa S.A.	38,213,901	1,046.74	40,000,000
Total			40,000,000

As of December 31, 2018, the Company's mutual funds are detailed as follows:

Mutual fund	No. of deposits	Deposit amount	As of December 31, 2018 ThCh$
Scotiabank Azul	1,444,164	1,558.49	2,250,710
BancoEstado S.A. Adm de Fondos	1,839,688	1,223.43	2,250,723
Total			4,501,433

As of December 31, 2019, the Company's term deposits are detailed as follows:

As of December 31, 2019						
Bank	Maturity	Monthly rate	Currency	Amount ThCh$	Interest ThCh$	Total amount ThCh$
Banco Estado	1/3/2020	2.35%	US$	25,000	388	25,388
	Total			25,000	388	25,388

As of December 31, 2018, the Company records no term deposits.

b) Cash and cash equivalents, classified by currencies is detailed as follows:

Original currency	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
U.S. Dollar	13,905,378	15,656,759
Brazilian Real	2,025,173	1,484,743
Chilean Peso	48,405,164	7,164,521
Norwegian Krone	1,329,934	2,352,388
Swedish Krona	513,867	556,100
Pound Sterling	3,090,559	5,191,304
Mexican Peso	716,741	2,352,868
Euro	1,347,579	1,771,178
Canadian Dollar	522,421	467,436
Chinese Yuan	146,359	479,058
South African Rand	33,962	9,982
Total	72,037,137	37,486,337

NOTE 7. OTHER FINANCIAL ASSETS, CURRENT

This caption is detailed as follows:

Other financial assets	Total current		Total non-current assets	
	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Financial investments available for sale	2,498,020	2,532,635	-	-
Hedging derivative instruments (*)	6,771,872	5,572,951	16,307,966	25,741,638
Non-hedging derivative instruments (**)	-	169,768	-	-
Total	9,269,892	8,275,354	16,307,966	25,741,638

(*) See Note 18.2 letter a

(**) See Note 18.2 letter b

Financial investments at fair value through profit or loss

As of December 31, 2019, available-for-sale financial assets correspond to marketable securities amounting to ThCh$2,498,020, from which 90.81% is recorded at stock exchange value and 9.19% at cost.

As of December 31, 2018, available-for-sale financial assets correspond to marketable securities amounting to ThCh$2,532,635. From such amount, 90.94% is recorded at stock exchange value and the remaining 9.06% at cost.

NOTE 8. TRADE AND OTHER ACCOUNT RECEIVABLES, NET

This caption is detailed as follows:

Description of classes of Trade and other receivables , net	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Trade receivables, net	191,892,178	171,878,710
Other receivables, net	19,236,434	18,796,680
Total current receivables	211,128,612	190,675,390
Non-current receivables	751,453	693,696
Total non-current receivables	751,453	693,696
Total receivables	211,880,065	191,369,086

In general, balances included in this caption do not accrue any interest.

There are no restrictions on the provisions for this type of accounts receivable.

It should be noted that the Company has dealers to sell its products in export markets. The Company has no clients that represent 10% or more of the consolidated revenue from exports during 2019 and 2018. The five most significant clients in relation to total export revenue represented 15.7% and 16.2% in 2019 and 2018, respectively.

The Company has entered into agreements with most of its dealers. Generally, these agreements are entered into for a two-year period, and are automatically renewable. Besides, the Company's strategy to increase its sales in the most significant export markets depends significantly on the Company's dealer's behavior.

Other receivables, current, net, is mainly comprised of bank current accounts and staff accounts receivables.

The aging analysis of trade receivables is as follows:

	December 2019			December 2018		
Portfolio tranche	Portofolio customer number	ThCh$ Gross	ThCh$ prov.	Portfolio customer number	ThCh$ Gross	ThCh$ prov.
Current	7,311	181,942,834	(805)	5,332	164,252,702	-
1 and 30 days	3,352	10,255,620	(30,246)	3,181	13,736,525	(10,246)
31 and 60 days	747	6,953,356	(163,359)	939	5,472,968	(29,400)
61 and 90 days	525	2,084,099	(16,508)	442	1,837,574	(51,978)
91 and 120 days	355	837,997	(2,797)	218	1,291,618	(36,470)
121 and 150 days	268	1,003,407	(4,961)	116	1,398,993	(25,589)
151 and 180 days	146	1,479,713	(2,635)	90	167,493	(16,399)
181 and 210 days	181	1,008,177	(375)	68	212,227	(11,580)
211 and 250 days	177	2,109,048	(3,601)	52	290,057	(3,824)
Over 250 days	844	5,556,520	(1,125,419)	531	4,187,869	(1,293,454)
Total	13,906	213,230,771	(1,350,706)	10,969	192,848,026	(1,478,940)

As of December 31, 2019 and 2018 the Company's allowance for doubtful accounts is as follows:

Change in the consolidated allowance for doubtful accounts	ThCh$
Opening balance as of January 1, 2018	1,461,791
Constitution of allowance	597,592
Write-offs	(576,499)
Exchange rate difference	(3,944)
Balance as of December 31, 2018	1,478,940
Constitution of allowance	197,107
Write-offs	(269,282)
Exchange rate difference	(56,059)
Closing balance as of December 31, 2019	1,350,706

The Company calculates the impairment allowance for trade receivables in accordance with the expected credit loss as indicated in note 2.6.1.

For the following cases, the criterion for making an impairment allowance for doubtful accounts will be as follows:

Reason	Allowance %	
	Uninsured customer	Insured customer
Death	100%	10%
Fraud and/or scam to other companies	100%	10%
Change of address, non-locatable	100%	10%
Insolvency	100%	10%

As of December 31, 2019, rejected notes receivables correspond to 138 customers totaling ThCh$113,033, while as of December 31, 2018, these correspond to 60 customers amounting to ThCh$100,698. Regarding notes receivables held in legal collection as of December 31, 2019, these correspond to 174 customers amounting to ThCh$58,375, while as of December 31, 2018, this figure reached 132 customers and amounted to ThCh$70,733.

As of December 31, 2019, the portfolio amounted to ThCh$213,230,771 which represents a total of 13,906 customers from which none of them has refinanced their debts.

Portfolio tranche	UNSECURED PORTFOLIO				SECURED PORTFOLIO				Total amount gross portfolio
	No.Customers non renegotiated portfolio	Amount non-renegotiated portfolio gross	No Customers in renegotiated portfolio	Amount non-renegotiated portfolio gross	No. Customers non renegotiated portfolio	Amount non-renegotiated portfolio gross	No. Customers in renegotiated portfolio	Amount non-renegotiated portfolio gross	
Current	7,311	181,942,834	-	-	-	-	-	-	181,942,834
1-30 days	3,352	10,255,620	-	-	-	-	-	-	10,255,620
31-60 days	747	6,953,356	-	-	-	-	-	-	6,953,356
61-90 days	525	2,084,099	-	-	-	-	-	-	2,084,099
91-120 days	355	837,997	-	-	-	-	-	-	837,997
121-150 days	268	1,003,407	-	-	-	-	-	-	1,003,407
151-180 days	146	1,479,713	-	-	-	-	-	-	1,479,713
181-210 days	181	1,008,177	-	-	-	-	-	-	1,008,177
211-250 days	177	2,109,048	-	-	-	-	-	-	2,109,048
>250 days	844	5,556,520	-	-	-	-	-	-	5,556,520
Total	13,906	213,230,771	-	-	-	-	-	-	213,230,771

As of December 31, 2018, the portfolio amounted to ThCh$192,848,026 which represents a total of 10,969 customers from which none of them has refinanced their debts.

Delinquency tranche	UNSECURED PORTFOLIO				SECURED PORTFOLIO				Total amount gross portfolio
	No.Customers non renegotiated portfolio	Amount non-renegotiated portfolio gross	No. Customers in renegotiated portfolio	Amount non-renegotiated portfolio gross	No. Customers non renegotiated portfolio	Amount non-renegotiated portfolio gross	No. Customers in renegotiated portfolio	Amount non-renegotiated portfolio gross	
Current	5,332	164,252,702	-	-	-	-	-	-	164,252,702
1-30 days	3,181	13,736,525	-	-	-	-	-	-	13,736,525
31-60 days	939	5,472,968	-	-	-	-	-	-	5,472,968
61-90 days	442	1,837,574	-	-	-	-	-	-	1,837,574
91-120 days	218	1,291,618	-	-	-	-	-	-	1,291,618
121-150 days	116	1,398,993	-	-	-	-	-	-	1,398,993
151-180 days	90	167,493	-	-	-	-	-	-	167,493
181-210 days	68	212,227	-	-	-	-	-	-	212,227
211-250 days	52	290,057	-	-	-	-	-	-	290,057
>250 days	531	4,187,869	-	-	-	-	-	-	4,187,869
Total	10,969	192,848,026	-	-	-	-	-	-	192,848,026

NOTE 9. TRANSACTIONS WITH RELATED PARTIES

9.1 Related party disclosures

Balances outstanding at period-end are not secured and are settled in cash. No guarantees have been granted or received for receivables due from or payables due to related parties. As of December 31, 2019 and 2018, the Group has not recorded any material impairment of accounts receivable related to amounts receivables due from related parties. This assessment is conducted every year by analyzing the financial position of the related party in the market in which it operates.

9.2 Parent Group

The Parent Group controls directly or indirectly 36.04% of the Company, as per a joint interest agreement not yet formalized.

Natural and legal persons representing each Controller member and their corresponding ownership percentages are detailed below. Shareholders with less than 1% of control are grouped in "Others".

Inversiones Totihue S.A.	11.73%
Rentas Santa Bárbara S.A.	11.42%
Inversiones Quivolgo S.A.	4.53%
Inversiones La Gloria Ltda.	2.28%
Other	6.08%

Inversiones Totihue S.A. and Rentas Santa Bárbara S.A. are closely-held corporations, both 100% controlled directly or indirectly by the family Guilisasti Gana which is integrated by Mrs. Isabel Gana Morandé (ID No. 2.556.021-3), the brothers Eduardo Guilisasti Gana (ID No. 6.290.361-9), Rafael Guilisasti Gana (ID No. 6.067.826-K), Pablo Guilisasti Gana (ID No. 7.010.277-3) and Isabel Guilisasti Gana (ID No. 7.010.269-2), Sara Guilisasti Gana (ID No. 7.010.280-3), Josefina Guilisasti Gana (ID No.7.010.278-1) and the succession of Mr. José Guilisasti Gana (ID No. 7.010.293-3). The members of the family Guilisasti Gana exert their rights as legal persons or through investment companies which are totally owned by the same family.

Inversiones Quivolgo S.A. is 100% owned by Mr. Alfonso Larraín Santa María (ID No. 3.632.569-0) and by the family Larraín Vial, integrated by his spouse Teresa Vial Sánchez (ID No. 4.300.060-8) and the brothers Felipe Larraín Vial (ID No. 7.050.875-3), María Teresa Larraín Vial (ID No. 10.165.925-9), Rodrigo Larraín Vial (ID No. 10.165.924-0), María Isabel Larraín Vial (ID No. 10.173.269-K) and Alfonso Larraín Vial (ID No. 15.314.655-1). In addition, Inversiones La Gloria Ltda. is 100% controlled by the family Larraín Santa María, integrated by the brothers Alfonso Larraín Santa María, Andrés Larraín Santa María (ID No. 4.330.116-0), Pilar Larraín Santa María (ID No. 4.467.302-9), Gabriela Larraín Santa María (ID No. 4.778.214-7) and Luz María Larraín Santa María (ID No. 6.065.908-7).

The concept “others” includes companies and natural persons which are 100% owned, directly and indirectly, by the Guilisasti Gana family, Mr. Alfonso Larrín Santa María and the Fontecilla Lira family.

There are no other natural or legal persons other than the Parent Group which own shares or rights which represent 10% or more of the Company’s capital, as well as other natural persons who own less than 10% and that in the aggregate with his spouse and/or relatives reach this percentage, either directly or through legal entities.

9.3 Key Management personnel

Key management personnel are those individuals with the authority and responsibility for directly or indirectly planning, directing and controlling the entity’s activities, including any director or manager (whether executive or not) of such entity.

9.4 Senior Management remuneration

The Company's main managers and executives are involved in an annual bonus plan for profit sharing and compliance with the objectives. The global remuneration of the Company’s main executives is as follows:

Senior management remuneration	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Senior Management remuneration	7,584,929	8,030,735
Total	7,584,929	8,030,735

9.5 Receivables due from related parties, current

Related party Tax ID No.	Related party name	Relationship	Type of currency	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
96.512.200-1	Viñedos Emiliana S.A.	By director	Chilean peso	85,376	57,265
96.824.300-4	Viña Almaviva S.A.	Associate	Chilean peso	3,052	275,306
96.512.190-0	Fruticola Viconto S.A.	By director	Chilean peso	-	1,196
0-E	VCT Japón	Associate	US dollar	72,591	67,035
0-E	Escalade Wines & Spirits	Associate	Canadian dollar	3,125,847	2,089,772
76.120.010-0	Soc. Comercial y Promotora La Uva Ltda.	By director	Chilean peso	220	-
85.201.700-7	Agrícola Alto de Quitralman Ltda.	By director	Chilean peso	14,088	-
76.519.803-8	Beer Garden Bellavista SPA	Associate	Chilean peso	51,737	90,403
76.098.247-4	Inversiones Galilea	Subsidiary shareholder	Chilean peso	-	351
99.562.040-5	Los Boldos de Tapihue S.A.	By manager	Chilean peso	2,720	-
3.692.215-K	Alfonso Vial Sanchez	By director	Chilean peso	3,112	-
	Total			3,358,743	2,581,328

9.6 Payables due to related parties, current

Related party Tax ID No.	Related party name	Relationship	Type of currency	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
96.512.200-1	Viñedos Emiliana S.A.	By director	Chilean peso	414,582	904,622
90.950.000-1	Industria Corchera S.A.	Associate	Chilean peso	2,314,901	2,264,950
86.673.700-2	Agricolas Los Alamos Ltda.	By manager	Chilean peso	-	141,864
79.592.130-3	Agrícola Las Petras Ltda.	By manager	Chilean peso	1,213	-
96.512.190-0	Fruticola Viconto S.A.	By director	Chilean peso	1,201	-
96.824.300-4	Viña Almaviva S.A.	Associate	Chilean peso	41,446	7,411
99.562.040-5	Los Boldos de Tapihue S.A.	By manager	Chilean peso	-	170,353
76.088.641-6	Agricolas Las Pircas Ltda	By manager	Chilean peso	-	16,714
96.931.870-9	Viveros Guillaume Chile S.A.	By director	Chilean peso	224,609	292,515
76.021.221-0	Agricola Gabriela Ltda.	By director	Chilean peso	-	10,085
0-E	Digrans	Subsidiary shareholder	Mexican peso	3,379,148	1,727,916
0-E	Digsmer	Subsidiary shareholder	Mexican peso	3,171	-
76.599.450-0	Inversiones Santa Eliana S.A.	By director	Chilean peso	-	52,051
0-E	Escalade Wines & Spirits	Associate	Canadian dollar	321,902	75,209
78.335.990-1	Comercial Greenvic S.A.	By director	Chilean peso	-	858
76.111.422-0	Spumante del Limarí S.A.	By director	Chilean peso	-	72,417
85.630.300-4	ST Computación	By manager	Chilean peso	60,832	-
76.120.010-0	Soc. Comercial y Promotora La Uva Ltda.	By director	Chilean peso	-	35,393
95.097.000-6	Forestal Quivolgo S.A.	By manager	US dollar	32	914
0-E	VCT Japón	Associate	Chilean peso	985	291
76.519.803-8	Beer Garden Bellavista SPA	Subsidiary shareholder	Chilean peso	621	4,079
76.240.021-9	Agricola y Comercial Terravalue Ltda.	By director	Chilean peso	88,564	-
4.300.059-4	Maria de la Luz Vial Sanchez	By director	Chilean peso	345	-
Total				6,853,552	5,777,642

9.7 Payables due to related parties, non-current

Related party Tax ID No.	Related party name	Relationship	Type of currency	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
96.512.200-1	Viñedos Emiliana S.A.	By director	Chilean peso	230,380	300,937
79.592.130-3	Agrícola Las Petras Ltda.	By manager	Chilean peso	10,000	-
Total				240,380	300,937

9.8 Related party transactions detailed by entity

This note presents transactions with associates and all other significant transactions with related parties, as well as all those operations involving purchases and sales of shares.

The amounts indicated as transactions in the enclosed table, correspond to trade operations with related companies, which are performed under market conditions regarding price and payment terms.

There are no estimates of doubtful amounts reducing the balances receivable or any guarantees related thereto.

Transactions and balances with the Group's subsidiaries are eliminated from the consolidation.

Related party Tax ID No.	Related party name	Relationship	Nature of the transaction	From January 1 as of December 31, 2019		From January 1 as of December 31, 2018	
				Transaction ThCh$	Effect on profit or loss ThCh$	Transaction ThCh$	Effect on profit or loss ThCh$
96.512.200-1	Viñedos Emiliana S.A.	By director	Sale of raw material and products	120,277	46,490	225,055	23,155
96.512.200-1	Viñedos Emiliana S.A.	By director	Sale of services and other	2,046	2,046	86,076	86,076
96.512.200-1	Viñedos Emiliana S.A.	By director	Purchase of raw material and product	1,570,578	-	1,729,869	-
96.512.200-1	Viñedos Emiliana S.A.	By director	Purchase of services and other	74,341	(74,341)	861,845	(861,845)
86.673.700-2	Agrícola Los Alamos Ltda.	By manager	Purchase of raw material and product	343,972	-	764,677	-
90.950.000-1	Industria Corchera S.A.	Associate	Purchase of raw material and product	6,847,225	-	5,874,821	-
90.950.000-1	Industria Corchera S.A.	Associate	Purchase of services and other	22,033	(22,033)	-	-
96.824.300-4	Viña Almaviva S.A.	Associate	Sale of raw material and products	323,046	249,259	487,107	402,132
96.824.300-4	Viña Almaviva S.A.	Associate	Sale of services and other	56,955	56,955	2,261	2,261
96.824.300-4	Viña Almaviva S.A.	Associate	Purchase of raw material and product	718,923	-	738,932	-
96.824.300-4	Viña Almaviva S.A.	Associate	Purchase of services and other	-	-	29,246	(29,246)
76.021.221-0	Agricola Gabriela Ltda.	Associate	Purchase of raw material and product	-	-	61,158	-
96.512.190-0	Frutícola Viconto S.A.	By director	Sale of services and other	2,046	2,046	12,056	12,056
96.512.190-0	Frutícola Viconto S.A.	By director	Purchase of raw material and product	55,134	-	65,826	-
85.201.700-7	Agrícola Alto Quitralmán Ltda.	By director	Sale of raw material and products	10,099	-	-	-
85.201.700-7	Agrícola Alto Quitralmán Ltda.	By director	Purchase of raw material and product	457,770	-	1,112,581	-
70.017.820-K	Camara de Comercio de Stgo	By director	Purchase of services and other	4,155	(4,155)	9,712	(9,712)
45-2968791	Excelsior Wine Company (*)	Associate	Sale of raw material and products	-	-	14,568,625	6,181,772
45-2968791	Excelsior Wine Company (*)	Associate	Purchase of services and other	-	-	285,609	(285,609)
0-E	Digrans	Subsidiary shareholder	Sale of raw material and products	14,792,206	10,442,349	12,982,789	5,904,677
0-E	Digrans	Subsidiary shareholder	Purchase of services and other	21,501	(21,501)	-	-
321482783RT0001	Escalade Wines & Spirits	Associate	Sale of raw material and products	3,735,747	3,211,162	3,597,207	2,105,514
321482783RT0001	Escalade Wines & Spirits	Associate	Purchase of services and other	569,693	(569,693)	551,507	(551,507)
01112-01-017295	VCT Japón	Associate	Sale of raw material and products	329,529	259,754	234,647	107,580
01112-01-017295	VCT Japón	Associate	Purchase of services and other	1,992	(1,992)	2,237	(2,237)
85.630.300-4	ST Computación	Associate	Purchase of services and other	249,998	(249,998)	132,541	(132,541)
78.335.990-1	Comercial Greenvic S.A.	By director	Sale of raw material and products	-	-	479,773	117,902
78.335.990-1	Comercial Greenvic S.A.	By director	Sale of services and other	-	-	240,366	240,366
78.335.990-1	Comercial Greenvic S.A.	By director	Purchase of raw material and product	-	-	1,796	-
78.335.990-1	Comercial Greenvic S.A.	By director	Purchase of services and other	2,264	(2,264)	-	-
96.931.870-9	Viveros Guillaume	By manager	Purchase of raw material and product	521,470	-	589,073	-
96.931.870-9	Viveros Guillaume	By manager	Purchase of services and other	530	(530)	-	-
76.088.641-6	Agricolas Las Pircas Ltda	By director	Purchase of raw material and product	30,180	-	-	-
78.968.020-5	Company. Agricola. Santa María L	By manager	Purchase of raw material and product	-	-	67,868	-

(*) Corresponds to movements from January 1, 2018 up to the Company's takeover.

NOTE 10. INVENTORIES, NET

As of December 31, 2019 and 2018, inventory is detailed as follows:

Classes of inventory	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Bulk wine (a)	188,964,452	191,359,449
Bottled wines (b)	80,232,008	61,121,747
Semi-processed wines	7,004,267	6,287,492
Liquors	897,128	2,598,860
Material and Supplies (c)	13,523,117	13,061,424
Other Products (d)	2,750,584	2,960,814
Total Inventory, net	293,371,556	277,389,786

(a) Wine in bulk includes non-bottled wine.
(b) Bottled wines includes wine once the bottling process is completed.
(c) Material and supplies include all resources necessary for wine production.
(d) Other products are all those inventories not included in the above lines, such as beverages other than wine and merchandising material.

Changes of obsolescence estimates are as follows:

	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Opening Balance	(1,987,772)	(1,747,589)
Allowance for obsolescence	(2,026,534)	(1,786,299)
Application of the estimation	1,699,811	1,546,116
Total	(2,314,495)	(1,987,772)

There are no inventories pledged as collateral to cover debts.

As of December 31, 2019 and 2018, there are no records of non-current inventory because it is available for sale once it is produced. Inventories with elaboration cycles over twelve months represent a marginal total.

NOTE 11. INVESTMENTS AND DISCLOSURE OF INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

11.1 Disclosure of Investments in Subsidiaries

I. Investments in Chile

i. On August 3, 2017, the Company Inmobiliaria El Llano SpA was incorporated, which line of business is related to the performance of real estate investments and real estate projects in Chile.

ii. On November 2, 2017, Viña Concha y Toro S.A. acquired additional ownership in the Company Southern Brewing Company S.A. (Kross), by virtue of which it reached a 77% ownership in such company. The remaining 23% remains with the original shareholders.

iii. On December 26, 2019, Concha y Toro S.A. transferred 100% of Southern Brewing Company S.A.'s shares to Inversiones Concha y Toro SpA.

iv. The remaining investments in subsidiaries in Chile have no structural variations from that reported at December 31, 2018.

II. Investments abroad

i. Valuation of investments in Argentina

a. The financial statements of the Argentinean companies Trivento Bodegas y Viñedos S.A., Finca Lunlunta S.A. and Finca Austral S.A., in which Viña Concha y Toro S.A. has indirect ownership of 100% are expressed in US dollars, which is the subsidiary's functional currency.

b. As on December 31, 2019, there are gains potentially remittable from subsidiaries in Argentina amounting to ARS$928,398,596.

ii. Valuation of investments in England

a. The financial statements of the English company Concha y Toro UK Ltd., in which Concha y Toro S.A. has direct ownership of 99% and indirect of 1%, are expressed in Pound Sterling, which is the functional currency of the subsidiary.

b. As of December 31, 2019, there are gains potentially remittable from the subsidiary in England amounting to GBP$13,469,530.

iii. Valuation of investments in Brazil

a. The financial statements of the Company incorporated in Brazil, VCT Brazil Importadora y Exportadora Ltda in which Viña Concha y Toro S.A. has indirect ownership of 100%, are expressed in Brazilian Real, which is the functional currency of the subsidiary.

b. As of December 31, 2019, there are gains potentially remittable from the subsidiary in VCT Importadora y Exportadora Ltda. amounting to BRL$48,312,782.

c. The Financial Statements of the Brazilian Company VCT Wine Retail Participacoes Ltda., in which Viña Concha y Toro has indirect ownership of 100%, are expressed in Brazilian real, which is the Subsidiary's functional currency.

d. As of December 31, 2019, there are no gains potentially remittable from the subsidiary VCT Wine Retail Participacoes Ltda.

iv. Valuation of Investments in Sweden, Finland and Norway

a. The financial statements of the companies constituted in Sweden, Finland and Norway, in which Viña Concha y Toro S.A. has indirect ownership of 100%, are expressed in its local currencies, Swedish Crown, Euro and Norway Crown, respectively and represent its functional currencies in each subsidiary. At the same time, the Swedish subsidiary has 100% ownership of the subsidiary in Finland.

b. As of December 31, 2019, there are potentially remittable gains from these subsidiaries amounting to SEK$51,936,358 in Concha y Toro Sweden AB and subsidiary and NOK$11,632,258 in Concha y Toro Norway AS and subsidiary.

v. Valuation of investments in Singapore

a. The financial statements of the company incorporated in Singapore, in which Viña Concha y Toro S.A. has indirect ownership of 100%, are expressed in U.S. dollars, which is the functional currency of the subsidiary. Likewise, the subsidiary in Singapore owns 100% the subsidiary in China and 41% of the subsidiary in Japan.

b. As of December 31, 2019, there are gains potentially remittable from the subsidiary in Singapore amounting to US$1,944,843.

vi. Valuation of investments in the United States

a. The financial statements of companies incorporated in the United States, in which Viña Concha y Toro S.A. has indirect ownership of 100%, are expressed in U.S. dollars which is the functional currency of the subsidiaries.

b. On October 22, 2014, Eagle Peak Estates. LLC was incorporated, which line of business relates to the trading, fractionation of wine and alcoholic beverages and export of wine and similar products in the United States.

c. In July 2011, VCT USA, Inc. together with Banfi Corporation formed a joint venture with an ownership of 50% each in the incorporation of Excelsior Wine Company, LLC, which became the exclusive distributor of our products, previously distributed by Banfi Corporation.

d. In July 2018, Fetzer Vineyards acquired 50% of Excelsior Wine Company. Consequently, Viña Concha y Toro controls 100% of such company. The remaining 50% continues under the control of VCT USA, Inc.

e. At December 31, 2019, there are potentially remittable profits from subsidiaries in the U.S., amounting to US$44,629,774.

vii. Valuation of investments in Mexico

a. The financial statements of companies incorporated in Mexico, in which Viña Concha y Toro S.A. has indirect ownership of 100% (VCT México S. de R.L. de C.V.) and indirect ownership of 51% (VCT & DG México S.A. de C.V.), are expressed in Mexican Pesos which is the functional currency of the subsidiaries.

b. As of December 31, 2019, there are potentially remittable gains from subsidiaries in Mexico, amounting to MXN$66,062,204.

viii. Valuation of investments in Canada

a. The financial statements of the company Concha y Toro Canada Limited, in which Viña Concha y Toro S.A. has ownership of 100%, are expressed in Canadian dollars, which is the functional currency of the subsidiary.

b. On December 5, 2014, Concha y Toro Canada Ltd together with Charton Hobbs Inc., a company incorporated in accordance with the Canadian regulations, formed a joint venture with an ownership of 50% each in the incorporation of Escalade Wines & Spirits Inc. with the objective to import, export, sale, manufacture and distribute alcoholic beverages.

c. As of December 31, 2019, there are potentially remittable gains from the subsidiary Concha y Toro Canada Limited, in the amount of CAD$524,347.

ix. Valuation of investments in South Africa

a. The financial statements of the company incorporated in South Africa, in which Viña Concha y Toro S.A. has indirect ownership of 100%, are expressed in South African Rand, which is the functional currency of the subsidiary.

b. As of December 31, 2019, there are potentially remittable gains from the subsidiary in South Africa, amounting to RND$2,351,915.

x. Valuation of investments in France

a. The financial statements of the Company Cono Sur France S.A.R.L., in which Viña Concha y Toro S.A. has an indirect ownership of 100%, are expressed in Euros, which is the functional currency of the subsidiary.

b. As of December 31, 2019, there are potentially remittable gains from the subsidiary in France amounting to EUR249,590.

11.2 Summarized Financial Information of subsidiaries

The Total Summarized Financial Information of subsidiaries consolidated at the reporting date, before the elimination of intercompany transactions is presented as follows:

Subsidiaries	Country of incorporation	Functional currency	Ownership %	As of December 31, 2019 Assets Current	Assets Non-current	Assets Total	Liability (equity) Current	Liability (equity) Non-current	Liability (equity) Total	Revenue	Profit (loss) for the year
				ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Comercial Peumo Ltda.	Chile	Chilean peso	100%	33,619,229	2,554,855	36,174,084	32,427,399	3,746,685	36,174,084	101,376,714	8,752,820
Viña Cono Sur S.A.	Chile	Chilean peso	100%	55,754,454	53,976,291	109,730,745	45,720,335	64,010,410	109,730,745	80,200,247	9,338,122
Viña Cono Sur Orgánico SpA	Chile	Chilean peso	100%	970,795	197,143	1,167,938	1,003,585	164,353	1,167,938	1,235,440	(4,291)
Transportes Viconto Ltda.	Chile	Chilean peso	100%	1,305,836	426,664	1,732,500	1,317,697	414,803	1,732,500	1,304,494	153,846
Sociedad Exportadora y Comercial Viña Maipo SpA	Chile	Chilean peso	100%	5,126,380	27,965,714	33,092,094	5,803,476	27,288,618	33,092,094	21,295,315	8,773,179
Sociedad Exportadora y Comercial Viña Canepa SpA	Chile	Chilean peso	100%	1,776,808	146,430	1,923,238	1,857,306	65,932	1,923,238	2,882,967	760,843
Bodegas y Viñedos Quinta de Maipo SpA	Chile	Chilean peso	100%	2,405,575	27,316,372	29,721,947	2,479,599	27,242,348	29,721,947	2,746,090	9,246,066
Inversiones Concha y Toro SpA	Chile	Chilean peso	100%	12,321,102	134,271,978	146,593,080	69,322,566	77,270,514	146,593,080	-	19,376,345
Inversiones VCT Internacional SpA	Chile	Chilean peso	100%	57,418,834	22,979,026	80,397,860	12,246,967	68,150,893	80,397,860	-	4,825,230
Viña Maycas del Limarí Ltda.	Chile	Chilean peso	100%	2,060,286	29,790	2,090,076	1,042,699	1,047,377	2,090,076	1,572,043	121,251
Viña Don Melchor SpA	Chile	Chilean peso	100%	2,289,979	5,163	2,295,142	1,411,845	883,297	2,295,142	2,204,005	883,954
Inmobiliaria El Llano SpA	Chile	Chilean peso	100%	1,071	-	1,071	71	1,000	1,071	-	-
Southern Brewing Company S.A	Chile	Chilean peso	77%	1,972,967	13,141,773	15,114,740	5,509,504	9,605,236	15,114,740	5,763,217	928,308
Gan Lu Wine Trading (Shanghai) Co., Ltd.	China	Yuan	100%	1,307,186	7,519	1,314,705	765,877	548,828	1,314,705	2,923,953	79,934
VCT Group Of Wineries Asia Pte. Ltd.	Singapore	US dollar	100%	3,367,391	710,410	4,077,801	1,660,330	2,417,471	4,077,801	5,220,939	479,514
Trivento Bodegas y Viñedos S.A. Consolidado	Argentina	US dollar	100%	38,283,133	32,838,085	71,121,218	18,835,599	52,285,619	71,121,218	37,528,326	3,467,101
VCT Brasil Import. y Export. Ltda.	Brazil	Brazilian real	100%	19,911,866	2,316,383	22,228,249	13,062,462	9,165,787	22,228,249	36,238,547	1,400,829
VCT Wine Retail Participacoes Ltda.	Brazil	Brazilian real	100%	336	-	336	70,332	(69,996)	336	-	(13,840)
Concha y Toro Norway AS	Norway	Norwegian krone	100%	2,377,221	817,411	3,194,632	2,188,582	1,006,050	3,194,632	3,926,499	180,523
VCT Norway AS	Norway	Norwegian krone	100%	2,720,284	-	2,720,284	1,902,873	817,411	2,720,284	3,182,544	71,376
Concha y Toro Sweden AB	Sweden	Swedish krona	100%	7,672,217	1,762,594	9,434,811	5,082,951	4,351,860	9,434,811	14,875,528	868,220
Concha y Toro Finland OY	Finland	Euro	100%	4,105,273	-	4,105,273	2,342,679	1,762,594	4,105,273	6,690,208	361,065
Concha y Toro UK Ltd.	England	Pound Sterling	100%	65,458,561	150,800	65,609,361	52,331,329	13,278,032	65,609,361	142,503,920	644,004
VCT USA, Inc.	USA	US dollar	100%	24,924,122	183,330,772	208,254,894	77,502,597	130,752,297	208,254,894	-	2,344,277
Fetzer Vineyards	USA	US dollar	100%	104,196,529	135,607,113	239,803,642	55,989,336	183,814,306	239,803,642	121,534,737	4,888,750
Excelsior Wine Compañy LLC	USA	US dollar	100%	3,692,267	34,281,846	37,974,113	1,592,617	36,381,495	37,974,112	-	(377,213)
VCT México, S. de R.L. de C.V.	Mexico	Mexican peso	100%	229,021	2,876,488	3,105,509	122,575	2,982,934	3,105,509	-	445,038
VCT & DG México, S.A. de C.V.	Mexico	Mexican peso	51%	27,609,381	556,571	28,165,952	22,525,779	5,640,173	28,165,952	26,760,132	1,421,903
Concha y Toro Canadá Ltd.	Canada	Canadian dollar	100%	684,630	747,578	1,432,208	672,429	759,779	1,432,208	-	13,401
Concha y Toro Africa & Middle East Proprietary Ltd.	South Africa	South African Rand	100%	116,855	37,654	154,509	13,337	141,172	154,509	38,919	(24,571)
Cono Sur France S.A.R.L.	France	Euro	100%	510,978	579	511,557	283,535	228,022	511,557	937,280	48,598

Subsidiaries	Country of incorporation	Functional currency	Ownership %	As of December 31, 2018 Assets Current ThCh$	Assets Non-current ThCh$	Assets Total ThCh$	Liability (equity) Current ThCh$	Liability (equity) Non-current ThCh$	Liability (equity) Total ThCh$	Revenue ThCh$	Profit (loss) for the year ThCh$
Comercial Peumo Ltda.	Chile	Chilean peso	100%	34,241,278	2,190,312	36,431,590	32,604,058	3,827,532	36,431,590	112,629,895	8,752,326
Viña Cono Sur S.A.	Chile	Chilean peso	100%	43,945,892	51,806,880	95,752,772	39,423,209	56,329,563	95,752,772	75,955,191	7,397,791
Viña Cono Sur Orgánico SpA	Chile	Chilean peso	100%	995,822	190,915	1,186,737	1,015,410	171,327	1,186,737	1,440,170	(8,981)
Transportes Viconto Ltda.	Chile	Chilean peso	100%	394,676	434,289	828,965	37,682	791,284	828,966	1,226,285	121,339
Sociedad Exportadora y Comercial Viña Maipo SpA	Chile	Chilean peso	100%	10,170,941	24,698,584	34,869,525	6,357,001	28,512,523	34,869,524	24,525,535	7,988,444
Sociedad Exportadora y Comercial Viña Canepa SpA	Chile	Chilean peso	100%	1,417,682	147,382	1,565,064	1,459,975	105,089	1,565,064	2,285,837	494,713
Bodegas y Viñedos Quinta de Maipo SpA	Chile	Chilean peso	100%	3,172,890	28,529,501	31,702,391	2,609,361	29,093,030	31,702,391	3,095,901	8,522,506
Inversiones Concha y Toro SpA	Chile	Chilean peso	100%	12,062,727	116,140,383	128,203,110	65,102,752	63,100,358	128,203,110	-	21,828,670
Inversiones VCT Internacional SpA	Chile	Chilean peso	100%	53,717,433	20,360,310	74,077,743	12,174,882	61,902,862	74,077,744	-	8,512,863
Viña Maycas del Limarí Ltda.	Chile	Chilean peso	100%	2,210,716	10,608	2,221,324	1,295,199	926,125	2,221,324	1,118,678	22,246
Viña Don Melchor SpA	Chile	Chilean peso	100%	411	10,463	10,874	11,532	(658)	10,874	-	(6,928)
Inmobiliaria El Llano SpA	Chile	Chilean peso	100%	1,000	-	1,000	-	1,000	1,000	-	-
Southern Brewing Company S.A	Chile	Chilean peso	77%	1,969,837	10,808,077	12,777,914	3,130,566	9,647,348	12,777,914	5,133,343	624,099
Gan Lu Wine Trading (Shanghai) Co., Ltd.	China	Yuan	100%	975,794	8,843	984,637	537,850	446,787	984,637	2,458,848	(109,938)
VCT Group Of Wineries Asia Pte. Ltd.	Singapore	US dollar	100%	3,472,785	592,558	4,065,343	1,582,100	2,483,243	4,065,343	4,996,348	687,305
Trivento Bodegas y Viñedos S.A. Consolidado	Argentina	US dollar	100%	40,732,209	28,922,884	69,655,093	26,262,478	43,392,615	69,655,093	31,439,023	4,772,041
VCT Brasil Import. y Export. Ltda.	Brazil	Brazilian real	100%	16,360,807	1,844,329	18,205,136	10,803,609	7,401,527	18,205,136	26,439,093	479,573
VCT Wine Retail Participacoes Ltda.	Brazil	Brazilian real	100%	740	-	740	54,214	(53,474)	740	-	(437,463)
Concha y Toro Norway AS	Norway	Norwegian krone	100%	3,282,296	691,502	3,973,798	2,735,064	1,238,734	3,973,798	3,694,019	508,067
VCT Norway AS	Norway	Norwegian krone	100%	2,691,006	-	2,691,006	1,999,505	691,501	2,691,006	2,867,888	261,841
Concha y Toro Sweden AB	Sweden	Swedish krona	100%	6,882,552	1,708,963	8,591,515	4,591,866	3,999,649	8,591,515	15,409,474	1,402,131
Concha y Toro Finland OY	Finland	Euro	100%	4,442,819	-	4,442,819	2,733,856	1,708,963	4,442,819	7,079,300	586,885
Concha y Toro UK Ltd.	England	Pound Sterling	100%	51,695,915	196,857	51,892,772	40,528,899	11,363,873	51,892,772	124,427,772	2,744,358
VCT USA, Inc.	USA	US dollar	100%	10,650,026	167,376,509	178,026,535	43,804,087	134,222,448	178,026,535	-	11,815,161
Fetzer Vineyards	USA	US dollar	100%	93,097,279	126,975,255	220,072,534	54,182,361	165,890,173	220,072,534	82,536,051	6,262,535
Excelsior Wine Compañy LLC	USA	US dollar	100%	6,131,424	32,202,590	38,334,014	2,280,242	36,053,772	38,334,014	21,109,810	373,657
VCT México, S. de R.L. de C.V.	Mexico	Mexican peso	100%	363,387	2,316,524	2,679,911	83,955	2,595,956	2,679,911	-	659,552
VCT & DG México, S.A. de C.V.	Mexico	Mexican peso	51%	19,527,971	490,367	20,018,338	15,476,136	4,542,202	20,018,338	22,161,136	1,727,905
Concha y Toro Canadá Ltd.	Canada	Canadian dollar	100%	718,141	649,241	1,367,382	703,940	663,442	1,367,382	-	17,047
Concha y Toro Africa & Middle East Proprietary Ltd.	South Africa	South African Rand	100%	267,538	16,351	283,889	134,067	149,822	283,889	233,104	(3,241)
Cono Sur France S.A.R.L.	France	Euro	100%	348,671	1,362	350,033	184,211	165,822	350,033	757,670	(3,770)

11.3 Investments in associates

The main equity-accounted investees are detailed as follows:

Investment in associates	Viña Almaviva S.A.	Innovacion Tecnológica	Industria Corchera S.A.	Excelsior Wine Company	Alpha Cave	VCT Japan Company	Escalade W&S	Beer Garden Bellavista S.p.A.	Total
Functional currency	Ch$	Ch$	Ch$	US$	BRL	JPY	CAD	Ch$	
Country	Chile	Chile	Chile	USA	Brazil	Japan	Canada	Chile	
Main activities	Production and commercialization of chateu premium wine, for export	Experimental research and development.	Elaboration and import and distribution and commercialization of corks and caps.	Import, sale and distribution of wines and liquors.	Retail sales of wine in Brazil.	Export and import of wines and distribution.	Export and import of wines and distribution.	Bar Restaurant	

Interest of the group's investment in the balance sheet

	Viña Almaviva S.A.		Innovacion Tecnológica		Industria Corchera S.A.		Excelsior Wine Company		Alpha Cave		VCT Japan Company		Escalade W&S		Beer Garden Bellavista S.p.A.		Total	
Presentation date	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$	as of December 31 2019 ThCh$	as of December 31 2018 ThCh$
Current assets	22,311,067	15,981,053	37,878	38,620	14,986,037	14,241,511	-	-	-	-	1,505,283	964,049	4,270,039	3,634,513	200,471	207,473		
Non-current assets	15,423,886	15,534,607	-	-	3,739,025	2,642,179	-	-	-	-	5,341	4,956	1,449,083	1,344,250	735,623	873,827		
Current liabilities	(5,691,393)	(1,808,130)	(76)	(1,935)	(8,361,470)	(6,925,647)	-	-	-	-	(1,148,019)	(649,706)	(2,947,690)	(2,407,980)	(456,316)	(723,849)		
Non-current liabilities	(1,385,919)	(1,258,757)	-	-	-	-	-	-	-	-	-	-	(1,259,999)	(1,274,077)	(121,904)	(115,374)		
Net assets	30,657,641	28,448,773	37,802	36,685	10,363,592	9,958,043	-	-	-	-	362,605	319,299	1,511,433	1,296,706	357,875	242,077		
Ownership percentage	50%	50%	15.74%	15.74%	50%	49.96%	0%	0%	0%	0%	41%	41%	50%	50%	35%	35%		
Investment ownership value	15,328,821	14,224,387	5,950	5,774	5,181,796	4,975,337	-	-	-	-	148,668	130,913	755,717	648,353	125,256	84,727	21,546,208	20,069,490
Goodwill and other	-	-	-	-	1,023,201	1,023,201	-	-	-	-	9	-	(8,139)	316	812,122	812,122	1,827,193	1,835,639
Unrealized profit	(642,190)	(642,190)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(642,190)	(642,190)
Payment of dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total investment amount	14,686,631	13,582,197	5,950	5,774	6,204,997	5,998,538	-	-	-	-	148,677	130,913	747,578	648,669	937,378	896,849	22,731,211	21,262,939

Ownership of the group investment in the statement of profit or loss

	Viña Almaviva S.A. 2019	Viña Almaviva S.A. 2018	Innovacion Tecnológica 2019	Innovacion Tecnológica 2018	Industria Corchera S.A. 2019	Industria Corchera S.A. 2018	Excelsior Wine Company 2019	Excelsior Wine Company 2018	Alpha Cave 2019	Alpha Cave 2018	VCT Japan Company 2019	VCT Japan Company 2018	Escalade W&S 2019	Escalade W&S 2018	Beer Garden Bellavista S.p.A. 2019	Beer Garden Bellavista S.p.A. 2018	Total 2019	Total 2018
Revenue	12,017,512	12,586,979	9,501	8,050	14,533,670	14,138,079	-	32,495,986	-	-	2,285,290	1,964,379	5,221,388	5,455,404	3,018,885	2,005,771		
Total income	5,616,479	4,444,613	1,232	1,106	755,297	455,694	-	387,128	-	(2,469)	5,641	4,560	23,472	61,639	165,874	88,391		
Investment ownership value	2,808,240	2,222,307	194	174	377,649	227,678	-	193,564	- -	864	2,313	1,870	11,736	30,820	58,056	30,937	3,258,187	2,706,485
Profit (loss) for the previous year	-	(115,093)	-	1,388	6,897	-	-	-	-	-	4,070	1,238	3,046	(1,140)	-	(2,357)	14,013	(115,963)
Unrealized profit	(3,750)	(12,770)	-	-	(40,426)	3,575	-	-	-	-	-	-	-	-	-	-	(44,176)	(9,195)
Other	-	-	(18)	-	-	-	-	(3,130)	-	-	-	-	1,486	-	(23)	-	1,441	(3,130)
Total effect of investment on statement of profit or loss	2,804,490	2,094,444	176	1,562	344,119	231,253	-	190,434	- -	864	6,383	3,108	16,268	29,679	58,033	28,580	3,229,468	2,578,197

11.4 Goodwill for Investments in Associates:

Industria Corchera S.A.:

As of December 31, 2019, Goodwill is detailed as follows:

- The amount presented corresponds to the investment of 50% of Industria Corchera S.A. which amounts to ThCh$ 1,023,201, showing no impairment.

This goodwill that was generated prior to the date of our transition to IFRS is maintained at the net value recorded to that date and is controlled in the same currency of the investment (Chilean pesos).

The carrying amount of goodwill is netted to its corresponding investments.

Alpha Cave Comercio de Vinhos S.A.

On December 31, 2013, Concha y Toro S.A. through its subsidiary VCT Wine Retail Participacoes Ltda., acquired a 35% ownership of Alpha Cave Comercio de Vinhos S.A., a company dedicated to the retail trading of wine in Brazil, through its brand name in Ville Du Ville.

The contribution paid for 35% of the shares of Alpha Cave Comercio de Vinhos S.A., amounted to ThCh $597,306 ($2,621,834 BR Reals).

As of December 31, 2014 the Company determined the fair value of the net assets where the initial investment value for 35% ownership of the shares of Alpha Cave Comercio de Vinhos S.A. amounted to ThCh$88,548 ($452,308 BR Reals).

In June 2018, Concha y Toro S.A. sold 100% of its shares in Alpha Cave Comercio de Vinhos S.A.

NOTE 12. GOODWILL

As of December 31, 2019 and 2018, the goodwill of investments in subsidiaries is as follows:

Detail	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Goodwill Fetzer	29,939,565	27,781,488
Goodwill Excelsior Wine Company	3,274,895	3,062,724
Goodwill Southern Brewing Company	6,363,883	6,363,883
Total	39,578,343	37,208,095

Acquisition of Fetzer Vineyards, Inc.

On April 15, 2011 Concha y Toro S.A. through its subsidiary VCT USA, Inc. acquired 100% of ownership of Fetzer Vineyards, Inc., a winery located in California, USA.

This acquisition was in line with the Company's business strategy and we believe it was a very important event in the Company's history. It is expected that this operation helps the Group to increase its global sales, as Fetzer is one of the 10 most important wine brands of USA in terms of sales volume.

As of December 31, 2019, the business unit Fetzer Vineyards, Inc., contributed to the Company's consolidated profit or loss with a revenue of ThCh$70,712,521 and a net loss of ThCh$(3,247,135).

Goodwill related to the acquisition of Fetzer is as follows:

Detail	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Goodwill Fetzer (at historical cost)	20,549,442	20,549,442
Foreign currency translation differences	9,390,123	7,232,046
Total	29,939,565	27,781,488

The total consideration valued as of April 15, 2011, for 100% of the shares of Fetzer Vineyards, amounted to ThCh$110,1 31,729 (US$ 233,053,431) and the fair value of its net identifiable assets when purchased amounted to ThCh$ 89,582,287, resulting in this acquisition an historical goodwill of ThCh$ 20,549,442.

The goodwill is attributable mainly to the skills and technical talent of Fetzer Vineyards, Inc.'s work force and the synergies expected to be achieved from integrating the company into the Company's business.

Capital increase in Southern Brewing Company S.A.

In May, 2011, the Company acquired 40% of Southern Brewing Company S.A. On April 15, 2013, a capital increase was made which increased the Company´s direct ownership to 49%.

On November 2, 2017, Viña Concha y Toro acquired an additional 28% ownership in Souther Brewing Company S.A. After this transaction, the Company achieved an ownership of 77% of the shares in the mentioned company, in order to actively participate in the premium local beer segment.

As of December 31, 2019, Southern Brewing Company S.A. contributed to the Company's consolidated profit or loss with a revenue of ThCh$5,763,217 and net profit of ThCh$928,308.

The total consideration valued as of November 2, 2017, for the additional ownership of 28% of the shares of Southern Brewing Company S.A, amounted to ThCh$5,740,004 and the fair value of net identifiable assets at the time of purchase was the amount of ThCh$6,412,470, generating a goodwill form the acquisition of ThCh$6,363,883.

The goodwill is attributable mainly to the skills and technical talent of Southern Brewing Company S.A.'s work force and the synergies expected to be achieved from integrating the company into the Concha y Toro Group.

Business combination performed by stages

In a business combination performed by stages, the acquirer remeasured its previous ownership in the acquiree's equity at fair value at the date of acquisition and recognized the resulting gain in the consolidated statement of profit or loss for the year 2017, in the caption Other Income.

Remeasurement ownership prior to acquisition date	ThCh$
Fair value Southern Brewing Company S.A.	11,349,962
Prior ownership	49.00%
(=) Prior ownership value	5,561,481
(-) Prior ownership carrying amount	(2,876,856)
(=) Profit	**2,684,625**

Application of the fair value

In accordance with in IFRS 3 Business Combinations, the premise of the value used in the application of the accounting standard for the acquisition is its fair value. Fair value is defined as: "the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. In order to apply this premise correctly, it has also been considered the intention of the acquirer of whether the assets acquired will be held or disposed of. Consequently, the consideration of the facts and circumstances of the operation is necessary to be able to properly identify and/or classify the assets at a value under the fair value premise. Note that the identification of intangible assets in each individual business combination is based on the facts and circumstances prevailing at the acquisition date.

Costs related to the acquisition

Viña Concha y Toro made no significant disbursements related to the acquisition, because it was managed with the internal structure of the company.

Identifiable assets acquired and liabilities assumed

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

Detail	As of November 02, 2017 ThCh$
Cash and cash equivalents	22,442
Other non-financial assets, current	43,828
Trade and other receivables, current	851,880
Trade receivables due from related parties, current	8,046
Inventories, current	702,237
Current tax assets	101,479
Equity-accounted investees	858,957
Intangible assets other than goodwil	3,518,098
Property, plant and equipment	5,733,536
Deferred tax assets	224,618
Other financial liabilities, current	(1,439,050)
Trade and other payables, current	(515,486)
Other short-term provisions	(232,668)
Current tax liabilities	(151,414)
Provision for employee benefits	(47,492)
Other non-current financial liabilities	(1,762,159)
Deferred tax liabilities	(1,504,382)
Total	6,412,470

Capital increase in Excelsior

In July 2011, 50% of interest in the company Excelsior Wine Company, LLC (Excelsior) was acquired.

In July 2, 2018, Fetzer Vineyards acquired an additional 50% of the interest in Excelsior, reaching 100% of interest in such company, in order to obtain the exclusive distribution of the Group's production in the US.

In the last quarter of 2019, the business unit Excelsior contributed to the Company's consolidated profit or loss with a revenue of ThCh$50,290,498 and net profit of ThCh$5,559,081.

Goodwill acquired by Excelsior is as follows:

Detail	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Goodwill Excelsior (at historical cost)	2,911,300	2,911,300
Foreign currency translation differences	363,595	151,424
Total	3,274,895	3,062,724

The total consideration valued as of November 2, 2018, for the additional ownership of 50% of the shares of Southern Brewing Company S.A, amounted to ThCh$26,374,005 (US$ 40,500,000) and the fair value of net identifiable assets at the time of purchase was the amount of ThCh$33,076,091, generating a goodwill form the acquisition of ThCh$2,911,300.

The goodwill is attributable mainly to the skills and technical talent of Excelsior's work force and the synergies expected to be achieved from integrating the company into the Group Concha y Toro.

Business combination performed by stages

In a business combination performed by stages, the acquirer remeasured its previous ownership in the acquiree's equity at fair value at the date of acquisition and recognized the resulting gain or loss in the consolidated income for the year 2018.

Prior remeasurement ownership	US$	ThCh$
Excelsior fair value	30,400,000	19,815,024
Prior ownership	50.00%	50.00%
(=) Prior ownership value	15,200,000	9,907,512
(-) Prior ownership carrying amount	(3,358,138)	(2,188,868)
(=) Profit	**11,841,862**	**7,718,644**

This gain was recognized in the statement of profit or loss for the year 2018, under Other income

Application of the fair value

In accordance with in IFRS 3 Business Combinations, the premise of the value used in the application of the accounting standard for the acquisition is its fair value. Fair value is defined as: "the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm’s length transaction on the measurement date. In order to apply this premise correctly, it has also been considered the intention of the acquirer of whether the assets acquired will be held or disposed of. Consequently, the consideration of the facts and circumstances of the operation is necessary to be able to properly identify and/or classify the assets at a value under the fair value premise. Note that the identification of intangible assets in each individual business combination is based on the facts and circumstances prevailing at the acquisition date.

Costs related to the acquisition

The amount of costs related to the acquisition is ThCh$1,500,622.

Identifiable assets acquired and liabilities assumed

The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the date of acquisition:

Detail	As of July 2, 2018 ThCh$
Cash and cash equivalents	3,819,393
Other non-financial assets, current	506,697
Trade and other receivables, current	6,526,862
Inventories, current	4,401,528
Intangible assets other than goodwill	29,825,418
Trade and other payables	(5,621,676)
Trade payables due to related parties, current	(4,474,233)
Other short-term provisions	(1,907,898)
Total	33,076,091

NOTE 13. INTANGIBLE ASSETS OTHER THAN GOODWILL

13.1 Classes of Intangible Assets

Balances in the different classes of intangible assets are as follows:

Description of classes of Intangible Assets	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Intangible assets, net	84,775,283	79,539,839
Finite life intangible assets, net	42,894,303	39,894,971
Brands, net	30,780,308	28,810,403
Water rights, net	11,032,270	10,780,405
Easements, net	68,402	54,060
Indentifiable intangible assets, net	84,775,283	79,539,839
Patents, trademarks and other rights, net	81,519,092	76,528,527
Computer software, net	3,256,191	3,011,312
Intangible assets, gross	101,462,846	94,463,002
Indentifiable intangible assets, gross	101,462,846	94,463,002
Patents, trademarks and other rights, gross	97,542,692	80,541,769
Computer software, gross	3,920,154	13,921,233
Accumulated amortization and impairment, intangible assets, total	(16,687,563)	(14,923,163)
Patents, trademarks and other rights	(4,931,013)	(4,013,242)
Computer software	(11,756,550)	(10,909,921)

As of December 31, 2019, the Company has no restrictions on intangible assets and does not maintain acquisition commitments.

The carrying amount of intangible with indefinite useful life was assigned to the cash generating unit (CGU) which corresponds to agricultural land, within the Wines segment. These intangible assets have been tested for impairment, together with agricultural land, i.e. CGUs were assessed, and no impairment was identified.

Changes of intangible assets as of December 31, 2019 are detailed as follows:

Movements in identifiable intangible assets	Patents, trademarks and other rights, net ThCh$	Computer software, net ThCh$	Identifiable intangible assets, net ThCh$
Opening Balance	76,528,527	3,011,312	79,539,839
Changes :			
Additions	3,713,982	1,176,640	4,890,622
Effect of translation in foreign subsidiaries	2,242,151	(85,132)	2,157,019
Withdrawals	(47,797)	-	(47,797)
Amortization	(917,771)	(846,629)	(1,764,400)
Total changes	4,990,565	244,879	5,235,444
Closing balance as of December 31, 2019	81,519,092	3,256,191	84,775,283

As of December 31, 2019 and 2018, amortization amounted to ThCh$1,764,400 and ThCh$1,105,381, respectively, which is reflected in the statement of profit or loss included within the item “depreciation and amortization”, in the line item “administrative expenses” and line item “costs of sales” corresponding to the portion which forms part of the inventory cost.

As of December 31, 2019, the Company has no restrictions on intangible assets and does not maintain acquisition commitments. During the year ended December 31, 2019, no intangible assets have been internally developed.

Changes of intangible assets as of December 31, 2018 are detailed as follows:

Movements in identifiable intangible assets	Patents, trademarks and other rights, net ThCh$	Computer software, net ThCh$	Identifiable intangible assets, net ThCh$
Opening Balance	40,281,203	3,145,420	43,426,623
Changes :			
Additions	33,361,308	571,053	33,932,361
Effect of translation in foreign subsidiaries	3,304,129	80,852	3,384,981
Withdrawals	(32,885)	(65,860)	(98,745)
Amortization	(385,228)	(720,153)	(1,105,381)
Total changes	36,247,324	(134,108)	36,113,216
Closing balance as of December 31, 2018	76,528,527	3,011,312	79,539,839

Intangible assets with a finite useful lives are amortized on a straight-line basis during its useful life, beginning at the moment when these are ready to be used. Those intangible assets with indefinite useful lives are not amortized and are subject to the application of an impairment test at least once a year, in accordance with IAS 36.

During the year ended December 31, 2018, no intangible assets have been internally developed.

NOTE 14. PROPERTY, PLANT AND EQUIPMENT

14.1 Types of property, plant and equipment

Property, plant and equipment comprise owned and leased assets that do not meet the definition of investment property. The balances of assets owned and leased by the Company are detailed as follows:

Own and leased assets	Note	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Property, plant and equipment, net	14.1.1	412,693,885	391,263,749
Right-of-use assets, net	14.1.2	9,777,579	-
Total own and leased assets, net		422,471,464	391,263,749

14.1.1 Property, plant and equipment, net

Description of classes of property, plant and equipment	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Property, plant and equipment, net	412,693,885	391,263,749
Work-in-progress	20,414,865	16,891,112
Land	132,356,739	127,649,207
Buildings	30,466,583	30,317,568
Plant and equipment	44,821,497	42,109,318
IT equipment	1,631,953	1,312,619
Fixtures and fittings	84,533,013	80,352,147
Motor vehicles	2,027,229	2,334,369
Improvements to leased assets	1,466,911	556,274
Other property, plant and equipment	4,517,232	4,557,703
Plantations	90,457,863	85,183,432
Property, plant and equipment, gross	725,776,296	679,555,227
Work-in-progress	20,414,865	16,891,112
Land	132,356,739	127,649,207
Buildings	62,446,358	60,223,235
Plant and equipment	136,101,849	125,928,265
IT equipment	6,020,924	5,175,377
Fixtures and fittings	210,250,364	196,477,482
Vehicles	5,724,049	6,504,036
Improvements to leased assets	2,018,279	967,348
Other property, plant and equipment	13,026,384	12,075,985
Plantations	137,416,485	127,663,180
Accumulated depreciation, property, plant and equipment, total	(313,082,411)	(288,291,478)
Buildings	(31,979,775)	(29,905,667)
Plant and equipment	(91,280,352)	(83,818,947)
IT equipment	(4,388,971)	(3,862,758)
Fixtures and fittings	(125,717,351)	(116,125,335)
Vehicles	(3,696,820)	(4,169,667)
Improvements to leased assets	(551,368)	(411,074)
Other property, plant and equipment	(8,509,152)	(7,518,282)
Plantations	(46,958,622)	(42,479,748)

Changes in Property, Plant and equipment for the periods ended as of December 31, 2019 and 2018 are as follows:

Items- reconciliation of changes in property, plant and equipment, by class	Assets under construction	Land	Buildings, net	Property and equipment, net	IT equipment, net	Fixtures and fittings, net	Motor vehicles, net	Improvements to leases assets, net	Other property, plant and equipment, net	Plantations, net	Property, plant and equipment, net
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of January 1, 2019	16,891,112	127,649,207	30,317,568	42,109,318	1,312,619	80,352,147	2,334,369	556,274	4,557,703	85,183,432	391,263,749
Right-of-use reclassification under IFRS 16				(474,866)							(474,866)
Restated opening balance as of January 1, 2019	16,891,112	127,649,207	30,317,568	41,634,452	1,312,619	80,352,147	2,334,369	556,274	4,557,703	85,183,432	390,788,883
Changes:											-
Additions	18,251,458	3,601,669	106,245	5,947,986	659,409	7,114,517	669,599	-	134,938	8,111,555	44,597,376
4% credit on PP&E	-	-	(2,018)	(7,202)	(2,833)	(15,419)	-	-	(2,950)	-	(30,422)
Disposals	-	(125,562)	(13,086)	(79,373)	(3,586)	(46,668)	(11,565)	(5,177)	(35,375)	-	(320,392)
Reclassification of assets for work completion	(15,005,849)	(90,180)	1,257,560	3,870,953	295,998	7,324,766	22,837	985,192	334,264	1,004,459	-
Write-offs	-	-	(23,797)	(12,977)	(5,966)	(101,778)	(14,426)	-	(32)	(218,008)	(376,984)
Depreciation	-	-	(2,099,652)	(7,342,548)	(644,899)	(11,213,368)	(569,079)	(112,590)	(758,213)	(4,661,202)	(27,401,551)
Increase (decrease) in foreign currency exchange (*)	296,499	1,321,605	923,839	#REF!	21,093	1,120,457	(404,506)	43,212	286,897	1,036,460	5,455,762
Other increases (decreases)	(18,355)	-	(76)	-	118	(1,641)	-	-	-	1,167	(18,787)
Total changes	3,523,753	4,707,532	149,015	#REF!	319,334	4,180,866	(307,140)	910,637	(40,471)	5,274,431	21,905,002
Closing balance as of December 31, 2019	20,414,865	132,356,739	30,466,583	#REF!	1,631,953	84,533,013	2,027,229	1,466,911	4,517,232	90,457,863	412,693,885

During the year ended December 31, 2019, no acquisition of property, plant and equipment through business combinations have been performed.

Items- reconciliation of changes in property, plant and equipment, by class	Assets under construction	Land	Buildings, net	Property and equipment, net	IT equipment, net	Fixtures and fittings, net	Motor vehicles, net	Improvements to leases assets, net	Other property, plant and equipment, net	Plantations, net	Property, plant and equipment, net
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Opening balance as of January 1, 2018	31,308,736	123,638,387	30,347,543	37,975,042	1,046,806	70,274,575	2,317,136	542,792	3,843,732	80,442,199	381,736,948
Changes:	-	-	-	-	-	-	-	-	-	-	-
Additions	8,019,423	1,538,897	76,460	3,899,442	666,160	5,624,973	577,496	-	216,604	8,419,314	29,038,769
4% credit on PP&E	-	-	-	(7,329)	(963)	(13,429)	(2,628)	-	(1,167)	-	(25,516)
Disposals	-	(5,657)	(40,678)	(41,930)	(2,227)	(28,865)	(4,456)	(1,635)	(23,317)	-	(148,765)
Reclassification of assets for work completion	(22,029,462)	441,420	83,868	6,832,136	31,115	14,386,898	31,502	-	477,583	(255,060)	-
Write-offs	(37,412)	-	(1,689)	(18,714)	(2,150)	(207,949)	(13,846)	-	(1,502)	(520,097)	(803,359)
Depreciation	-	-	(2,035,824)	(7,231,555)	(536,497)	(11,166,331)	(608,650)	(55,537)	(727,648)	(4,392,441)	(26,754,483)
Increase (decrease) in foreign currency exchange (*)	(310,050)	1,904,028	1,887,888	407,885	107,012	1,137,633	30,524	70,654	779,479	1,489,517	7,504,570
Other increases (decreases)	(60,123)	132,132	-	294,341	3,363	344,642	7,291	-	(6,061)	-	715,585
Total changes	(14,417,624)	4,010,820	(29,975)	4,134,276	265,813	10,077,572	17,233	13,482	713,971	4,741,233	9,526,801
Closing balance as of December 31, 2018	16,891,112	127,649,207	30,317,568	42,109,318	1,312,619	80,352,147	2,334,369	556,274	4,557,703	85,183,432	391,263,749

(*): For currency exchange differences of financial statements of foreign subsidiaries

During the year ended December 31, 2018, no acquisition of property, plant and equipment through business combinations have been performed.

Depreciation for the years ended December 31, 2019 and 2018 recorded in profit or loss for the year and in assets is detailed as follows:

	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Recorded in profit or loss	24,490,503	24,911,943
Recorded in assets	2,911,048	1,842,540
Total	27,401,551	26,754,483

Depreciation of items of property, plant and equipment recorded in profit or loss for the amounted to ThCh$24,490,503 and ThCh$24,911,943 as of December 31, 2019 and 2018, respectively.

Depreciation of items of property, plant and equipment recorded in Assets amounted to ThCh$2,911,048 and ThCh$1,842,540 as of December 31, 2019 and 2018, respectively.

14.1.2 Right-of-use assets, net

Right-of-use assets	Real state ThCh$	Buildings, net ThCh$	Plant and equipment ThCh$	Fixtures and fittings	Right-of-use assets, net ThCh$
Opening balance as of January 1, 2019	1,115,501	9,835,004	1,126,768	12,219	12,089,492
Changes:					
Depreciation	(163,651)	(1,862,713)	(276,570)	(8,978)	(2,311,912)
Total changes	(163,651)	(1,862,713)	(276,570)	(8,978)	(2,311,912)
Closing balance as of December 31, 2019	951,850	7,972,291	850,198	3,241	9,777,579

The Group leases assets including real state, vehicles and machinery, and equipment. Information about leases for which the Group is a lessee is presented below.

i. Lease of real state

The Group leases land and offices for its office space and retail stores. Offices are leased for an average lease term of five years, and land for an average lease term of twenty to twenty-five years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term.

There are no payments for variable leases.

ii. Other leases

The Group leases vehicles, machinery and equipment, with lease terms of three to five years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

The Group monitors the use of these vehicles, machinery and equipment, and reassesses the estimated amount payable under the residual value guarantees at the reporting date to remeasure lease liabilities and right-of-use assets.

iii. Sale-and-leaseback

The Group has not performed this type of transactions in the reporting period of these consolidated financial statements.

Lease income from lease contracts in which the Group acts as a lessor is as below.

Operating leases	Between January 1, and December 31, 2019 ThCh$
Lease income	90,249
Total operating lease income	90,249

The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

14.2 Additional information

a) Property, plant and equipment

The Company has not identified any indicators of impairment which represent a loss in value of property, plant and equipment, other than those already recorded and presented in these consolidated financial statements.

b) Commitments acquired and restrictions on acquisition of property, plant and equipment.

As of December 31, 2019, commitments acquired due to acquisitions of property, plant and equipment amounted to ThCh$9,751,762, net (ThCh$5,818,599 as of December 31, 2018).

The Company has no restriction on property, plant and equipment, other than those reported in Note 33 Guarantees committed with third-parties.

As of December 31, 2019 and 2018, the Company has restrictions on property, plant and equipment through its subsidiary Southern Brewing Company S.A., which are detailed as follows:

- Prohibition to pledge, levy and dispose of the mortgaged property and its constructions in favor of Banco Security, in relation to lot C arising from the subdivision of the Estate La Venga de Orrego Arriba, and of 10 lt/sec of right of use underground water, both located in the Municipality of Casablanca, that were acquired by the Company via public deed dated January 27, 2015, formalized at the Notary Public of Mr, Eduardo Avello Concha, as well as the wells described in the mentioned deed, amounting to Ch$616,309,080.

- Prohibition to pledge, levy and dispose of the mortgaged property and its constructions in favor of Banco Security, in relation to plots 1, 4 and 5 arising from the subdivision of the agricultural land Encierro Los Quillayes del Fundo El Mauco o Hijuela Segunda de la Hacienda Curacaví, Province of Melipilla, according to plan registered at the Registry of Documents of 2015 under No.116, which were acquired by the Company from Inmobiliaria e Inversiones el Porvenir Limitada, via public deed, formalized at the Notary Public of Santiago of Mr. Patricio Raby Benavente in the amount of Ch$200,000,000; such deed is the process of closing and registration.

c) Grapevines pledged as guarantee.

Grapevines of Viña Concha y Toro S.A. and subsidiaries, either in production or formation stage are not subject to any kind of restrictions, nor have been constituted as guarantees of financial liabilities.

d) Government Grants

The company in Chile applies to government grants related to the agricultural activity in conformity with Law 18.450 to foster watering and drain.

These grants require certain conditions on its application. The company complies with these in order to obtain its benefits. Grants are issued one time only and are assigned to a specific watering project. During the period ended as of December 31, 2019, government grants received amounted to ThCh$45,136 (ThCh$150,555 as of December 31, 2018).

14.3 Costs of capitalized interests

Rates and costs for capitalized interests are detailed as follows:

Viña Concha y Toro S.A.

	As of December 31, 2019	As of December 31, 2018
Cost capitalization rate for capitalized interest, property, plant and equipment	4.85%	4.55%
Amount of costs for capitalized interest, property, plant and equipment, (In ThCh$)	1,135,614	957,921
Total in ThCh$	1,135,614	957,921

Trivento Bodegas y Viñedos S. A.

	As of December 31, 2019	As of December 31, 2018
Cost capitalization rate for capitalized interest, property, plant and equipment	7.88%	10.15%
Amount of costs for capitalized interest, property, plant and equipment, (In ThCh$)	69,479	71,817
Total in ThCh$	69,479	71,817

14.4 Distribution of hectares

As of December 31, 2019:

	Vineyards in Production	Vineyards in development	Total Planted Vineyards	Land Rotation	Fruit trees	Total Agicultural Area
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						
Fetzer	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

As of December 31, 2018:

	Vineyards in Production	Vineyards in development	Total Planted Vineyards	Land Rotation	Fruit trees	Total Agicultural Area
Chile						
Limarí	998	233	1,231	163	-	1,394
Casablanca	367	20	387	-	-	387
Aconcagua	97	-	97	-	-	97
Leyda	130	-	130	-	-	130
Maipo	652	60	712	41	-	753
Cachapoal	1,280	279	1,559	45	-	1,604
Colchagua	2,009	220	2,229	70	-	2,299
Curicó	654	29	683	14	-	697
Maule	2,064	692	2,756	580	-	3,336
Bío - Bío	-	134	134	78	-	212
Total Chile	8,251	1,667	9,918	991	-	10,909
Argentina	-	-	-	-	-	-
Mendoza	1,093	151	1,244	195	-	1,439
Total Argentina	1,093	151	1,244	195	-	1,439
USA	-	-	-	-	-	-
Fetzer	375	87	462	1	3	466
Total USA	375	87	462	1	3	466
Total Holding	9,719	1,905	11,624	1,187	3	12,814

The total vineyards planted include certain long-term operating leases that the Company has in the valleys of Casablanca, Maipo, and Colchagua (please refer to Note 23).

Company's total land not usable for plantations such as hills, roads, etc., are not included in the total agricultural area.

NOTE 15. NON-CURRENT ASSETS HELD FOR SALE

As of December 31, 2019 and 2018, non-current assets held for sale are detailed as follows:

Non current assets held for sale	As of December 31, 2019 Current ThCh$	As of December 31, 2018 Current ThCh$
Plant and equipment	-	31,092
Total	-	31,092

NOTE 16. BIOLOGICAL ASSETS

Detail of groups of Current Biological Assets

Biological Assets maintained by Viña Concha y Toro S.A. and subsidiaries correspond to agricultural products – grapes.

Reconciliation of changes in Biological Assets:

Reconciliation of changes in Biological Assets	Current ThCh$
Biological Assets, opening balance as of January 1, 2019	20,782,597
Increases other than those from business combinations, biological assets	35,612,673
Increases (decreases) for exchange differences (net), biological assets	221,207
Other increases (decreases) net	(22,114)
Decreases due to harvests or collection, biological asset	(33,532,856)
Total Biological Assets as of December 31, 2019	23,061,507

Reconciliation of changes in Biological Assets	Current ThCh$
Biological Assets, opening balance as of January 1, 2018	18,949,252
Increases other than those from business combinations, biological assets	37,241,084
Increases (decreases) for exchange differences (net), biological assets	381,002
Other increases (decreases) net	9,115
Decreases due to harvests or collection, biological asset	(35,797,856)
Total Biological Assets as of December 31, 2018	20,782,597

As of December 31, 2019 and 2018, the company has not identified any impairment of biological assets.

As of December 31, 2019 and 2018, there are no biological assets restricted or pledged to secure any debt.

NOTE 17. OTHER NON-FINANCIAL ASSETS

As of December 31, 2019 and 2018, the detail of other non-financial assets is as follows:

Non-financial assets	As of December 31, 2019		As of December 31, 2018	
	Current ThCh$	Non-current ThCh$	Current ThCh$	Non-current ThCh$
Other prepaid expenses	1,671,670	2,132,931	1,800,685	1,407,898
Prepaid insurance	1,565,391	-	1,905,474	-
Prepaid advertising	2,670,879	-	1,895,974	-
Prepaid leases	2,272,033	283,611	342,506	356,411
Other	742,439	186,703	323,799	-
Total	8,922,412	2,603,245	6,268,438	1,764,309

NOTE 18. FINANCIAL INSTRUMENTS

18.1 Category of Financial Instruments by nature

a) As of December 31, 2019, fair values, based on categories of financial instruments, compared against the current and non-current carrying amount included in the consolidated statement of financial position are presented as follows:

As of December 31, 2019					
			At amortized cost		At fair value
Classification	Group	Type	Carrying amount ThCh$	Informational fair value ThCh$	ThCh$
Financial assets	Cash and cash equivalents	Balance in banks	30,086,532	30,086,532	-
		Mutual funds	40,000,000	40,000,000	-
		Short term deposits	1,950,605	1,950,605	-
	Trade receivables and other accounts receivable	Current	211,128,612	211,128,612	-
		Non-current	751,453	751,453	-
Other financial assets	Accounts receivable due from related parties	Current	3,358,743	3,358,743	-
		Non-current	-	-	-
	Financial assets at fair value through profit or loss	Current shares	-	-	2,498,020
	Hedge assets	Current derivatives	-	-	6,771,872
		Non-current derivatives	-	-	16,307,966
Financial liabilities	Bank borrowings	Current	117,939,108	118,292,472	-
		Non-current	18,206,267	18,353,794	-
	Bonds payable and promissory notes	Current	11,458,837	11,507,589	-
		Non-current	201,215,780	209,163,899	-
	Finance lease	Current	1,609,083	1,538,570	-
		Non-current	8,322,891	7,783,053	-
	Financial liabilities at fair value through profit or loss	Current derivatives	-	-	42,147
	Hedging liabilities	Current derivatives	-	-	16,490,064
		Non-current derivatives	-	-	16,290,480
Other financial liabilities	Trade and other payables	Current trading creditors	68,861,851	68,861,851	-
		Other current accounts payable	54,502,809	54,502,809	-
	Accounts payable due to related parties	Current	6,853,552	6,853,552	-
		Non-current	240,380	240,380	-

b) As of December 31, 2018, fair values, based on categories of financial instruments, compared against the current and non-current carrying amount included in the consolidated statement of financial position are presented as follows:

As of December 31, 2018					
			At amortized cost		At fair value
Classification	Entel	Type	Carrying amount ThCh$	Informational fair value ThCh$	ThCh$
Financial assets	Cash and cash equivalents	Cash in banks	32,984,904	32,984,904	-
		Mutual funds	4,501,433	4,501,433	-
		Short term deposits	-	-	-
	Trade receivables and other accounts receivable	Current	190,675,390	190,675,390	-
		Non-current	693,696	693,696	-
Other financial assets	Accounts receivable due from related parties	Current	2,581,328	2,581,328	-
		Non-current	-	-	-
	Financial assets at fair value through profit or loss	Current shares	-	-	2,532,635
		Non-current shares	-	-	-
		Current derivatives	-	-	169,768
		Non-current derivatives	-	-	-
	Hedge assets	Current derivatives	-	-	5,572,951
		Non-current derivatives	-	-	25,741,638
	Other financial assets	Current	-	-	-
		Non-current	-	-	-
Financial liabilities	Bank loans	Current	109,718,013	109,836,614	-
		Non-current	28,337,933	28,395,199	-
	Obligations with the public	Current	10,579,486	10,617,014	-
		Non-current	145,402,027	152,962,111	-
	Finance lease	Current	80,420	101,633	-
		Non-current	393,106	413,643	-
	Financial liabilities at fair value through profit or loss	Current derivatives	-	-	948,145
		Non-current derivatives	-	-	-
	Hedge liabilities	Current derivatives	-	-	7,823,630
		Non-current derivatives	-	-	15,461,024
Other financial liabilities	Trade and other payables	Current trading creditors	77,866,660	77,866,660	-
		Other current accounts payable	46,466,821	46,466,821	-
		Non-current trading creditors	-	-	-
	Accounts payable due to related parties	Current	5,777,642	5,777,642	-
		Non-current	300,937	300,937	-

18.2 Derivative instruments

In accordance with the risk management policy, Viña Concha y Toro contracts exchange rate derivatives and interest rate derivatives, which are classified as follows:

- Fair value hedges
- Cash flow hedges
- Net investment hedges
- Derivatives - Not designated as hedges (derivatives that do not classify under hedge accounting)

a) Assets and liabilities from hedging derivative instruments

Financial derivative transactions qualified as hedge instruments were recognized in the Consolidated Statement of Financial Position under Assets and Liabilities as follows:

Assets and liabilities from hedging derivative instruments	Instrument	As of December 31, 2019				As of December 31, 2018			
		Assets		Deferred		Assets		Liability	
		Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Exchange rate hedges:		6,771,872	16,307,966	16,490,064	16,290,480	5,572,951	25,741,638	7,823,630	15,461,024
Cash flow hedges	Swap	1,206,768	10,492,112	3,961,676	- 1,888,802	3,227,848	15,066,111	1,843,804	9,577,264
Net investment hedges	Swap	-	-	-	1,867,959	55,695	-	-	837,460
Fair value hedge	Forward	904,310	-	2,301,806	-	222,382	-	1,398,590	-
Cash flow hedges	Forward	3,485,896	5,551,839	4,118,323	16,279,323	1,910,901	10,675,527	1,430,437	4,351,070
Net investment hedges	Forward	1,174,898	264,015	6,108,259	32,000	156,125	-	3,150,799	695,230
Total		6,771,872	16,307,966	16,490,064	16,290,480	5,572,951	25,741,638	7,823,630	15,461,024

b) Assets and Liabilities for derivative instruments at fair value through profit or loss (non-hedging)

Derivative transactions which are recorded at fair value through profit or loss were recognized in the Statement of Financial Position under Assets and Liabilities as follows:

Assets and liabilities for derivative instruments at fair value with change in Instrument income	Instrument	As of December 31, 2019				As of December 31, 2018			
		Asset		Liability		Asset		Liability	
		Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Non-hedging derivative instruments		-	-	42,147	-	169,768	-	948,145	-
Derivative instruments	Forward	-	-	42,147	-	169,768	-	948,145	-
Total		-	-	42,147	-	169,768	-	948,145	-

c) Other information on instruments

As of December 31, 2019 and 2018, financial derivatives engaged by the Group, their fair values and maturities of contractual amounts is detailed as follows:

As of December 31, 2019								
		Fair value	Contractual values					
Detail per maturity	Instrument		2020	2021	2022	Subsequent	Total
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Exchange rate hedges:		(9,700,706)	256,872,255	131,553,350	120,679,786	228,128,743	737,234,134
Cash flow hedges	Swap	9,626,006	16,266,166	15,166,481	21,339,308	133,190,100	185,962,055
Net investment hedges	Swap	(1,867,957)	-	-	-	7,799,303	7,799,303
Fair value hedge	Forward	(1,397,496)	89,949,344	100,682,538	99,340,478	87,139,340	377,111,700
Cash flow hedges	Forward	(11,359,913)	2,359,601	-	-	-	2,359,601
Net investment hedges	Forward	(4,701,346)	148,297,144	15,704,331	-	-	164,001,475
Non-hedge derivatives		(42,147)	91,026,716	-	-	-	91,026,716
Non-hedge derivatives		(42,147)	91,026,716	-	-	-	91,026,716
Total		(9,742,853)	347,898,971	131,553,350	120,679,786	228,128,743	828,260,850

As of December 31, 2018							
		Fair value	Contractual values				
Detail per maturity	Instrument		2019	2020	2021	Subsequent	Total
		ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
Exchange rate hedges:		8,029,935	261,501,681	77,090,530	83,398,097	234,134,625	656,124,933
Cash flow hedges	Swap	6,872,891	26,060,139	12,719,285	10,692,449	87,696,085	137,167,958
Net investment hedges	Swap	(781,765)	12,871,167	-	-	7,237,121	20,108,288
Fair value hedge	Forward	(1,176,208)	76,596,806	-	-	-	76,596,806
Cash flow hedges	Forward	6,804,920	43,799,849	58,149,745	72,705,648	139,201,419	313,856,661
Net investment hedges	Forward	(3,689,904)	102,173,720	6,221,500	-	-	108,395,220
Non-hedge derivatives		(778,377)	8,522,980	-	-	-	8,522,980
Non-hedge derivatives		(778,377)	8,522,980	-	-	-	8,522,980

d) Cash flow transfer

As of December 31, 2019 and 2018, cash flows transfers are detailed as follows:

Cash flow hedges	Changes between January 1, 2019 and and December 31, 2019			Changes between January 1, 2018 and and December 31, 2018		
	Forward in ThCh$	Swap in ThCh$	Total in ThCh$	Forward in ThCh$	Swap in ThCh$	Total in ThCh$
Opening balance	6,804,920	6,872,891	13,677,811	16,827,057	6,211,555	23,038,612
Goodwill/negative godwill of existing contracts, opening balance	(8,761,745)	1,304,917	(7,456,828)	(4,348,568)	1,707,796	(2,640,772)
Valuation of new contracts	(615,946)	(3,366,523)	(3,982,469)	(4,522,392)	(1,420,119)	(5,942,511)
Transfer to profit or loss during the period	(8,787,139)	4,814,718	(3,972,421)	(1,151,177)	373,659	(777,518)
Closing balance	(11,359,910)	9,626,003	(1,733,907)	6,804,920	6,872,891	13,677,811

18.3 Fair value hierarchy

Fair value hierarchy for financial instruments recorded at fair value in the consolidated statement of financial position is detailed as follows (See Note 2.6.8).

As of December 31, 2019				
Financial instruments measured at fair value	ThCh$	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets				
Fair value hedge derivatives	904,310	-	904,310	-
Cash flow hedge derivatives	20,736,615	-	20,736,616	-
Net investment hedge derivatives	1,438,913	-	1,438,913	-
Financial assets at fair value through profit or loss	2,498,020	2,268,471	-	229,549
Total financial assets	25,577,858	2,268,471	23,079,839	229,549
Financial liabilities				
Fair value hedge derivatives	2,301,806	-	2,301,806	-
Cash flow hedge derivatives	22,470,520	-	22,470,520	-
Net investment hedge derivatives	8,008,218	-	8,008,218	-
Derivatives not designated as hedge accounting	42,147	-	42,147	-
Total financial liabilities	32,822,691	-	32,822,691	-

As of December 31, 2018				
Financial instruments measured at fair value	ThCh$	Level 1 ThCh$	Level 2 ThCh$	Level 3 ThCh$
Financial assets				
Fair value hedge derivatives	222,382	-	222,382	-
Cash flow hedge derivatives	30,880,387	-	30,880,387	-
Net investment hedge derivatives	211,820	-	211,820	-
Derivatives not designated as hedge accounting	169,768	-	169,768	-
Financial assets at fair value through profit or loss	2,532,635	2,303,085	-	229,550
Total financial assets	34,016,992	2,303,085	31,484,357	229,550
Financial liabilities	-	-	-	-
Fair value hedge derivatives	1,398,590	-	1,398,590	-
Cash flow hedge derivatives	17,202,575	-	17,202,575	-
Net investment hedge derivatives	4,683,489	-	4,683,489	-
Derivatives not designated as hedge accounting	948,145	-	948,145	-
Total financial liabilities	24,232,799	-	24,232,799	-

NOTE 19. OTHER FINANCIAL LIABILITIES

As of December 31, 2019 and 2018, this caption is as follows:

Not guaranteed	Current		Non-current	
	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Loans from financial institutions	117,939,110	109,718,013	18,206,268	28,337,933
Bonds payable and promisory notes (***)	11,458,835	10,579,486	201,215,778	145,402,027
Leases (****)	1,609,083	80,420	8,322,891	393,106
Hedge derivatives (*)	16,490,064	7,823,630	16,290,480	15,461,024
Non-hedge derivatives (**)	42,147	948,145	-	-
Total	147,539,239	129,149,694	244,035,418	189,594,090

(*) See note 18.2 a)

(**) See note 18.2 b)

(***) See note 20

(****) See note 14.1.2

a) Loans from financial entities (non-derivatives), current as of December 31, 2019.

Debtor Taxpayer ID	Debtor	Debtor country	Tax ID No. of creditor entity	Creditor name	Creditor country	Currency or adjustment index	Type of amortization	Effective rate	Nominal rate	Maturity: Up to 90 days	Maturity: More than 90 days to 1 year	Total
										ThCh$	ThCh$	ThCh$
99.527.300-4	Southern Brewing Company S..	Chile	97.004.000-5	Banco de Chile	Chile	Chilean peso	At maturity	1.59%	0.32%	359,790	651,174	1,010,964
99.527.300-4	Southern Brewing Company S..	Chile	97.030.000-7	Banco del Estado de Chile	Chile	Chilean peso	At maturity	0.32%	0.32%	211,349	1,004,324	1,215,673
99.527.300-4	Southern Brewing Company S..	Chile	97.080.000-K	BANCO BICE	Chile	Chilean peso	At maturity	0.29%	0.29%	806,462	-	806,462
99.527.300-4	Southern Brewing Company S..	Chile	97.053.000-2	Banco Security S.A.	Chile	Chilean peso	At maturity	0.34%	0.34%	271,130	-	271,130
99.527.300-4	Southern Brewing Company S..	Chile	97.053.000-2	Banco Security S.A.	Chile	Chilean peso	Monthly	7.32%	7.32%	6,229	19,352	25,581
99.527.300-4	Southern Brewing Company S..	Chile	97.053.000-2	Banco Security S.A.	Chile	UF	Monthly	4.65%	4.65%	14,268	42,805	57,073
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.030.000-7	Banco del Estado de Chile	Chile	US dollar	At maturity	2.81%	2.81%	104,753	5,540,676	5,645,429
86.326.300-K	Viña Cono Sur S.A.	Chile	97.018.000-1	Scotiabank Chile	Chile	US dollar	At maturity	3.06%	3.06%	3,066,240	-	3,066,240
86.326.300-K	Viña Cono Sur S.A.	Chile	97.018.000-1	Scotiabank Chile	Chile	Chilean peso	At maturity	3.48%	3.48%	3,946,027	10,000,000	13,946,027
0-E	Trivento B. y Viñedos S. A.	Argentina	0-E	Banco Credicoop	Argentina	US dollar	At maturity	3.40%	3.40%	975,490	2,304,040	3,279,530
0-E	Trivento B. y Viñedos S. A.	Argentina	0-E	Banco San Juan	Argentina	Argentine peso	Quarterly	17.00%	17.00%	27,193	88,454	115,647
0-E	Trivento B. y Viñedos S. A.	Argentina	97.030.000-7	Banco del Estado de Chile	Argentina	US dollar	At maturity	2.92%	2.92%	-	3,802,609	3,802,609
0-E	Trivento B. y Viñedos S. A.	Argentina	97.951.000-4	HSBC Banck Chile	Argentina	US dollar	At maturity	2.45%	2.45%	-	19,975	19,975
0-E	VCT & DG México S.A.	Mexico	0-E	Banco Banamex	Mexico	Mexican peso	At maturity	10.41%	9.46%	3,363,837	-	3,363,837
0-E	VCT & DG México S.A.	Mexico	0-E	Scotiabank Mexico	Mexico	Mexican peso	At maturity	10.41%	9.46%	1,273,643	-	1,273,643
0-E	VCT Brasil Imp. Y Export. Ltda.	Brazil	0-E	Banco Citibank Brasil	Brazil	Brazilian Real	At maturity	10.12%	6.02%	942,139	-	942,139
0-E	VCT Brasil Imp. Y Export. Ltda.	Brazil	0-E	Banco Itaú Brasil	Brazil	Brazilian Real	At maturity	7.41%	7.41%	3,730,200	78,588	3,808,788
0-E	VCT USA, Inc.	USA	0-E	Banco del Estado de Chile, New York Branch	USA	US dollar	At maturity	3.12%	3.12%	41,676,367	29,026,730	70,703,097
0-E	VCT USA, Inc.	USA	97.018.000-1	Scotiabank Chile	USA	US dollar	At maturity	2.67%	2.67%	-	4,585,266	4,585,266
				Balances to date						60,775,117.29	57,163,993.00	117,939,110

b) Loans from financial entities (non-derivatives), non-current as of December 31, 2019.

Debtor taxpayer ID	Name of debtor	Debtor country	Creditor Taxpayer ID	Creditor name	Creditor country	Currency or adjustment unit	Repayment	Effective rate	Nominal rate	Maturity: 1 to 2 years	Maturity: 2 to 3 years	Maturity: 3 to 4 years	Maturity: 4 to 5 years	Maturity: More than 5 years	Total
										ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
99.527.300-4	Southern Brewing Company S.A.	Chile	97.053.000-2	Banco Security S.A.	Chile	Chilean peso	Monthly	7.32%	7.32%	27,570	29,688	31,967	1,428	-	90,653
99.527.300-4	Southern Brewing Company S.A.	Chile	97.053.000-2	Banco Security S.A.	Chile	UF	Monthly	4.65%	4.65%	75,238	76,890	76,890	76,890	160,187	466,095
0-E	Trivento B. y Viñedos S. A.	Argentina	0-E	Banco San Juan	Argentina	Argentine peso	Quarterly	17.00%	17.00%	54,130	-	-	-	-	54,130
0-E	Trivento B. y Viñedos S. A.	Argentina	97.951.000-4	HSBC Banck Chile	Argentina	US dollar	At maturity	2.45%	2.45%	2,620,590	-	-	-	-	2,620,590
0-E	VCT USA, Inc.	USA	97.018.000-1	Scotiabank Chile	United Stat	US dollar	At maturity	2.49%	2.49%	14,974,800	-	-	-	-	14,974,800
				Balances to date						17,752,328	106,578	108,857	78,318	160,187	18,206,268

c) Loans from financial entities (non-derivatives), current as of December 31, 2018.

Debtor Taxpayer ID	Name of debtor	Debtor country	Creditor Taxpayer ID	Creditor name	Creditor country	Currency or adjustment unit	Type of amortization	Effective rate	Nominal rate	Maturity: Up to 90 days	Maturity: More than 90 days to 1 year	Total
										ThCh$	ThCh$	ThCh$
99.527.300-4	Southern Brewing Compan	Chile	97.004.000-5	Banco de Chile	Chile	Chilean peso	At maturity	5.31%	5.31%	125,259	240,605	365,864
99.527.300-4	Southern Brewing Compan	Chile	97.030.000-7	Banco del Estado de Chile	Chile	Chilean peso	At maturity	4.88%	4.88%	285,278	899,571	1,184,849
99.527.300-4	Southern Brewing Compan	Chile	97.006.000-6	Banco de credito e inversiones	Chile	Chilean peso	At maturity	3.96%	3.96%	136,778	-	136,778
99.527.300-4	Southern Brewing Compan	Chile	97.053.000-2	Banco Security S.A.	Chile	Chilean peso	Monthly	5.99%	5.99%	5,814	17,965	23,779
99.527.300-4	Southern Brewing Compan	Chile	97.053.000-2	Banco Security S.A.	Chile	UF	Monthly	4.65%	4.65%	12,432	41,679	54,111
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.018.000-1	Scotiabank Chile	Chile	US dollar	At maturity	2.19%	2.19%	16,387,559	-	16,387,559
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.951.000-4	HSBC Banck Chile	Chile	US dollar	At maturity	1.90%	1.90%	7,098,774	-	7,098,774
86.326.300-K	Viña Cono Sur S.A.	Chile	97.004.000-5	Banco de Chile	Chile	Chilean peso	At maturity	3.17%	3.17%	3,688,387	-	3,688,387
86.326.300-K	Viña Cono Sur S.A.	Chile	97.030.000-7	Banco del Estado de Chile	Chile	US dollar	At maturity	2.91%	2.91%	2,841,755	-	2,841,755
86.326.300-K	Viña Cono Sur S.A.	Chile	97.032.000-0	Banco BBVA Chile	Chile	Chilean peso	At maturity	3.31%	3.31%	228,022	10,000,000	10,228,022
0-E	Fetzer Vineyards, Inc.	USA	97.030.000-7	Banco del Estado de Chile	USA	US dollar	Biannual	3.12%	3.12%	-	6,954,625	6,954,625
0-E	Trivento B. y Viñedos S. A.	Argentina	0-E	Banco Credicoop	Argentina	US dollar	Quarterly	2.75%	2.75%	3,706	3,473,850	3,477,556
0-E	Trivento B. y Viñedos S. A.	Argentina	0-E	Banco San Juan	Argentina	Argentine peso	Quarterly	17.00%	17.00%	38,657	121,825	160,482
0-E	Trivento B. y Viñedos S. A.	Argentina	97.032.000-0	Banco BBVA Chile	Argentina	US dollar	At maturity	2.60%	2.60%	3,633,103	2,463,967	6,097,070
0-E	Trivento B. y Viñedos S. A.	Argentina	97.080.000-K	BANCO BICE	Argentina	US dollar	At maturity	2.15%	2.15%	1,049,828	-	1,049,828
0-E	VCT & DG México S.A.	Mexico	0-E	Banco Banamex	Mexico	Mexican peso	At maturity	9.75%	10.50%	2,647,500	-	2,647,500
0-E	VCT Brasil Imp. Y Export. Lt	Brazil	0-E	Banco Citibank Brasil	Brazil	Brazilian Real	At maturity	10.12%	10.12%	-	913,853	913,853
0-E	VCT Brasil Imp. Y Export. Lt	Brazil	0-E	Banco Itaú Brasil	Brazil	Brazilian Real	At maturity	13.89%	11.00%	-	3,702,809	3,702,809
0-E	VCT USA, Inc.	USA	0-E	Banco del Estado de Chile, New York Branch	USA	US dollar	At maturity	2.68%	3.10%	25,074,502	4,168,620	29,243,122
0-E	VCT USA, Inc.	USA	0-E	Banco BCI Miami	USA	US dollar	At maturity	2.89%	2.89%	86,967	13,374,323	13,461,290
				Balances to date						63,344,321	46,373,692	109,718,013

d) Loans from financial entities (non-derivatives), non-current as of December 31, 2018.

Debtor Taxpayer ID	Name of debtor	Debtor country	Creditor Taxpayer ID	Creditor name	Creditor country	Currency or inflation-adjusted unit	Type of amortization	Effective rate	Nominal rate	Maturity: 1 to 2 years	Maturity: 2 to 3 years	Maturity: 3 to 4 years	Maturity: 4 to 5 years	Maturity: More than 5 years	Total
										ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
99.527.300-4	Southern Brewing Compan	Chile	97.053.000-2	Banco Security S.A.	Chile	Chilean peso	Monthly	7.32%	7.32%	25,582	27,570	29,688	31,967	1,428	116,235
99.527.300-4	Southern Brewing Compan	Chile	97.053.000-2	Banco Security S.A.	Chile	UF	Upon maturity	3.88%	3.88%	192,411	-	-	-	-	192,411
99.527.300-4	Southern Brewing Compan	Chile	97.053.000-2	Banco Security S.A.	Chile	UF	Monthly	4.27%	4.27%	55,572	73,261	74,868	74,869	230,846	509,416
0-E	Trivento B. y Viñedos S. A.	Argentina	0-E	Banco San Juan	Argentina	Argentine peso	Quarterly	17.00%	17.00%	155,052	95,096	-	-	-	250,148
0-E	VCT USA, Inc.	USA	0-E	Banco del Estado de Chile, New Yo	USA	US dollar	Upon maturity	2.52%	3.37%	27,269,723	-	-	-	-	27,269,723
				Balances to date						27,698,340	195,927	104,556	106,836	232,274	28,337,933

e) Leases

i. Lease liabilities included in the consolidated statement of financial position

Lease liabilities	As of December 31, 2019 ThCh$
Current	1,609,083
Non-current	8,322,891
Total lease liabilities	9,931,974

Lease liabilities mainly correspond to leases of agricultural land used to grow wine grapes. These lease contracts do not have embedded derivatives as they do not meet the criteria described in Note 2.6.7 Embedded derivatives.

ii. Maturities of leases through undiscounted cash flows are detailed as follows:

Maturity analysis - undiscounted contractual cash flows	As of December 31, 2019 ThCh$
Less than one year	16,221
Between one and five years	3,099,946
Over five years	7,803,969
Total undiscounted lease liabilities	10,920,136

iii. Lease expense is as follows:

Lease expense	Between January 1, and December 31, 2019 ThCh$
Interest expenses on lease liabilities	338,271
Expenses related to leases less than 12 months	579,072
Expenses related to leases of low value assets, excluding leases of less than 12 months	12,184
Total lease expenses	929,527

NOTE 20. BONDS PAYABLE AND PROMISSORY NOTES

- On November 14, 2012 the Company performed a bond placement for a total of UF 1,500,000 corresponding to the F series issued by Viña Concha y Toro SA with charge to the line of bonds registered in the Securities Register of the CMF (formerly, the SVS) under number 574 dated March 23, 2009.

  The bond placement indicated above was performed as per the following detail:

  - UF 1,500,000 placed with charge to F Series, at a term of 6 years amortizable on a semi-annual basis with three-year grace period. The placement effective rate is UF + 3.63%

- On September 11, 2014, the Company performed a bond placement for a total of UF 2,000,000 corresponding to the J and K series issued by Viña Concha y Toro SA with charge to the line of bonds registered in the Securities Register of the CMF (formerly, the SVS) under number 575 dated March 23, 2009.

  The bond placement indicated above was performed as per the following detail:

  - UF 1,000,000 placed with charge to J Series, at a term of 6 years amortizable on a semi-annual basis with 3-year grace period. The placement effective rate is UF + 2.18%, and
  - UF 1,000,000 placed with charge to K Series, at a term of 24 years amortizable on a semi-annual basis with 10-year grace period. The placement effective rate is UF + 3.49%

- On November 3, 2016, the Company performed a bond placement for a total of UF 2,000,000 corresponding to the N series issued by the Viña Concha y Toro SA with charge to the line of bonds registered in the Securities Register of the CMF under number 841 dated October 12, 2016.

  The bond placement indicated above was performed as per the following detail:

  - UF 2,000,000 placed with charge to N Series, at a term of 25 years amortizable on a semi-annual basis with 20-year grace period. The placement effective rate is UF + 2.69%

- On January 10, 2018, the Company performed a bond placement for a total of UF 2,000,000 corresponding to the Q series issued by the Viña Concha y Toro SA with charge to the line of bonds registered in the Securities Register of the CMF under number 876 dated December 19, 2017.

  The bond placement indicated above was performed as per the following detail:

  - UF 2,000,000 placed with charge to Q Series, at a term of 20 years amortizable on a semi-annual basis with 15-year grace period. The placement effective rate is UF + 2.92%

- On August 6, 2019, Viña Concha y Toro S.A. placed all of its T Series bonds issued with charge to the line of bonds at 30 years, registered in the Securities Register of the CMF under number 931 dated March 20, 2019, for a total amount of UF2,000,000 (two million unidades de fomento) at an annual placement rate of 1.35%.

  T Series bonds mature on July 22, 2044, and will accrue a fixed annual face rate of 1.80%, totally or partially redeemable.

Bonds payable and promissory notes are detailed as follows:

a) Bonds payable and promissory notes, current as of December 31, 2019

Debtor Taxpayer ID	Name of debtor	Debtor country	Creditor Taxpayer ID	Creditor name	Creditor country	Currency or inflation-adjusted unit	Type of amortization	Effective rate	Nominal rate	Maturity: Up to 90 days ThCh$	Maturity: More than 90 days to 1 year ThCh$	Total ThCh$
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	2.29%	2.50%	9,525,577	-	9,525,577
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	3.53%	3.30%	264,121	-	264,121
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.75%	2.40%	102,332	-	102,332
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.92%	3.00%	870,467	-	870,467
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	1.35%	1.80%	696,339	-	696,339
				Total						11,458,835	-	11,458,835

b) Bonds payable and promissory notes, non-current as of December 31, 2019

Debtor Taxpayer ID	Name of debtor	Debtor country	Creditor Taxpayer ID	Creditor name	Creditor country	Currency or inflation-adjusted unit	Type of amortization	Effective rate	Nominal rate	Maturity: 1 to 2 years ThCh$	Maturity: 2 to 3 years ThCh$	Maturity: 3 to 4 years ThCh$	Maturity: 4 to 5 years ThCh$	Maturity: More than 5 years ThCh$	Total ThCh$
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	3.53%	3.30%	-	-	-	-	27,947,722	27,947,722
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.75%	2.40%	-	-	-	-	54,532,094	54,532,094
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.92%	3.00%	-	-	-	-	57,510,283	57,510,283
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	1.35%	1.80%	-	-	-	-	61,225,680	61,225,680
				Total						-	-	-	-	201,215,779	201,215,779

c) Bonds payable and promissory notes, current as of December 31, 2018

Debtor Taxpayer ID	Debtor	Debtor country	Creditor Taxpayer ID	Creditor name	Creditor country	Currency or inflation-adjusted unit	Type of amortization	Effective rate	Nominal rate	Maturity: Up to 90 days ThCh$	Maturity: More than 90 days to 1 year ThCh$	Total ThCh$
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	2.29%	2.50%	9,378,466	-	9,378,466
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	3.53%	3.30%	255,416	-	255,416
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.75%	2.40%	95,298	-	95,298
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.92%	3.00%	850,307	-	850,307
				Total						10,579,486	-	10,579,486

c) Bonds payable and promissory notes, non-current as of December 31, 2018

Debtor Taxpayer ID	Debtor	Debtor country	Creditor Taxpayer ID	Creditor name	Creditor country	Currency or inflation-adjusted unit	Type of amortization	Effective rate	Nominal rate	Maturity 1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
										ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	2.29%	2.50%	9,199,922	-	-	-	-	9,199,922
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	3.53%	3.30%	-	-	-	-	27,166,314	27,166,314
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.75%	2.40%	-	-	-	-	52,948,751	52,948,751
90.227.000-0	Viña Concha y Toro S.A.	Chile	97.080.000-k	Banco de Bice	Chile	UF	Biannual	2.92%	3.00%	-	-	-	-	56,087,040	56,087,040
				Total						9,199,922	-	-	-	136,202,105	145,402,027

Bonds payable and promissory notes correspond to the issuance in Chile of Bonds in UF. These are presented valued at the principal value plus accrued interests at year-end.

e) Issuance Expenses and Placement of equity and debt securities

Issuance expenses net of amortization as of December 31, 2019 and 2018 amount to ThCh$1,756,878 and ThCh$1,319,265, respectively. In addition, as issuance expenses all disbursements due to reports of Risk Rating Agencies, legal and financial advisories, taxes, printing house and placement commissions are included. Such expenses are presented in the caption Other Non-Current Non-financial Assets (See Note 17).

As of December 31, 2019 and 2018, the amortization amounts to ThCh$106,237 and ThCh$107,504, respectively.

NOTE 21. TRADE AND OTHER PAYABLES

This caption comprises the following:

	Total current As of December 31, 2019 ThCh$	Total current As of December 31, 2018 ThCh$
Trade payables	68,861,851	77,866,660
Notes payable	-	65,459
Other payables	33,935,833	24,847,220
Dividends payable	10,639,027	9,568,334
Withholdings	9,927,949	11,985,808
Total	123,364,660	124,333,481

The caption Other payables is mainly comprised of debts corresponding to the personnel's social security and healthcare payments and debts due to marketing and advertising expenses.

As of December 31, 2019, suppliers with current payments by type of supplier and per payment terms are as follows:

Type of supplier	Amounts per payment terms						Total ThCh$	Average payment period (days)
	Up to 30 days	31-60	61-90	91-120	121-365	366 and thereafte		
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$		
Products	19,375,719	8,947,890	5,187,152	1,994,942	1,759,302	119,866	37,384,871	60
Services	15,357,011	1,114,499	564,941	445,474	80,516	17,829	17,580,270	39
Other	1,142,278	53,258	76,534	92,555	22,679	-	1,387,304	40
Total ThCh$	35,875,008	10,115,647	5,828,627	2,532,971	1,862,497	137,695	56,352,445	

As of December 31, 2019, suppliers with amounts past due by type of supplier and per payment terms are as follows:

Type of supplier	Amounts per past due days						Total ThCh$
	Up to 30 days	31-60	61-90	91-120	121-180	181 and thereafte	
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	
Products	1,059,127	515,840	1,064,657	486,206	1,808,019	359,308	5,293,157
Services	3,771,875	460,467	85,576	126,138	322,433	1,810,345	6,576,834
Other	199,485	58,397	134,891	8,679	133,732	104,231	639,415
Total ThCh$	5,030,487	1,034,704	1,285,124	621,023	2,264,184	2,273,884	12,509,406

As of December 31, 2018, suppliers with current payments by type of supplier and per payment terms are as follows:

Type of supplier	Amounts per payment terms						Total ThCh$	Average payment period (days)
	Up to 30 days	31-60	61-90	91-120	121-365	366 and thereafte		
	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$	ThCh$		
Products	16,609,206	2,123,988	1,004,511	2,173,360	3,832,314	81,174	25,824,553	59
Services	5,843,091	512,722	68,130	332,340	130,310	-	6,886,593	47
Other	1,211,324	75,555	93,594	58,140	13,971,897	-	15,410,510	86
Total ThCh$	23,663,621	2,712,265	1,166,235	2,563,840	17,934,521	81,174	48,121,656	

As of December 31, 2018, suppliers with amounts past due by type of supplier and per payment terms are as follows:

Type of supplier	Amounts per past due days						Total ThCh$
	Up to 30 days ThCh$	31-60 ThCh$	61-90 ThCh$	91-120 ThCh$	121-180 ThCh$	181 and thereafter ThCh$	
Products	4,732,488	8,048,051	247,074	757,968	1,718,073	1,577,728	17,081,382
Services	10,018,194	650,821	120,966	57,378	375,522	1,134,982	12,357,863
Other	120,633	26,688	12,314	16,931	6,467	122,726	305,759
Total ThCh$	14,871,315	8,725,560	380,354	832,277	2,100,062	2,835,436	29,745,004

As of December 31, 2019 and 2018, there are no non-compliance with payments to suppliers.

NOTE 22. INCOME TAX AND DEFERRED TAXES

a) The balances of deferred tax assets and liabilities are detailed as follows:

Description of deferred tax assets	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Depreciations	175,904	156,961
Lease liabilities	2,681,633	127,852
Amortizations	1,125,542	995,428
Inventory	608,095	1,092,060
Provisions	8,041,248	7,898,743
Employe benefit obligations	650,803	600,915
Non-financial tax benefit	3,408,080	2,749,769
Tax losses	4,131,504	3,859,046
Other	1,287,028	1,751,672
Deferred tax assets	22,109,837	19,232,446

Description of deferred tax liabilities	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Depreciations	24,406,303	23,144,812
Asset leases	3,116,545	128,214
Amortization	6,954,874	5,947,506
Capitalized tax expenses	19,006,896	15,701,078
Employe benefit obligations	5,453	5,453
Revaluation of property, plant and equipment	9,480,283	9,480,283
Revaluation of assets and liabilities for business combinations	1,278,203	1,305,549
Exchange difference of non-monetary items - Argentina (*)	7,066,124	6,537,237
Other	1,681,998	1,715,937
Deferred tax liabilities	72,996,679	63,966,069

(*)See description in Note 26.7 to these financial statements.

b) Information on taxes regarding entries charged to net Equity

The Company has recognized items with an effect on equity, which resulted in the deferred taxes detailed below.

Description of deferred tax liabilities (assets), recognized in equity	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Revaluation of land	9,480,283	9,480,283
Intangible assets	(874,655)	(874,655)
Exchange difference of non-monetary items - Argentina (*)	5,903,148	5,903,148
Employee obligations	5,453	5,453
Revaluation of marketable securities	(162,306)	(162,306)
Deferred taxes recognized in equity	14,351,923	14,351,923

(*) See Note 26.7 to these consolidated financial statements.

c) Changes in deferred taxes

Changes on items of "deferred taxes" of the consolidated statements of financial position as of December 31, 2019 and 2018, are detailed as follows:

Movements in deferred taxes	Assets ThCh$	Liabilities ThCh$
Balance as of January 1, 2018	16,352,110	53,373,158
Increase (decrease) in profit or loss	2,880,336	5,105,076
Increase (decrease) in equity	-	4,897,615
Increase (decrease) for business combination	-	89,001
Balance translation adjustments (profit or loss)	-	501,219
Balance as of December 31, 2018	19,232,446	63,966,069
Increase (decrease) in profit or loss	2,877,391	7,851,578
Increase (decrease) for business combination	-	(27,346)
Balance translation adjustments (profit or loss)	-	1,206,378
Balance as of December 31, 2019	22,109,837	72,996,679

d) Detail of income tax expense

1. The expense (income) for income tax, divided into deferred taxes and income tax, for 2019 and 2018, is as follows:

Description of current and deferred tax expenses (benefit)	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Current income tax expense		
Current tax expense	12,411,631	9,965,392
Adjustments to prior period current tax	(460,595)	(881,994)
Other current tax expenses	146,321	85,980
Total current income tax expense, net	12,097,357	9,169,378
Deferred tax expense (benefit) related to the creation and reversal of temporary differences	4,974,187	2,224,740
Total deferred tax expense (benefit), net	4,974,187	2,224,740
Income tax expense (benefit)	17,071,544	11,394,118

2. As of December 31, 2019 and 2018, the composition of income tax expense (income), based on its source (domestic or foreign) and type of tax, is as follows:

Description of tax expense (benefit) by foreign and domestic party	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Current tax expense by foreign and domestic parties, net		
Total current income tax expense, net foreign	5,157,548	3,442,382
Total current income tax expense, net domestic	6,939,809	5,726,996
Total current tax expense, net	12,097,357	9,169,378
Deferred income tax expense from domestic and foreign parties, net		
Deferred tax expense, foreign, net	(582,120)	2,134,266
Deferred tax expense, domestic, net	5,556,307	90,474
Total deferred tax expense, net	4,974,187	2,224,740
Income tax expense (benefit)	17,071,544	11,394,118

e) Reconciliation of income tax expense

1. Reconciliation of amounts which comprise the items that generate to variances in the income tax expense recorded in the Statement of Profit or Loss, beginning with the tax amount which results from applying the taxable rate to "Profit or loss before taxes".

Reconciliation of tax expense	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Tax expense using the legal rate	19,030,074	16,603,772
Tax effect of tax rates in other jurisdictions	482,495	(2,210,638)
Tax effect of non-taxable revenue	(3,448,635)	(2,926,203)
Tax effect of non-deductible expenses	2,090,985	242,107
Tax effect of increase in the tax rate in Argentina and USA %	9,178	-
Other increases (decreases) in the legal tax charge	(1,092,553)	(314,920)
Total adjustments to tax expense using the legal rate	(1,958,530)	(5,209,654)
Tax expense using the effective rate	17,071,544	11,394,118

2. Reconciliation of effective tax rate (%), which records the variances to the current rate (27% for 2019 and 27% for 2018).

Description	From January 1 As of December 31, 2019	From January 1 As of December 31, 2018
Tax expense using the legal rate	27.00%	27.00%
Tax effect of tax rates in other jurisdictions (%)	0.68%	-3.59%
Tax effect of non-taxable revenue (%)	-4.89%	-4.76%
Tax effect of non-deductible expenses (%)	2.97%	0.39%
Tax effect of increase in the tax rate in Argentina and USA %	0.01%	0.00%
Other increases (decreases) in legal tax charges (%)	-1.55%	0.00%
Total adjustments to tax expense using the legal rate (%)	-2.78%	-7.96%
Tax expense using the effective rate (%)	24.22%	19.04%

f) The detail of current tax assets is as follows:

Description	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Monthly provisional income tax payment and other recoverable ta:	20,581,372	23,516,373
Income tax credits	757,094	766,847
Total	21,338,466	24,283,220

g) The detail of current tax liabilities is as follows:

Description	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Income tax	14,768,888	11,122,244
Income tax liabilities	1,003,511	1,417,795
Other	3,893	525
Total	15,776,292	12,540,564

NOTE 23. EMPLOYEE BENEFITS

23.1 Employee benefits and expenses

Changes in classes of expenses by employee are detailed as follows:

Employee benefit and expenses	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Employee Benefits	111,528,455	107,725,309
Salaries and wages	78,320,777	75,209,386
Social security	6,692,915	6,060,198
Profit-sharing and bonuses, current	15,613,540	16,267,614
Other personnel expenses	7,479,665	6,448,147
Termination benefits	3,421,558	3,739,964

23.2 Provision for employee benefits, current

Description	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Employee profit sharing	10,803,806	10,496,655
Employee vacations	5,172,745	4,929,506
Other	289,263	790,606
Total	16,265,814	16,216,767

23.3 Provisions for employee benefits, non-current

A. General aspects:

Viña Concha y Toro S.A. and some of its subsidiaries located in Chile provide severance indemnity benefit plans and seniority bonuses to active employees, which are determined and recorded in the Consolidated Financial Statements following the criteria described in the note on accounting policies (see Note 2.17). These benefits mainly relate to:

Defined benefits:

Severance indemnity payments: The beneficiaries receive an amount equivalent to an established number of days per contractual years of service, at his/her retirement date and/or due to termination of services. In the case of dismissal due to a Company decision, beneficiaries receive the amount stipulated by law.

Seniority bonus: The amount of this benefit is determined for one-time only after 10 or 15 years of service of employees (depending of the contract), and thereafter every 5 years of service.

B. Openings, changes and presentation in financial statements:

Balances of provisions for employee benefits, non-current, are as follows:

Description	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Severance indemnity payments and seniority bonus	2,975,081	2,867,500
Total	2,975,081	2,867,500

Changes in obligations for employment termination for the years ended December 31, 2019 and 2018, are detailed as follows:

Employee benefits, non-current	ThCh$
Balance as of December 31, 2017	2,829,938
Cost of services, current period	496,566
Interest cost	61,193
Benefits paid	(520,197)
Balance as of December 31, 2018	2,867,500
Cost of services, current period	409,625
Interest cost	49,639
Benefits paid	(351,683)
Balance as of December 31, 2019	2,975,081

Composition per type of provision	As of December 31, 2019 ThCh$	Balance as of December 31, 2018 ThCh$
Provisions for severance indemnity payments	2,456,807	2,510,971
Provision for seniority bonus	518,274	356,529
Balance as of December 31, 2019	2,975,081	2,867,500

The Company's policy is to accrue a certain number of days per year with respect to severance indemnities and in case of dismissal, the employee perceives the indemnity stipulated by law as per the Chilean Labor Code (30 days per year with a limit of 11 years).

The main actuarial assumptions used for the calculation of non-current employee benefit obligations are detailed as follows:

Actuarial assumptions	As of December 31, 2019	As of December 31, 2018
Retirement rate	0.71%	0.71%
Mortality rate	RV-2014	RV-2014
Salary increase rate	1.61%	1.61%
Discount rate	1.71%	1.71%

The amounts recognized in the consolidated statements of profit or loss by function are as follows:

Expense recognized for employment termination benefits	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Cost of services, current period	409,625	496,566
Interest expense	49,639	61,193
Unaccrued benefits paid	2,629,283	3,566,423
Total expense recognized in the Consolidated Statement of Profit or Loss by Function	3,088,547	4,124,182

Sensitivity analysis

Discount rate sensitivity

As of December 31, 2019, the sensitivity of the value for post-employment benefits to variances in the discount rate of 1%, in the case of a rate increase, represents a decrease of ThCh$268,280 (ThCh$378,291 as of December 31, 2018), and in the case of a rate decrease, represents an increase of ThCh$332,026 (ThCh$472,604 as of December 31, 2018).

Salary increase rate sensitivity

As of December 31, 2019, the sensitivity of the value for post-employment benefits to variances in salary growth of 1%, in the case of a rate increase, represents an increase of ThCh$293,611 (ThCh$421,345 as of December 31, 2018), and in the case of a rate decrease, represents a decrease of ThCh$242,018 (ThCh$343,589 as of December 31, 2018).

Retirement rate sensitivity

a) Resignation sensitivity

As of December 31, 2019, the sensitivity of the value for post-employment benefits to variances in the resignation rate of 50%, in the case of a rate increase, represents an increase of ThCh$31,523 (ThCh$8,687 as of December 31, 2018), and in the case of a rate decrease, represents a decrease of ThCh$31,523 (ThCh$7,871 as of December 31, 2018).

b) Dismissal sensitivity

As of December 31, 2019, the sensitivity of the value for post-employment benefits to variances in the dismissal rate of 1%, in the case of a rate increase, represents a decrease of ThCh$251,493 (ThCh$141,694 as of December 31, 2018), and in the case of a rate decrease, represents an increase of ThCh$307,672 (ThCh$175,973 as of December 31, 2018).

NOTE 24. OTHER PROVISIONS

This detail of this caption is as follows:

Concept	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Provision for advertising expense (1)	19,995,528	15,847,773
Other provisions (2)	8,328,104	8,559,273
Total	28,323,632	24,407,046

1. This relates to estimates of amounts payable related to marketing and advertising activities. There is uncertainty with respect to the cash disbursement associated with these provisions, as they are based on the actual information the customer should provide to justify that such expenses were realized.

2. It comprises estimates of operating expenses and costs on which there is uncertainty of the amount, expecting to apply most of such amount during the following period.

Changes in other provisions from January 1 through December 31, 2019, are detailed as follows:

Movements in provisions	Provision for advertising expense ThCh$	Other provisions ThCh$	Total ThCh$
Balance as of January 1, 2019	15,847,773	8,559,273	24,407,046
Provisions made	182,559,640	8,037,560	190,597,200
Provisions used	(178,411,885)	(8,268,729)	(186,680,614)
Closing balance as of December 31, 2019	19,995,528	8,328,104	28,323,632

Changes in other provisions from January 1 through December 31, 2018, are detailed as follows:

Movements in provisions	Provision for advertising expense ThCh$	Other provisions ThCh$	Total ThCh$
Balance as of January 1, 2018	14,716,286	2,704,214	17,420,500
Provisions made	124,590,716	22,172,576	146,763,292
Provisions used	(123,459,229)	(16,317,517)	(139,776,746)
Closing balance as of December 31, 2018	15,847,773	8,559,273	24,407,046

NOTE 25. EARNINGS PER SHARE

25.1 Disclosures on basic earnings (losses) per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to the Company's shareholders by the weighted average of the number of outstanding common shares for the year.

Accordingly, basic earnings per share were as follows:

Basic earnings per share	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Net income attributable to equity holders of the Parent	52,499,765	49,111,118

	As of December 31, 2019 Units	As of December 31, 2018 Units
Number of ordinary shares outstanding	747,005,982	747,005,982

	As of December 31, 2019 $	As of December 31, 2018 $
Basic earnings per share	70.28	65.74

25.2 Disclosures on diluted earnings per share

The Company has not performed any type of transaction with potential diluted effect which would generate a diluted benefit per share other than the common benefit per share.

NOTE 26. CAPITAL AND RESERVES

26.1 Subscribed and paid-in capital

As of December 31, 2019, Viña Concha y Toro S.A.'s share capital amounts to ThCh$84,178,790, composed of 747,005,982 par value shares, which are subscribed and paid in full.

The share premium corresponds to the premium resulting from the issuance of shares in capital increases. In conformity with Article 26 of Law No. 18.046 on Public Companies, this concept is part of the Company's share capital.

26.2 Shares

- Number of shares as of December 31, 2019

	No. of subscribed shares	No. of paid shares	No. of voting right shares
Shares paid by 100%	747,005,982	747,005,982	747,005,982

- Number of shares as of December 31, 2018

	No. of subscribed shares	No. of paid shares	No. of voting right shares
Shares paid by 100%	747,005,982	747,005,982	747,005,982

Viña Concha y Toro S.A.'s shares are ordinary, single-series and with no par value.

Changes in shares from January 1 through December 31, 2019, are as follows:

Number of shares subscribed as of January 1, 2019	747,005,982
Movement for the year:	
Capital increase through share issuance	-
No. of shares subscribed as of December 31, 2019	747,005,982

Changes in shares from January 1 through December 31, 2018, are as follows:

Number of shares subscribed as of January 1, 2018	747,005,982
Movement for the year:	
Capital increase through share issuance	-
No. of shares subscribed as of December 31, 2018	747,005,982

26.3 Capital management

In order to optimize shareholder returns through efficiently managing finance costs, the Company uses several short and long-term financing sources as well as its own capital and operating income.

The Company's objective is to maintain a proper capital structure, considering its leverage levels, finance costs (internal and external), and assessing the different financing instruments available as well as the market conditions on a regular basis.

26.4 Other reserves

- Translation reserves: This amount represents the foreign currency translation effect (profit/loss) of subsidiaries using a currency other than the Chilean peso.

The detail of foreign currency translation differences, net of taxes, is as follows:

Accumulated translation adjustments	As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Opening balance foreign subsidiary translation adjustment	10,901,958	(2,334,328)
Translation adjustment for the period, net	11,272,549	13,236,286
Total	22,174,507	10,901,958

- Cash flow hedging reserve: represents the fair value of future cash flows on expected items which qualify as hedges, which will have an impact on profit or loss, and are presented net of deferred taxes.

- Reserve of gains and losses for defined benefit plans: corresponds to the variance of actuarial amounts of the provision for employee defined benefit plans, and are presented net of deferred taxes.

- Hedge reserves of net investment in foreign operations: This amount represents the changes in fair value of derivatives of net foreign investments until the investment is disposed of, and are presented net of deferred taxes.

- Reserves for available-for-sale investments: This amount represents the change in market value of financial assets available for sale comprising investments in other companies, and are presented net of deferred taxes.

- Other reserves: corresponds mainly to price-level adjustments to paid-in capital accumulated from the date of transition to IFRS as per Circular No. 456 issued by the Financial Market Commission.

26.5 Dividends

At the Company's Ordinary Shareholders' Meeting held on April 25, 2019, the following agreements were adopted, among other matters:

1. To distribute with a debit to profit for 2018, a final dividend (No. 275) amounting to Ch$14.5 (fourteen Chilean pesos and fifty cents) per share, to be paid starting from May 24, 2019. This amount is added to the dividends distributed as interim dividends, debited to profit for 2018 corresponding to Dividend No. 272 and No. 273, both amounting to Ch$3.50 per share, paid on September 28 and December 28, 2018, respectively, and dividend No. 274 amounting to Ch$3.50 per share, which was paid on March 29, 2019.

2. Maintain, as dividend policy, the distribution of 40% of the net profit, except for the profit generated by subsidiary Fetzer Vineyards, which would continue to be used to comply with its operating needs. Accordingly, the Board expects to distribute with a debit to profit for 2019, three dividends under No. 276, No. 277 and No. 278, amounting to Ch$3.50 each, to be paid as interim dividends on September 27 and December 30, 2019, and March 31, 2020, respectively. Likewise, a fourth dividend No. 279 will be proposed to be paid for the amount required to complete 40% of the profit for 2018 in the manner referred to above, which would be paid in May 2020, upon the shareholders acknowledging and approving the profit or loss for the year at the relevant Ordinary Shareholders' Meeting. In any event, the dividend policy will be subject to the Company’s cash availability.

These interim dividend payments will be subject to the Company's cash availability. Historically, the Company has been distributing 40% of profit for the year, which is performed through a final dividend paid in May of the following year, upon the shareholders acknowledging and approving the profit or loss for the year, as well as the aforementioned dividend, at the Ordinary Shareholders' Meeting.

As of December 31, 2019 and 2018, the detail of dividends paid is as follows:

No. dividend	Paid shares	Payment per share	Total ThCh$	Month of payment
274	747,005,982	3.50	2,614,521	Mar-19
275	747,005,982	14.50	10,831,587	May-19
276	747,005,982	3.50	2,614,521	Sep-19
277	747,005,982	3.50	2,614,521	Dec-19

No. dividend	Paid shares	Payment per share	Total ThCh$	Month of payment
270	747,005,982	3.50	2,614,521	Mar-18
271	747,005,982	13.50	10,084,581	May-18
272	747,005,982	3.50	2,614,521	Sep-18
273	747,005,982	3.50	2,614,521	Dec-18

26.6 Net profit for distribution

With respect to the profit for the year, and in conformity with Circular No. 1945 issued by the Financial Market Commission, the Company's Board at its meeting held on October 28, 2010, agreed that the determination of net profit distributable as dividends would consider the profit for the year presented in the consolidated statement of profit or loss by function, under item 'Profit (loss) attributable to the owners of the controlling entity', deducting the significant variances in fair value of unrealized assets and liabilities, which would be included in the calculation of the net profit of the year in which such variances are realized.

26.7 Prior-year differences

During 2018, the Company identified differences from the prior period, related mainly to the recognition of certain transactions related to the measurement of deferred taxes of non-monetary items calculated for tax purposes on a currency other than the functional currency.

The Company concluded that these differences were not material individually or in aggregate, in any of the consolidated financial statements previously issued; accordingly, the consolidated financial statements were not amended. The effects of adjustments to prior years are presented in Note 22 Income tax and deferred taxes.

NOTE 27. EFFECT OF CHANGES IN FOREIGN CURRENCY EXCHANGE RATES

Assets and liabilities in foreign currency

Current assets		As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Cash and cash equivalents		72,037,137	37,486,337
	CHILEAN PESO	48,405,164	7,164,521
	US$	13,905,378	15,656,759
	CAD	522,421	467,436
	EUR	1,347,579	1,771,178
	GBP	3,090,559	5,191,304
	SEK	513,867	556,100
	NOK	1,329,934	2,352,388
	BRL	2,025,173	1,484,743
	CNY	146,359	479,058
	MXN	716,741	2,352,868
	ZAR	33,962	9,982
Other current financial assets		9,269,892	8,275,354
	CHILEAN PESO	2,498,019	2,532,634
	US$	2,195,035	2,643,697
	CAD	119,019	117,954
	EUR	1,042,703	1,129,685
	UF	1,206,768	717,821
	GBP	2,045,970	926,864
	SEK	44,355	37,858
	NOK	16,271	45,585
	BRL	33,907	108,157
	CNY	8,614	-
	MXN	59,231	15,099
Other current non-financial assets		8,922,412	6,268,438
	CHILEAN PESO	3,896,749	2,028,792
	US$	2,342,423	2,727,870
	CAD	18,864	4,051
	EUR	54,511	8,655
	UF	52,522	1,101,563
	GBP	117,201	107,205
	SEK	84,170	30,283
	NOK	-	26,897
	BRL	61,727	42,556
	CNY	241,408	158,915
	MXN	2,052,837	26,303
	ZAR	-	5,348
Trade and other receivables		211,128,612	190,675,390
	CHILEAN PESO	30,782,180	31,679,861
	US$	75,652,940	71,347,963
	CAD	4,474,514	4,233,481
	EUR	22,871,746	18,840,714
	UF	121,682	113,998
	GBP	37,319,885	33,945,104
	SEK	3,700,496	3,445,737
	NOK	2,872,287	2,261,241
	BRL	12,958,119	11,477,379
	CNY	221,071	8,380
	MXN	20,153,596	13,320,226
	ZAR	96	1,306
Trade receivables due from related parties, current		3,358,743	2,581,328
	CHILEAN PESO	160,300	424,521
	US$	72,591	67,035
	CAD	3,125,852	2,089,772

Current assets		As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Inventories		293,371,556	277,389,786
	CHILEAN PESO	171,793,404	167,649,145
	US$	88,883,361	85,624,342
	EUR	988,641	926,862
	GBP	17,979,050	12,699,160
	SEK	2,993,065	2,670,735
	NOK	1,672,618	1,333,558
	BRL	4,796,885	2,735,868
	MXN	3,944,025	3,750,116
	CNY	320,507	-
Current biological assets		23,061,507	20,782,597
	CHILEAN PESO	20,009,982	17,918,152
	US$	3,051,525	2,864,445
Current tax assets		21,338,466	24,283,220
	CHILEAN PESO	19,821,945	22,779,805
	US$	290,052	405,612
	CAD	-	-
	EUR	-	-
	SEK	380,845	175,616
	BRL	5,431	561,786
	MXN	818,104	340,320
	ZAR	22,089	20,081
-			
Non current assets held for sale		-	31,092
	CHILEAN PESO	-	31,092
Total current assets		642,488,325	567,773,542
	CHILEAN PESO	297,367,748	252,208,523
	US$	186,393,305	181,337,723
	CAD	8,260,665	6,912,694
	EUR	26,305,180	22,677,094
	UF	1,380,972	1,933,382
	GBP	60,552,665	52,869,637
	SEK	7,716,798	6,916,329
	NOK	5,891,110	6,019,669
	BRL	19,881,242	16,410,489
	CNY	937,959	646,353
	MXN	27,744,534	19,804,932
	ZAR	56,147	36,717

Non-current assets		Al 31 de diciembre de 2019 ThCh$	As of December 31, 2018 ThCh$
Other non-current financial assets		16,307,966	25,741,638
	US$	422,479	6,507,358
	CAD	232,143	322,828
	EUR	2,537,535	1,668,290
	UF	10,492,112	13,068,969
	GBP	2,532,635	4,158,838
	SEK	91,062	15,355
Other non-financial non-current assets		2,603,245	1,764,309
	CHILEAN PESO	1,865,654	1,429,066
	US$	289,433	848
	UF	261,455	334,395
	BRL	186,703	-
Non-current receivables		751,453	693,696
	BRL	751,453	693,696
Equity accounted investments in associates		22,731,211	21,262,939
	CHILEAN PESO	22,731,211	21,262,939
Intangible assets, net		84,775,283	79,539,839
	CHILEAN PESO	18,324,296	17,101,789
	US$	65,484,444	61,409,645
	CAD	18,528	18,528
	EUR	102,202	102,202
	UF	695,351	695,351
	GBP	102,670	157,545
	SEK	5,131	5,131
	NOK	12,061	12,061
	BRL	18,083	23,588
	MXN	12,517	13,999
Goodwill		39,578,343	37,208,095
	CHILEAN PESO	6,363,883	6,363,883
	US$	33,214,460	30,844,212

Non-current assets		As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$
Property, plant and equipment, net		422,471,464	391,263,749
	CHILEAN PESO	321,956,823	296,788,918
	US$	80,965,015	74,845,414
	CAD	-	572
	EUR	3,609,784	3,610,567
	UF	15,761,829	15,761,829
	GBP	91,471	82,663
	BRL	42,982	58,817
	CNY	7,519	8,843
	MXN	36,041	104,546
	ZAR	-	1,580
Deferred tax assets		22,109,837	19,232,446
	CHILEAN PESO	14,861,300	13,605,813
	US$	5,385,707	4,171,813
	BRL	1,317,163	1,068,227
	MXN	508,013	371,822
	ZAR	37,654	14,771
Total non-current assets		611,328,802	576,706,711
	CHILEAN PESO	386,103,167	350,188,525
	US$	185,761,538	184,143,173
	CAD	250,671	341,928
	EUR	6,249,521	5,381,059
	UF	27,210,747	29,860,544
	GBP	2,726,776	4,399,046
	SEK	96,192	20,486
	NOK	12,061	12,061
	BRL	2,316,384	1,844,328
	CNY	7,519	8,843
	MXN	556,571	490,367
	ZAR	37,655	16,351
Total assets		1,253,817,127	1,144,480,253

Current liabilities		As of December 31, 2019 Up to 90 days ThCh$	As of December 31, 2019 91 days to 1 year ThCh$	As of December 31, 2018 Up to 90 days ThCh$	As of December 31, 2018 91 days to 1 year ThCh$
Other Financial Liabilities, current		90,375,245	57,163,994	82,776,002	46,373,692
	CHILEAN PESO	7,210,072	11,674,850	4,549,958	11,158,141
	US$	54,094,393	45,279,297	61,232,316	30,435,385
	CAD	223,001	-	9,306	-
	EUR	678,221	-	186,010	-
	UF	15,231,946	42,805	12,261,501	41,679
	GBP	2,761,348	-	415,734	-
	SEK	188,282	-	151,857	-
	NOK	45,764	-	10,540	-
	ARS	27,193	88,454	933,006	121,825
	BRL	5,063,033	78,588	102,591	4,616,662
	MXN	4,851,992	-	2,923,183	-
Trade and other payables, current		123,364,660	-	124,333,481	-
	CHILEAN PESO	67,203,515	-	58,517,532	-
	US$	25,983,544	-	42,383,198	-
	CAD	258,606	-	196,220	-
	EUR	4,038,813	-	2,799,849	-
	UF	22,726	-	11,814	-
	GBP	9,007,872	-	8,692,309	-
	SEK	2,451,553	-	2,207,219	-
	NOK	1,358,420	-	1,189,157	-
	BRL	4,050,244	-	3,085,053	-
	CNY	195,801	-	98,947	-
	MXN	8,793,566	-	5,150,023	-
	ZAR	-	-	2,160	-
Trade payables due to related parties, current		6,853,552	-	5,777,642	-
	CHILEAN PESO	3,148,346	-	3,973,603	-
	US$	985	-	914	-
	CAD	321,902	-	75,209	-
	MXN	3,382,319	-	1,727,916	-
Other current provisions		28,323,632	- -	24,407,046	-
	CHILEAN PESO	6,480,363	-	3,259,967	-
	US$	12,073,720	-	9,764,779	-
	CAD	1,096,735	-	1,138,228	-
	EUR	3,763,420	-	4,598,167	-
	UF	-	-	991,446	-
	GBP	3,401,332	-	2,737,251	-
	SEK	11,181	-	12,394	-
	NOK	1,466,600	-	1,801,519	-
	BRL	-	-	144	-
	CNY	6,001	-	5,755	-
	MXN	24,280	-	45,815	-
	ZAR	-	-	51,581	-

Current liabilities		As of December 31, 2019 Up to 90 days ThCh$	As of December 31, 2019 91 days to 1 year ThCh$	As of December 31, 2018 Up to 90 days ThCh$	As of December 31, 2018 91 days to 1 year ThCh$
Current tax liabilities		15,776,292	-	12,540,564	-
	CHILEAN PESO	11,081,566	-	9,956,364	-
	US$	3,393,083	-	1,282,594	-
	CAD	2,506	-	9,780	-
	EUR	50,312	-	62,344	-
	GBP	-	-	71,934	-
	SEK	397,846	-	244,174	-
	NOK	-	-	111,012	-
	CNY	121,559	-	111,930	-
	MXN	716,083	-	666,243	-
	ZAR	13,337	-	24,189	-
Provision for employee benefits, current		16,265,814	-	16,216,767	-
	CHILEAN PESO	9,832,220	-	10,070,391	-
	US$	4,540,464	-	4,361,870	-
	EUR	210,912	-	175,896	-
	GBP	908,441	-	661,113	-
	SEK	57,008	-	74,214	-
	NOK	42,165	-	43,905	-
	BRL	351,456	-	426,545	-
	CNY	231,696	-	190,026	-
	MXN	91,452	-	156,686	-
	ZAR	-	-	56,121	-
Other current non-financial liabilities		824,809	-	770,158	-
	CHILEAN PESO	777,727	-	690,459	-
	US$	47,082	-	68,257	-
	SEK	-	-	676	-
	MXN	-	-	10,238	-
	CNY	-	-	513	-
	ZAR	-	-	15	-
Total current liabilities		281,784,005	57,163,993	266,821,660	46,373,692
	CHILEAN PESO	105,733,809	11,674,850	91,018,274	11,158,141
	US$	100,133,271	45,279,296	119,093,928	30,435,385
	CAD	1,902,750	-	1,428,743	-
	EUR	8,741,678	-	7,822,266	-
	UF	15,254,672	42,805	13,264,761	41,679
	GBP	16,078,993	-	12,578,341	-
	SEK	3,105,870	-	2,690,534	-
	NOK	2,912,949	-	3,156,133	-
	ARS	27,193	88,454	933,006	121,825
	BRL	9,464,733	78,588	3,614,333	4,616,662
	CNY	555,057	-	407,171	-
	MXN	17,859,692	-	10,680,104	-
	ZAR	13,337	-	134,066	-

Non-current liabilities		As of December 31, 2019 1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$	As of December 31, 2018 1 to 3 years ThCh$	3 to 5 years ThCh$	Over 5 years ThCh$
Other financial liabilities, non-current		31,965,744	10,693,707	201,375,966	44,234,371	5,372,916	139,986,803
	CHILEAN PESO	8,380,150	33,395	-	446,258	61,655	1,428
	US$	21,605,863	6,946,435	-	30,789,854	2,992,555	-
	CAD	288,564	47,282	-	-	-	-
	EUR	205,078	1,668,833	-	-	-	-
	UF	152,128	153,780	201,375,966	12,748,111	2,318,706	139,985,375
	GBP	1,279,831	1,843,982	-	-	-	-
	ARS	54,130	-	-	250,148	-	-
Trade payables due to related parties, non-current		240,380	-	-	300,937	-	-
	UF	240,380	-	-	300,937	-	-
Deferred tax liabilities		-	1,681,998	71,314,681	-	1,715,937	62,250,132
	CHILEAN PESO	-	1,681,998	71,314,681	-	1,715,937	62,250,132
Provisions for employee benefits, non-current		-	2,975,081	-	-	2,867,500	-
	CHILEAN PESO	-	2,975,081	-	-	2,867,500	-
Other non-current non-financial liabilities		587,105	-	-	2,403,061	-	-
	CHILEAN PESO	8,736	-	-	8,736	-	-
	US$	578,369	-	-	2,394,325	-	-
Total non-current liabilities		32,795,920	15,350,786	272,690,647	46,938,369	9,956,353	202,236,935
	CHILEAN PESO	8,388,886	4,690,474	71,314,681	454,994	4,645,092	62,251,560
	US$	22,186,923	6,946,435	-	33,184,179	2,992,555	-
	CAD	288,564	47,282	-	-	-	-
	EUR	205,078	1,668,833	-	-	-	-
	UF	392,508	153,780	201,375,966	13,049,048	2,318,706	139,985,375
	GBP	1,279,831	1,843,982	-	-	-	-
	ARS	54,130	-	-	250,148	-	-
Total liabilities		371,743,918	15,350,786	272,690,647	360,133,721	9,956,353	202,236,935

NOTE 28. OPERATING SEGMENTS

1. Segment information as of December 31, 2019:

a) General information on profit or loss, assets and liabilities	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Revenue from external customers	624,293,085	32,687,362	-	656,980,447
Depreciation included in cost of sales and administrative expenses	26,399,949	402,466	-	26,802,415
Amortization	917,771	-	846,629	1,764,400
Net income before taxes	68,121,518	2,360,001	-	70,481,519
Segment assets	1,167,560,278	14,219,712	72,037,137	1,253,817,127
Segment liabilities	122,719,165	2,246,997	534,816,499	659,782,661

b) Revenue from external customers by geographic area	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Chile	68,154,872	32,687,362	-	100,842,234
Europe	231,534,834	-	-	231,534,834
United States of America	118,846,670	-	-	118,846,670
South America	58,395,803	-	-	58,395,803
Asia	79,193,413	-	-	79,193,413
Canada	18,904,044	-	-	18,904,044
Central America	45,942,518	-	-	45,942,518
Other	1,631,436	-	-	1,631,436
Africa	1,689,495	-	-	1,689,495
Total revenue	624,293,085	32,687,362	-	656,980,447

c) Non-current assets by geographic area	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Chile	414,242,349	14,762,548	-	429,004,897
Argentina	32,838,085	-	-	32,838,085
England	150,702	-	-	150,702
Brazil	2,316,383	-	-	2,316,383
Asia	34,289,365	-	-	34,289,365
China	161,582	-	-	161,582
United States of America	111,225,405	-	-	111,225,405
Mexico	556,571	-	-	556,571
Canada	747,578	-	-	747,578
Africa	37,654	-	-	37,654
France	580	-	-	580
Total non-current assets	596,566,254	14,762,548	-	611,328,802

d) Interests, taxes and non-current assets	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Interest and other finance income	587,277	-	-	587,277
Interest expenses and other finance expense	-	-	12,413,267	12,413,267
Income taxes	-	-	17,071,544	17,071,544
Acquisition of property, plant and equipment	44,588,891	8,485	-	44,597,376

e) Equity-accounted investees	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Investment in Associates	21,793,833	937,378	-	22,731,211
Investment in associates	3,171,439	58,029	-	3,229,468

f) Additions of property, plant and equipment by geographic area	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Chile	37,513,107	8,485	-	37,521,592
Argentina	4,632,623	-	-	4,632,623
England	51,580	-	-	51,580
Brazil	16,374	-	-	16,374
Mexico	5,023	-	-	5,023
Asia	9,151	-	-	9,151
USA	2,361,033	-	-	2,361,033
Total	44,588,891	8,485	-	44,597,376

g) Cash flows by segment as of December 31, 2019	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Cash flows (used in) from operating activities	64,729,363	3,985,459	-	68,714,822
Net cash used in investing activities	(54,334,853)	(3,345,457)	-	(57,680,310)
Cash flows from (used in) financing activities	20,838,696	1,283,060	-	22,121,756
Total	31,233,206	1,923,062	-	33,156,268

2. Segment information as of December 31, 2018:

a) General information on profit or loss, assets and liabilities	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Revenue from external customers	573,699,235	40,429,670	-	614,128,905
Depreciation included in cost of sales and administrative expenses	24,908,612	3,331	-	24,911,943
Amortization	385,228	-	720,153	1,105,381
Net income before taxes	59,853,087	1,642,364	-	61,495,451
Segment assets	1,093,853,302	13,140,614	37,486,337	1,144,480,253
Segment liabilities	121,225,107	1,420,520	449,681,382	572,327,009

b) Revenue from external customers by geographic area	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Chile	66,597,602	40,429,670	-	107,027,272
Europe	213,300,943	-	-	213,300,943
United States of America	96,818,043	-	-	96,818,043
South America	50,515,796	-	-	50,515,796
Asia	69,184,455	-	-	69,184,455
Canada	34,925,457	-	-	34,925,457
Central America	39,448,301	-	-	39,448,301
Other	1,142,370	-	-	1,142,370
Africa	1,766,268	-	-	1,766,268
Total revenue	573,699,235	40,429,670	-	614,128,905

c) Non-current assets by geographic area	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Chile	381,867,168	27,210,150	-	409,077,318
Argentina	28,922,884	-	-	28,922,884
England	196,768	-	-	196,768
Brazil	1,844,329	-	-	1,844,329
Asia	145,772	-	-	145,772
China	32,211,433	-	-	32,211,433
United States of America	103,150,886	-	-	103,150,886
Mexico	490,367	-	-	490,367
Canada	649,241	-	-	649,241
Africa	16,351	-	-	16,351
France	1,362	-	-	1,362
Total non-current assets	549,496,561	27,210,150	-	576,706,711

d) Interests, taxes and non-current assets	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Interest and other finance income	924,066	-	-	924,066
Interest expenses and other finance expense	-	-	11,647,790	11,647,790
Income taxes	-	-	11,394,118	11,394,118
Acquisition of property, plant and equipment	29,032,979	5,790	-	29,038,769

e) Equity-accounted investees	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Investment in Associates	20,366,090	896,849	-	21,262,939
Investment in associates	2,549,617	28,580	-	2,578,197

f) Additions of property, plant and equipment by geographic area	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Chile	22,668,635	5,790	-	22,674,424
Argentina	3,273,635	-	-	3,273,635
England	3,459	-	-	3,459
Brazil	3,458	-	-	3,458
Asia	9,448	-	-	9,448
USA	3,074,345	-	-	3,074,345
Total	29,032,980	5,790	-	29,038,769

g) Cash flows by segment as of December 31, 2018	Wine ThCh$	Other ThCh$	Not assigned ThCh$	Total ThCh$
Cash flows (used in) from operating activities	33,880,575	2,394,130	-	36,274,705
Net cash used in investing activities	(37,448,891)	(2,646,281)	-	(40,095,172)
Cash flows from (used in) financing activities	7,178,588	507,265	-	7,685,853
Total	3,610,272	255,114	-	3,865,386

NOTE 29. REVENUE

Revenue from contracts with customers as of December 31, 2019 and 2018, are segmented below by primary geographic market (see Note 28 on operating segments), main products and lines of services and timing of revenue recognition.

a) Main products and lines of services

Classes of revenue	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Sale of goods	653,308,008	610,415,775
Wines	622,009,241	569,956,127
Other	31,298,767	40,459,649
Rendering of services	3,672,439	3,713,130
Total	656,980,447	614,128,905

b) Timing of revenue recognition

Revenue recognition	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Goods transferred at a point in time	653,308,008	610,415,775
Services provided over time	3,672,439	3,713,130
Total	656,980,447	614,128,905

NOTE 30. COSTS AND EXPENSES BY NATURE

As of December 31, 2019 and 2018, the detail of costs and expenses by nature is as follows:

Nature of cost and operating expenses and other expenses	from January 1, to December 31, 2019	from January 1, to December 31, 2018
Direct cost	363,194,044	360,175,097
Depreciation and amortization	28,566,815	26,017,324
Personnel expenses	84,699,137	81,604,280
Advertising	46,980,087	40,830,913
Transport and distribution	19,106,943	16,514,370
Other expenses	39,232,259	37,529,219
Total	581,779,285	562,671,203

NOTE 31. OTHER INCOME

The detail of other income by function is as follows:

Nature	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Disposal of property, plant and equipment	887,573	164,832
Compensation	3,550	516,018
Sale of wood, cartons and other products	101,401	207,088
Office rental	90,249	89,291
Fair value of shares	-	107,418
Income tax refund	153	159,785
Charge regularization	477,631	408,665
Gain obtained for business combination	-	6,218,022
Other	315,297	678,516
Total	1,875,854	8,549,635

NOTE 32. FINANCE INCOME AND FINANCE COSTS

As of December 31, 2019 and 2018, the detail of finance income and finance costs is as follows:

Finance income (costs)	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Finance costs	(12,413,267)	(11,647,790)
Finance income	587,277	924,066
Gain (loss) from assets and liabilities in Unidad de Fome	(685,477)	(1,015,159)
Foreign currency exchange differences	2,686,502	10,648,800
Total	(9,824,965)	(1,090,083)

Finance costs	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Bank borrowings	(4,074,221)	(3,405,292)
Bonds payable and promissory notes	(4,779,970)	(4,777,079)
Other finance costs	(3,559,076)	(3,465,419)
Total	(12,413,267)	(11,647,790)

Finance income	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Investment income	363,760	708,919
Other finance income	223,517	215,147
Total	587,277	924,066

Income (expense) for inflation adjustment units	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Bonds payable and promisory notes	(4,769,650)	(4,592,126)
Bank borrowings	(3,779)	(7,669)
Other	4,087,952	3,584,636
Total	(685,477)	(1,015,159)

Foreign currency translation differences	From January 1 to December 31, 2019 ThCh$	From January 1 to December 31, 2018 ThCh$
Exchange difference in trade receivables	3,608,018	3,415,782
Exchange differences in related party balances	5,212,598	9,306,552
Exchange difference in advertising contributions	(691,385)	(820,515)
Exchange difference in derivatives	(6,438,184)	(661,485)
Exchange difference in bank borrowings	(213,436)	(261,089)
Other foreign currency translation differences	1,208,891	(330,445)
Total	2,686,502	10,648,800

NOTE 33. ENVIRONMENT

33.1 Disclosures on disbursements related to the environment

The Company is committed to safeguarding the environment. Accordingly, each executive and employee is committed to performing his/her activities and render their services having due regard to minimizing, to the extent possible and reasonable, his/her impact on the environment, and at all times complying with the current legislation in this respect. Likewise, individuals who become aware of any event or Company activity involving a polluting effect or having a harmful effect on the environment, or implying a potential breach of applicable regulations, will inform on such situation to the Company's relevant administrative areas on a timely basis.

When legally applicable or deemed as necessary or appropriate, the Company will report on this situation to its shareholders, the regulatory entities and the general public, in a truthful and comprehensive manner, thus complying with the requirements established by law on this matter.

33.2 Detail of environment-related information

As of December 31, 2019, the net balance of assets aimed at protecting the environment amounts to ThCh$2,216,598, which is presented under Constructions and works of infrastructure and Machinery and equipment. As of December 31, 2018, this balance amounted to ThCh$2,428,092, which is presented under Constructions and works of infrastructure and Machinery and equipment.

33.3 Disbursements related to the environment for the year ended December 31, 2019

Identification of the Parent or subsidiary	Name of the project with which expenditure is associated	Detail of concept for which the expenditure was or will be made	Indication of whether the expenditure is part of the cost of an asset or was reflected as expense	Description of the asset or expense item	Amount of expenditure ThCh$	Actual or estimated date in which the expenditure will be made
Viña Concha y Toro	Water treatment	Maintenance and supply of water treatment plants	Reflected as expense	Expenses in oenological warehouses and water treatment	2,924,071	No estimation
Total desembolsos del período relacionados con el medio ambiente					2,924,071	

NOTE 34. COLLATERALS COMMITTED WITH THIRD PARTIES

34.1 Direct collaterals as of December 31, 2019 and 2018

Creditor of the guarantee	Debtor		Type of guarantee	Balances pending payment				
	Name	Relationship		As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$	1 year	2 years	Over 3 year
Instituto de Desarrollo Agropecuario	Viña Concha y Toro S.A.	Third party	Per contract	-	2,006	-	-	-
Instituto de Desarrollo Agropecuario	Viña Concha y Toro S.A.	Third party	Per contract	1,236	2,045	1,236	-	-
Ministerio de Obras Públicas	Viña Concha y Toro S.A.	Third party	Per contract	2,045	1,236	2,045	-	-
Ministerio de Obras Públicas	Viña Concha y Toro S.A.	Third party	Per contract	-	1,236	-	-	-
Comite Innova Chile	Viña Concha y Toro S.A.	Third party	Per contract	11,132	11,132	11,132	-	-
Comite Innova Chile	Viña Concha y Toro S.A.	Third party	Per contract	12,000	12,000	-	12,000	-
Comite Innova Chile	Viña Concha y Toro S.A.	Third party	Per contract	280,000	280,000	-	280,000	-
Rockstar	Viña Concha y Toro S.A.	Third party	Per contract	187,185	173,693	187,185	-	-
Comite Innova Chile	Viña Concha y Toro S.A.	Third party	Per contract	280,609	280,609	280,609	-	-
Comite Innova Chile	Viña Concha y Toro S.A.	Third party	Per contract	25,508	-	-	25,508	-

34.2 Indirect collaterals as of December 31, 2019 and 2018

Creditor of the guarantee	Debtor		Type of guarantee	Balances pending payment				
	Name	Relationship		As of December 31, 2019 ThCh$	As of December 31, 2018 ThCh$	1 year	2 years	Over 3 year
Mexico	VCT Mexico	Subsidiary	Co-debtor	-	2,223,264	-	-	-
Fetzer	Fetzer Vineyars	Subsidiary	Co-debtor	217,509	201,831	217,509	-	-
Trivento	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	2,813,819	-	-	-
Trivento	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	778,142	-	-	-
Trivento	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	773,974	-	-	-
CREDICOOP COOP	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	708,665	-	-	-
BBVA Frances	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	1,198,478	-	-	-
Credicoop	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	917,096	-	-	-
BBVA Frances	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	566,238	-	-	-
Credicoop	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	-	2,612,335	-	-	-
Trivento	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	1,048,236	-	1,048,236	-	-
Mexico	VCT Mexico	Subsidiary	Co-debtor	1,460,043	-	1,460,043	-	-
Trivento	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	1,722,102	-	1,722,102	-	-
Trivento	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	763,715	-	43,866	-	-
Trivento	Trivento Bodegas y Viñedos S.A.	Subsidiary	Co-debtor	1,160,547	-	43,776	-	-

NOTE 35. CONTINGENCIES, RESTRICTIONS AND LAWSUITS

Wine contracts: The Company has entered into long-term contracts for the acquisition of grapes and wine, with different maturities and the last of these contracts ending in 2027. The estimated amount of these contracts is approximately ThCh$65,800,656.

1) Restrictions and limits for the issuance of public offer bonds

The restrictions or limits to which the Company is subject arise from the covenants associated with the issuance of the Series J, K, N and Q public offer bonds, which are detailed as follows:

1) Series J and K bonds, issued with a debit to the line of bonds registered under No. 575 in the Security Registry on March 23, 2009 and placed in 2014.

   The restrictions or limits to which the Company is subject to are as follows:

   a) Maintaining an indebtedness Ratio not greater than 1.4 times. For such purposes, the indebtedness ratio shall be understood as the ratio calculated between Total Liabilities and Equity. Total Liabilities shall be understood as the sum of accounts in the Issuer's Classified Statement of Financial Position referred to as Total Current Liabilities and Total Non-Current Liabilities, which are included in the Issuer's Consolidated Financial Statements. Additionally, this will consider all the debts or obligations of third parties of any nature which are not included in these liabilities reflected in such items and external for the Issuer or its Subsidiaries as the case may be, which are secured with collateral and/or personal guarantees of any type granted by the Issuer or any of its subsidiaries, but not limited to, co-debtor, securities, several guarantees, pledges and mortgages, all of which without recognizing twice those debts or obligations, including performance bonds. The Issuer should send to the Representative, provided such individual requires it, the background allowing the verification of the ratio referred to in this number. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Indebtedness Ratio was 1.11 times;

b) Maintaining at all times during the term of this issuance of Bonds, a Minimum Equity of UF 5,000,000. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Equity amounted to UF 20,983,247;

c) Maintaining at all times Minimum Finance Cost Coverage Ratio of 2.5 times. The Finance Cost Coverage Ratio should be calculated on the twelve-month period prior to the date of issuance of the Consolidated Financial Statements. For such purposes, Finance Cost Coverage Ratio shall be understood as the ratio between the Gross profit (loss) less Distribution Costs, Administrative Expenses and plus depreciation expense and amortization expense, and finance costs. Depreciation expense shall be understood as the Depreciation item included in cost of sales and administrative expenses in the Note on Operating Segments in the Issuer's Consolidated Financial Statements. Amortization for the year shall be understood as the item Amortization for the year presented in the Note on Intangible assets in the Issuer's Consolidated Financial Statements. Finance costs shall be understood as the item presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. Gross profit (loss) relates to the account gross profit presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. Distribution costs correspond to the account distribution costs presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. Administrative expenses relates to the account administrative expenses presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. As of December 31 2019, the Company's Finance Cost Coverage Ratio amounted to 8.62 times;

d) Submitting to the representative of the bondholders, together with the copies of its quarterly and annual Consolidated Financial Statements, a letter signed by its legal representative, leaving evidence of compliance of the financial ratios defined in letters a), b) and c) above.

e) Submitting, to the representative of the bondholders, a copy of its quarterly and annual Consolidated Financial Statements during the same term in which they should be delivered to the Financial Market Commission (CMF), the financial statement of its Subsidiaries that are regulated by the standards applicable to openly-held shareholders' corporations and all other public information that the Issuer provides to the CMF. In addition, the Company should send a copy of the risk rating reports, no later than within five days after receiving them from the private risk raters;

f) Recording in its accounting records the provisions arising from adverse contingencies which, in the Issuer's judgment, must be reflected in its o its subsidiaries' Consolidated Financial Statements. The Issuer will ensure that its Subsidiaries comply with the provisions of this letter;

g) The Issuer commits to ensure that the operations that it conducts with its Subsidiaries or other related parties are conducted under conditions similar to those customarily prevailing in the market. With respect to the concept "related parties," this shall be defined as provided in Article 100 of Law 18.045;

h) The Issuer must establish and maintain adequate accounting systems based on International Financial Reporting Standards (IFRS) and the instructions issued by the Financial Market Commission (CMF). The Issuer shall ensure that its domestic Subsidiaries comply with the provisions in this letter. However, with respect to foreign Subsidiaries, these should be in accordance with the accounting standards generally accepted in their respective countries and, for consolidation purposes, the applicable adjustments should be made to be in accordance with International Financial Reporting Standards (IFRS) and the instructions issued by the CMF. In addition, the Issuer should engage and maintain a reputable domestic or international an independent external audit firm for the examination and analysis of its Consolidated Financial Statements, with respect of which such firm should issue an opinion at December the thirty first of each year;

i) The Issuer must comply with the laws, regulations and other legal provisions applicable to it, having also to comply with, with no limitation whatsoever, the payment on the time using the method required of all the taxes, duties, excises and charges affecting the Issuer or its movable or immovable assets, except for those disputed in good faith and in accordance with the applicable legal and/or administrative proceedings and, provided that, in such case, adequate reserves are maintained to cover such contingency, in conformity with International Financial Reporting Standards (IFRS) an the instructions issued by the Chilean CMF.

j) Maintaining during the term of this issuance, Restricted Assets free of Liens, which are equivalent, at least, to 1.5 times the total amount of total placements of bonds effective as placed with a charge to the line of bonds agreed in accordance with the bond issuance agreement. Such obligation shall be required solely at the closing dates of the Consolidated Financial Statements (as such concept is defined in the first clause of the Bond Issuance Agreement). For such purposes, Restricted Liens shall be understood as any type of liens, collateral, encumbrances, restrictions or any type of privileges on or relative to the Issuer's present or future assets. The assets and debts are measured at carrying amount not considering those liens established by any authority in respect to taxes that are not yet owed by the Issuer and which are being duly disputed by the Issuer, liens constituted during the ordinary course of the Issuer's business activities, which are being duly disputed by the Issuer, preferences established by the Law, liens constituted by virtue of the bond issuance agreement and all those liens to which the Issuer has not provided its consent and which are being disputed by it. The Issuer should send to the Representative of the Bondholders, provided such individual requires it, the background allowing the verification of the ratio referred to in this section. As of December 31, 2019, Restricted Assets free of liens on the total amount of placements as placed with a charge to the line of bonds amounted to 33.22 times; and

k) Maintaining insurance policies fairly supporting its assets, in accordance with the usual practices for the industries of the nature of the Issuer's industry. The Issuer shall ensure that its Subsidiaries also comply with that established in this letter.

Acceleration clauses

a) Should the Issuer have a default or simple delay in the payment of any partial payment of interests or repayment of principal owed of the Bonds;

b) Should the Issuer not comply with any of the obligations of providing information to the Representative of the Bondholders and this is not resolved within thirty business days from the date in which this is required in writing by the Representative of Bondholders. The Information that the Issuer must provide to the Representative of the Bondholders is the following: (i) a Copy of its quarterly and annual Consolidated Financial Statements and those of its Subsidiaries regulated by standards applicable to openly-held shareholders' corporations; (ii) Other public information that the Issuer provides to the CMF; (iii) A copy of the risk rating reports; (iv) a Report on compliance with the obligations assumed by virtue of the issuance agreement, which has to be delivered within the same term in which the Consolidated Financial Statements have to be delivered to the CMF; and (vi) Notice of every circumstance implying the default or breach of the conditions or obligations assumed by virtue of the issuance agreement, as soon as the event or breach occurs or it becomes aware of it;

c) If the default or breach of any other commitment or obligation assumed by the Issuer by the Issuance Agreement or Supplemental Deeds persists for a period equal to or greater than sixty days after the Representative of the Bondholders has sent to the Issuer, through registered mail, a written notice describing the default or breach requiring remediation. This except for default or breach with respect to the Indebtedness Ratio and Finance Cost Coverage Ratio, in which case the default will be ninety days after the date in which the Representative of the Bondholders had sent to the Issuer, through registered mail, the notice. The Representative of the Bondholders should send the notice to the Issuer within the business day subsequent to the date in which it has verified the related default or breach by the Issuer and, in any case, within the term established by the CMF, through a general standard issued in accordance with article one hundred and nine, letter (b) of the Securities Market Act, if the latter is lower;

d) Should the Issuer or any of its Significant Subsidiaries not resolve within a term of thirty business days any past due o simple delay situation related to the payment of the debt obligations for an accumulated total sum greater than that equivalent in Chilean pesos to UF 150,000 and the date of the payment of the obligations included in such amount had not been expressly postponed. Such amount will not consider the obligations that (i) are subject to pending litigation or lawsuits for obligations not recognized by the Issuer in its accounting records or (ii) related to the price of constructions or the acquisition of assets the payment of which has been objected any the Issuer because of defect in such constructions or assets or because of noncompliance by the related builder or seller or its obligations under the contract. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

e) Should any other creditor of the Issuer or of any of its Significant Subsidiaries legitimately collects from it or any of its Significant Subsidiaries the total amount of a loan subject to term conditions, by virtue of having exercised the right to request the early expiration of the related loan because of default by the Issuer or any of its Significant Subsidiaries, as contained in the relevant contract. However, except for the cases in which the sum of the loans collected earlier as provided in this number, do not exceed the accumulated amount of UF 150,000. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

f) Should the Issuer or any of its Significant Subsidiaries be declared in bankruptcy or in notorious insolvency or proposes a preventive legal agreement with its creditors or prepares any written statement through which it acknowledges its inability to pay its obligations on the related expiration dates, without any of such events being resolved within a term of sixty days from the related bankruptcy declaration, insolvency situation or proposal for preventive legal agreement. Should the bankruptcy of the Issuer be declared, the Bonds shall become payable earlier as provided in the law;

g) If any declaration by the Issuer in the instruments that are granted or subscribed as a result of noncompliance with the obligations contained in the issuance agreement or supplementary deeds, or those that are provided in issuing or registering the Bonds that are issued with a charge to this Line, were manifestly false or willfully incomplete in any essential aspect of the declaration;

h) If the duration term of the Issuer is amended to a date earlier than effective term of Bonds issued with charge to the respective line; or if the Issuer Company undergoes an early dissolution; or if there is a decrease in the capital effectively subscribed and paid in terms which do not comply with the ratio established for the financial indicator of Debt Ratio, Equity and Finance Cost Coverage Ratio;

i) If the Issuer charge or dispose of Essential Assets or these would be disposed from a subsidiary company of the Issuer, except copulative conditions are met in the last case. (i) the Issuer constantly maintains the condition of Parent of the company which becomes owner of the Essential Assets; (ii) that such subsidiary does not dispose of or charge Essential Assets, except they are disposed from other subsidiary of the Issuer or one of its own Subsidiaries which, in turn, is a subsidiary of the Issuer; (iii) that the subsidiary of the Issuer which Essential Assets are transferred to is constituted -at the time or before the disposal of such assets - severally obligated to pay Bonds issued under this Issuance Contract. The Issuer should send to the Representative, as required, all information for verification of the compliance with the referred herein; and

j) If in the future the Issuer or any of its Subsidiaries grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other credits, except those in the following cases: one) collateral existent at the issuance contract date; two) collateral created to finance, refinance or amortize the purchase price or costs including construction costs, assets acquired after the issuance contract; three) collateral granted by the Issuer in favor of its Subsidiaries or vice versa; four) collateral granted by a company which subsequently merged with the Issuer; five) collateral over assets acquired by the Issuer after the issuance contract, which are constituted before its purchase; and, six) extension or renewal of any collateral herein mentioned in one) to five), inclusive. However, the Issuer or any of its subsidiaries may always grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other current credits, if in advance and simultaneously, they constitute collateral at least proportionally equivalents in favor of the Bondholders. In this case, the collateral proportionality will be assessed, each time, by the Representative of Bondholders, who, if considered sufficient, will grant collateral's constituent instruments in favor of the Bondholders.

2) Series N bonds, issued with charge to the line of bonds registered under number 841 in the Security Registry on October 12, 2016 and placed in 2016.

The restrictions or limits to which the Company is subject to are as follows:

a) Maintaining an Indebtedness Ratio not greater than 1.2 times. For such purposes, Indebtedness Ratio shall be understood as the ratio calculated between Total Liabilities and Equity. Net Financial Debt shall be understood as the sum of the accounts in the Issuer's Consolidated Classified Statement of Financial Position referred to as Other financial liabilities, current and Other financial liabilities, non-current, less the account in the Issuer's Consolidated Classified Statement of Financial Position referred to as Cash and cash equivalents of the Issuer's Consolidated Financial Statements. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Indebtedness Ratio was 0.54 times;

b) Maintaining at all times during the term of this issuance of Bonds Minimum Equity of UF 5,000,000. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Equity amounted to UF 20,983,247;

c) Maintaining at all times Minimum Finance Cost Coverage Ratio of 2.5 times. The Finance Cost Coverage Ratio should be calculated on the twelve-month period prior to the date of issuance of the Consolidated Financial Statements. For such purposes, Finance Cost Coverage Ratio shall be understood as the ratio between the Gross profit (loss) less Distribution Costs and Administrative Expenses, and plus Depreciation for the year, Amortization for the year, and Finance costs. Depreciation expense shall be understood as the Depreciation item included in cost of sales and administrative expenses in the Note on Operating Segments in the Issuer's Consolidated Financial Statements. Amortization expense shall be understood as the item Amortization for the year presented in the Note on Intangible assets in the Issuer's Consolidated Financial Statements. Finance costs shall be understood as the item Finance costs presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. Gross profit (loss) relates to the account gross profit presented in the Statement of Profit or Loss in the Issuer's Consolidated Financial Statements. Distribution costs correspond to the account distribution costs presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. Administrative expenses relates to the account administrative expenses presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. As of December 31 2019, the Company's Finance Cost Coverage Ratio amounted to 8.62 times;

d) Submitting to the Representative of the Bondholders, together with the copies of its quarterly and annual Consolidated Financial Statements, a letter signed by its legal representative, leaving evidence of compliance of the financial ratios defined in letters a), b) and c) above.

e) Submitting to the Representative of the Bondholders a copy of its quarterly and annual Consolidated Financial Statements during the same term in which they should be delivered to the CMF, the financial statement of its Subsidiaries that are regulated by the standards applicable to openly-held shareholders' corporations and all other public information that the Issuer provides to the CMF. In addition, the Company should send a copy of the risk rating reports, no later than within five days after receiving them from the private risk raters;

f) Recording in its accounting records the provisions arising from adverse contingencies which, in the Issuer's judgment, must be reflected in its o its subsidiaries' Consolidated Financial Statements. The Issuer will ensure that its Subsidiaries comply with the provisions of this letter;

g) The Issuer commits to ensure that the operations that it conducts with its Subsidiaries or other related parties are conducted under conditions similar to those customarily prevailing in the market. With respect to the concept "related parties," this shall be defined as provided in Article 100 of Law 18.045;

h) The Issuer must establish and maintain adequate accounting systems based on International Financial Reporting Standards (IFRS) and the instructions issued by the CMF. The Issuer shall ensure that its domestic Subsidiaries comply with the provisions in this letter. However, with respect to foreign Subsidiaries, these should be in accordance with the accounting standards generally accepted in their respective countries and, for consolidation purposes, the applicable adjustments should be made to be in accordance with International Financial Reporting Standards (IFRS) and the instructions issued by the CMF. In addition, the Issuer should engage and maintain a reputable domestic or international an independent external audit firm for the examination and analysis of its Consolidated Financial Statements, with respect of which such firm should issue an opinion at December the thirty first of each year;

i) The Issuer must comply with the laws, regulations and other legal provisions applicable to it, having also to comply with, with no limitation whatsoever, the payment on the time using the method required of all the taxes, duties, excises and charges affecting the Issuer or its movable or immovable assets, except for those disputed in good faith and in accordance with the applicable legal and/or administrative proceedings and, provided that, in such case, adequate reserves are maintained to cover such contingency, in conformity with International Financial Reporting Standards (IFRS) an the instructions issued by the CMF.

j) Maintaining during the term of this issuance, Restricted Assets free of Liens, which are equivalent, at least, to 1.5 times the total amount of total placements of bonds effective as placed with a charge to the line of bonds agreed in accordance with the bond issuance agreement. Such obligation shall be required solely at the closing dates of the Consolidated Financial Statements (as such concept is defined in the first clause of the Bond Issuance Agreement). For such purposes, Restricted Liens shall be understood as any type of liens, collateral, encumbrances, restrictions or any type of privileges on or relative to the Issuer's present or future assets. The assets and debts are measured at carrying amount not considering those liens established by any authority in respect to taxes that are not yet owed by the Issuer and which are being duly disputed by the Issuer, liens constituted during the ordinary course of the Issuer's business activities, which are being duly disputed by the Issuer, preferences established by the Law, liens constituted by virtue of the bond issuance agreement and all those liens to which the Issuer has not provided its consent and which are being disputed by it. The Issuer should send to the Representative of the Bondholders, provided such individual requires it, the background allowing the verification of the ratio referred to in this section. As of December 31, 2019, Restricted Assets free of liens on the total amount of placements as placed with a charge to the line of bonds amounted to 22.14 times; and

k) Maintaining insurance policies fairly supporting its assets, in accordance with the usual practices for the industries of the nature of the Issuer's industry. The Issuer shall ensure that its Subsidiaries also comply with that established in this letter.

Acceleration clauses

a) Should the Issuer have a default or simple delay in the payment of any partial payment of interests or repayment of principal owed of the Bonds.

b) Should the Issuer not comply with any of the obligations of providing information to the Representative of the Bondholders and this is not resolved within thirty business days from the date in which this is required in writing by the Representative of Bondholders. The Information that the Issuer must provide to the Representative of the Bondholders is the following: (i) a Copy of its quarterly and annual Consolidated Financial Statements and those of its Subsidiaries regulated by standards applicable to openly-held shareholders' corporations; (ii) Other public information that the Issuer provides to the CMF; (iii) A copy of the risk rating reports; (iv) a Report on compliance with the obligations assumed by virtue of the issuance agreement, which has to be delivered within the same term in which the Consolidated Financial Statements have to be delivered to the CMF; and (vi) Notice of every circumstance implying the default or breach of the conditions or obligations assumed by virtue of the issuance agreement, as soon as the event or breach occurs or it becomes aware of it;

c) If the default or breach of any other commitment or obligation assumed by the Issuer by the Issuance Agreement or Supplemental Deeds persists for a period equal to or greater than sixty days after the Representative of the Bondholders has sent to the Issuer, through registered mail, a written notice describing the default or breach requiring remediation. This except for default or breach with respect to the Net Indebtedness Ratio and Finance Cost Coverage Ratio, in which case the default will be ninety days after the date in which the Representative of the Bondholders had sent to the Issuer, through registered mail, the aforementioned notice. The Representative of the Bondholders should send the notice to the Issuer within the business day subsequent to the date in which it has verified the related default or breach by the Issuer and, in any case, within the term established by the CMF, through a general standard issued in accordance with article one hundred and nine, letter (b) of the Securities Market Act, if the latter is lower;

d) Should the Issuer or any of its Significant Subsidiaries not resolve within a term of thirty business days any past due o simple delay situation related to the payment of the debt obligations for an accumulated total sum greater than that equivalent in Chilean pesos to UF 150,000 and the date of the payment of the obligations included in such amount had not been expressly postponed. Such amount will not consider the obligations that (i) are subject to pending litigation or lawsuits for obligations not recognized by the Issuer in its accounting records or (ii) related to the price of constructions or the acquisition of assets the payment of which has been objected any the Issuer because of defect in such constructions or assets or because of noncompliance by the related builder or seller or its obligations under the contract. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

e) Should any other creditor of the Issuer or of any of its Significant Subsidiaries legitimately collects from it or any of its Significant Subsidiaries the total amount of a loan subject to term conditions, by virtue of having exercised the right to request the early expiration of the related loan because of default by the Issuer or any of its Significant Subsidiaries, as contained in the relevant contract. However, except for the cases in which the sum of the loans collected earlier as provided in this number, do not exceed the accumulated amount of UF 150,000. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

f) Should the Issuer and/or any of its Significant Subsidiaries incur in cessation of payments, filed a requested voluntarily or incur any cause for filing a liquidation process, as established in the Law twenty thousand, seven hundred and twenty; or if any liquidation process is filed by or against the Issuer and/or any of its Significant Subsidiaries; or if any process is filed by or against the Issuer and/or any of its Significant Subsidiaries for its dissolution, liquidation, reorganization, tender, proposals for legal or extrajudicial agreement or payment arrangement, in accordance with Law twenty thousand, seven hundred and twenty or any law on insolvency or tender; or requests the appointment of a receiver, administrative receiver, inspector or another similar officer with respect to the Issuer and/or any of its Significant Subsidiaries, or of a significant portion of its asset, or if the Issuer takes any action to allow any of the acts indicated above in this number, provided that, in the case of a tender process for the liquidation in which the Issuer is the debtor, this is not be objected or disputed as to whether it is legitimate by the Issuer with written and justified information with the Courts of Justice within thirty days following the date of beginning of such process. However and for these purposes, the procedures filed against the Issuer and/or any of it Significant Subsidiaries will necessarily have to be supported by one or two executive securities for amounts that individually or in aggregate, exceed the amount equivalent to UF one hundred and fifty thousand and provided that such proceedings are not objected or disputed as to their status of being legitimate by the Issuer or the related Significant Subsidiary with written and justified information with the Courts of Justice within the term established by the law for such purposes. For such purposes, it shall be considered that a proceeding has been foiled when the related collection legal actions have been noticed to the Issuer or related Significant Subsidiary.

g) If any declaration made by the Issuer in the instruments that are granted or subscribed as a result of noncompliance with the obligations contained in the issuance agreement or supplementary deeds, or those that are provided in issuing or registering the Bonds that are issued with a charge to this Line, were manifestly false or willfully incomplete in any essential aspect of the declaration;

h) If the duration term of the Issuer is amended to a date earlier than the effective term of Bonds issued with charge to the respective line; or if the Issuer Company undergoes an early dissolution; or if there is a decrease in the capital effectively subscribed and paid in terms which do not comply with the ratio established for the financial indicators of Net Finance Indebtedness Ratio, Equity and Finance Cost Coverage Ratio;

i) If the Issuer charges or disposes of Essential Assets or these would be disposed from a subsidiary company of the Issuer, except copulative conditions are met in the last case: (i) the Issuer constantly maintains the condition of Parent of the company which becomes owner of the Essential Assets; (ii) that such subsidiary does not dispose of or charge Essential Assets, except they are disposed from other subsidiary of the Issuer or one of its own subsidiaries which, in turn, is a subsidiary of the Issuer; (iii) that the subsidiary of the Issuer which Essential Assets are transferred to is incorporated -at the time or before the disposal of such assets - severally obligated to pay Bonds issued under this Issuance Contract. The Issuer should send to the Representative, as required, all information for verification of the compliance with the referred herein; and

j) If in the future the Issuer or any of its subsidiaries grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other credits, except those in the following cases: one) collateral existent at the issuance contract date; two) collateral created to finance, refinance or amortize the purchase price or costs including construction costs, assets acquired after the issuance contract; three) collateral granted by the Issuer in favor of its subsidiaries or vice versa; four) collateral granted by a company which subsequently merged with the Issuer; five) collateral over assets acquired by the Issuer after the issuance contract, which are constituted before its purchase; and, six) extension or renewal of any collateral herein mentioned in one) to five), inclusive. However, the Issuer or any of its subsidiaries may always grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other current credits, if in advance and simultaneously, they constitute collateral at least proportionally equivalents in favor of the Bondholders. In this case, the collateral proportionalities will be assessed, every opportunity, by the Representative of Bondholders, who, if considered sufficient, will grant collaterals' constituent instruments in favor of the Bondholders.

3) Series Q bonds, issued with charge to the line of bonds registered under number 876 in the Security Registry on December 19, 2017 and placed in 2018.

The restrictions or limits to which the Company is subject to are as follows:

a) Maintaining an Indebtedness Ratio not greater than 1.2 times. For such purposes, Net Indebtedness ratio shall be understood as the ratio between Net Financial Debt and Equity. Net Financial Debt shall be understood as the sum of the accounts in the Issuer's Consolidated Classified Statement of Financial Position referred to as Other financial liabilities, current and Other financial liabilities, non-current, less the account in the Issuer's Consolidated Classified Statement of Financial Position referred to as Cash and cash equivalents of the Issuer's Consolidated Financial Statements. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Net Indebtedness Ratio was 0.54 times;

b) Maintaining at all times during the term of this issuance of Bonds Minimum Equity of UF 5,000,000. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Equity amounted to UF 20,983,247;

c) Maintaining at all times Minimum Finance Cost Coverage Ratio of 2.5 times. The Finance Cost Coverage Ratio should be calculated on the twelve-month period prior to the date of issuance of the Consolidated Financial Statements. For such purposes, Finance Cost Coverage Ratio shall be understood as the ratio between the Gross profit (loss) less Distribution Costs, Administrative Expenses and plus Depreciation Expense and Amortization Expense, and Finance Costs. Depreciation Expense shall be understood as the Depreciation item included in cost of sales and administrative expenses in the Note on Operating Segments in the Issuer's Consolidated Financial Statements. Amortization Expense shall be understood as the item Amortization Expense presented in the Note on Intangible assets in the Issuer's Consolidated Financial Statements. Finance Costs shall be understood as the item presented in the Statement of Profit or Los by Function in the Issuer's Consolidated Financial Statements. Gross profit (loss) relates to the account gross profit presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. Distribution Costs correspond to the account distribution costs presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. Administrative expenses relates to the account administrative expenses presented in the Statement of Profit or Loss by Function in the Issuer's Consolidated Financial Statements. As of December 31 2019, the Company's Finance Cost Coverage Ratio was 8.62 times;

d) Sending to the Representative of the Bondholders, together with the copies of its quarterly and annual Consolidated Financial Statements, a letter signed by its legal representative, leaving evidence of compliance of the financial ratios defined in letters a), b) and c) above;

e) Sending to the Representative of the Bondholders, during the same term in which they should be delivered to the Chilean Financial Market Commission (CMF), a copy of its quarterly and annual Consolidated Financial Statements and the financial statement of its Subsidiaries that are regulated by the standards applicable to openly-held shareholders' corporations and all other public information that the Issuer provides to the CMF. In addition, the Company should send a copy of the risk rating reports, no later than within five business days after receiving them from the Private Risk Raters;

f) Recording in its accounting records the provisions arising from adverse contingencies which, in the Issuer management's judgment, must be reflected in its o its subsidiaries' Consolidated Financial Statements. The Issuer will ensure that its subsidiaries comply with the provisions of this letter;

g) The Issuer commits to ensure that the operations that it conducts with its Subsidiaries or other related parties are conducted under conditions similar to those customarily prevailing in the market. With respect to the concept "related parties," this shall be defined as provided in Article 100 of Law 18.045;

h) The Issuer should establish and maintain adequate accounting systems based on International Financial Reporting Standards (IFRS) and the instructions issued by the Chilean CMF. The Issuer shall ensure that its domestic Subsidiaries also comply with that established in this letter. However, with respect to foreign Subsidiaries, these should be in accordance with the accounting standards generally accepted in their respective countries and, for consolidation purposes, the applicable adjustments should be made to be in accordance with International Financial Reporting Standards (IFRS) and the instructions issued by the Chilean CMF. In addition, the Issuer should engage and maintain a reputable domestic or international independent external audit firm for the examination and analysis of its Consolidated Financial Statements, with respect of which such firm should issue an opinion at December the thirty first of each year;

i) The Issuer must comply with the laws, regulations and other legal provisions applicable to it, having also to comply with, with no limitation whatsoever, the payment on the time using the method required of all the taxes, duties, excises and charges affecting the Issuer or its movable or immovable assets, except for those disputed in good faith and in accordance with the applicable legal and/or administrative proceedings and, provided that, in such case, adequate reserves are maintained to cover such contingency, in conformity with International Financial Reporting Standards (IFRS) an the instructions issued by the Chilean CMF.

j) Maintaining, during the term of this issuance, Assets free of Restricted Liens, which are equivalent, at least, to 1.5 times the total amount of total placements of bonds effective as placed with a charge to the line of bonds agreed in accordance with the bond issuance agreement. Such obligation shall be required solely at the closing dates of the Consolidated Financial Statements (as such concept is defined in the first clause of the Bond Issuance Agreement). For such purposes, Restricted Liens shall be understood as any type of liens, collaterals, encumbrances, restrictions or any type of privileges on or relative to the Issuer's present or future assets. The assets and debts are measured at carrying amount not considering those liens established by any authority in respect to taxes that are not yet owed by the Issuer and which are being duly disputed by the Issuer, liens constituted during the ordinary course of the Issuer's business activities, which are being duly disputed by the Issuer, preferences established by the Law, liens constituted by virtue of the bond issuance agreement and all those liens to which the Issuer has not provided its consent and which are being disputed by it. The Issuer should send to the Representative of the Bondholders, provided that the Representative requires it, the background that allows verifying the ratio referred to in this section. As of December 31, 2019, assets free of Restricted Liens on the total amount of effective placements with a charge to the present line was 22.14 times; and

k) Maintaining insurance policies fairly supporting its assets, in accordance with the usual practices for the industries of the nature of the Issuer's industry. The Issuer shall ensure that its Subsidiaries also comply with that established in this letter.

Causes for Acceleration

a) Should the Issuer have a default or simple delay in the payment of any partial payment of interests or repayment of principal owed of the Bonds;

b) Should the Issuer not comply with any of the obligations of providing information to the Representative of the Bondholders and this is not resolved within thirty business days from the date in which this is required in writing by the Representative of the Bondholders. The Information that the Issuer must provide to the Representative of the Bondholders is the following: (i) a Copy of its quarterly and annual Consolidated Financial Statements and those of its Subsidiaries regulated by standards applicable to openly-held shareholders' corporations; (ii) Other public information that the Issuer provides to the Chilean CMF; (iii) A copy of the reports issued by risk raters; (iv) a Report on compliance with the obligations assumed by virtue of the issuance agreement, which has to be delivered within the same term in which the Consolidated Financial Statements have to be delivered to the Chilean SVS; and (vi) Notice of every circumstance implying the default or breach of the conditions or obligations assumed by virtue of the issuance agreement, as soon as the event or breach occurs or it becomes aware of it;

c) If the default or breach of any other commitment or obligation assumed by the Issuer by virtue of the Issuance Agreement or Supplemental Deeds persists for a period equal to or greater than sixty days after the Representative of the Bondholders has sent to the Issuer, through registered mail, a written notice describing the default or breach requiring remediation. This, except for default or breach with respect to the Net Indebtedness Ratio and Finance Cost Coverage Ratio, in which case the default will be ninety days after the date in which the Representative of the Bondholders had sent to the Issuer, through registered mail, the aforementioned notice. The Representative of the Bondholders should send the notice to the Issuer within the business day subsequent to the date in which it has verified the related default or breach by the Issuer and, in any case, within the term established by the Chilean CMF through a general standard issued in accordance with article one hundred and nine, letter (b) of the Securities market Act, if the latter is lower;

d) Should the Issuer or any of its Significant Subsidiaries not resolve within a term of thirty business days any past due o simple delay situation related to the payment of the debt obligations for an accumulated total sum greater than that equivalent in Chilean pesos to UF 150,000 and the date of the payment of the obligations included in such amount had not been expressly postponed. Such amount will not consider the obligations that (i) are subject to pending litigation or lawsuits for obligations not recognized by the Issuer in its accounting records; or, (ii) are related to the price of constructions or the acquisition of assets the payment of which has been objected by the Issuer because of defect in such constructions or assets or because of noncompliance by the related builder or seller or its obligations under the contract. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

e) Should any other creditor of the Issuer or of any of its Significant Subsidiaries legitimately collects from it or any of its Significant Subsidiaries the total amount of a loan subject to term conditions, by virtue of having exercised the right to request the early expiration of the related loan because of default by the Issuer or any of its Significant Subsidiaries, as contained in the relevant contract. However, except for the cases in which the sum of the loans collected earlier as provided in this number, do not exceed the accumulated amount of UF 150,000. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

f) Should the Issuer and/or any of its Significant Subsidiaries incur in cessation of payments, filed a requested voluntarily or incur any cause for filing a liquidation process, as established in the Law twenty thousand, seven hundred and twenty; or if any liquidation process is filed by or against the Issuer and/or any of its Significant Subsidiaries; or if any process is filed by or against the Issuer and/or any of its Significant Subsidiaries for its dissolution, liquidation, reorganization, tender, proposals for legal or extrajudicial agreement or payment arrangement, in accordance with Law twenty thousand, seven hundred and twenty or any law on insolvency or tender; or requests the appointment of a receiver, administrative receiver, inspector or another similar officer with respect to the Issuer and/or any of its Significant Subsidiaries, or of a significant portion of its asset, or if the Issuer takes any action to allow any of the acts indicated above in this number, provided that, in the case of a tender process for the liquidation in which the Issuer is the debtor, this is not be objected or disputed as to whether it is legitimate by the Issuer with written and justified information with the Courts of Justice within the thirty days following the date of beginning of such process. However and for these purposes, the procedures filed against the Issuer and/or any of it Significant Subsidiaries will necessarily have to be supported by one or two executive securities for amounts that individually or in aggregate, exceed the amount equivalent to UF one hundred and fifty thousand and provided that such proceedings are not objected or disputed as to their status of being legitimate by the Issuer or the related Significant Subsidiary with written and justified information with the Courts of Justice within the term established by the law for such purposes. For such purposes, it shall be considered that a proceeding has been filed when the related collection legal actions have been noticed to the Issuer or related Significant Subsidiary.

g) If any declaration made by the Issuer in the instruments that are granted or subscribed as a result of noncompliance with the obligations contained in the issuance agreement or supplementary deeds, or those that are provided in issuing or registering the Bonds that are issued with a charge to this Line, were manifestly false or willfully incomplete in any essential aspect of the declaration;

h) If the duration term of the Issuer is amended to a date earlier than the effective term of Bonds issued with charge to the respective line; or if the Issuer Company undergoes an early dissolution; or if there is a decrease in the capital effectively subscribed and paid in terms which do not comply with the ratio established for the financial indicators of Net Finance Indebtedness Ratio, Equity and Finance Cost Coverage Ratio;

i) If the Issuer charges or disposes of Essential Assets or these would be disposed from a subsidiary company of the Issuer, except copulative conditions are met in the last case: (i) the Issuer constantly maintains the condition of Parent of the company which becomes owner of the Essential Assets; (ii) that such subsidiary does not dispose of or charge Essential Assets, except they are disposed from other subsidiary of the Issuer or one of its own subsidiaries which, in turn, is a subsidiary of the Issuer; (iii) that the subsidiary of the Issuer which Essential Assets are transferred to is incorporated -at the time or before the disposal of such assets - severally obligated to pay Bonds issued under this Issuance Contract. The Issuer should send to the Representative, as required, all information for verification of the compliance with the referred herein; and

j) If in the future the Issuer or any of its subsidiaries grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other credits, except those in the following cases: one) collateral existent at the issuance contract date; two) collateral created to finance, refinance or amortize the purchase price or costs including construction costs, assets acquired after the issuance contract; three) collateral granted by the Issuer in favor of its subsidiaries or vice versa; four) collateral granted by a company which subsequently merged with the Issuer; five) collateral over assets acquired by the Issuer after the issuance contract, which are constituted before its purchase; and, six) extension or renewal of any collateral herein mentioned in one) to five), inclusive. However, the Issuer or any of its subsidiaries may always grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other current credits, if in advance and simultaneously, they constitute collateral at least proportionally equivalents in favor of the Bondholders. In this case, the collateral proportionalities will be assessed, every opportunity, by the Representative of Bondholders, who, if considered sufficient, will grant collaterals' constituent instruments in favor of the Bondholders.

4) Series T bonds, issued with charge to the line of bonds registered under number 931 in the Security Registry on March 20, 2019 and placed in 2019.

The restrictions or limits to which the Company is subject to are as follows:

a) Maintaining an Indebtedness Ratio not greater than 1.2 times. For such purposes, Net Indebtedness ratio shall be understood as the ratio between Net Financial Debt and Equity. Net Financial Debt shall be understood as the sum of the accounts in the Issuer's Consolidated Classified Statement of Financial Position referred to as Other financial liabilities, current and Other financial liabilities, non-current, less the account in the Issuer's Consolidated Classified Statement of Financial Position referred to as Cash and cash equivalents of the Issuer's Consolidated Financial Statements. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Net Indebtedness Ratio was 0.54 times;

b) Maintaining at all times during the term of this issuance of Bonds Minimum Equity of UF 5,000,000. Equity shall be understood as the sum of the accounts in the Classified Statement of Financial Position referred to Equity Attributable to Owners of the Parent and Non-Controlling Interests, included in the Issuer's Consolidated Financial Statements. As of December 31, 2019, the Company's Equity amounted to UF 20,983,247;

c) Maintaining at all times Minimum Finance Cost Coverage Ratio of 2.5 times. The Finance Cost Coverage Ratio should be calculated on the twelve-month period prior to the date of issuance of the Consolidated Financial Statements. For such purposes, Finance Cost Coverage Ratio shall be understood as the ratio between the Gross profit (loss) less Distribution Costs, Administrative Expenses and plus Depreciation Expense and Amortization Expense, and Finance Costs. Depreciation expense shall be understood as the Depreciation item included in cost of sales and administrative expenses in the Note on Operating Segments in the Issuer's Consolidated Financial Statements. Amortization expense shall be understood as the item amortization expense presented in the Note on Intangible assets in the Issuer's Consolidated Financial Statements. Finance Costs shall be understood as the item presented in the Statement of Profit or Los by Function in the Issuer's Consolidated Financial Statements. Gross profit (loss) relates to the account gross profit presented in the Statement of Profit or Los by Function in the Issuer's Consolidated Financial Statements. Distribution Costs correspond to the account distribution costs presented in the Statement of Profit or Los by Function in the Issuer's Consolidated Financial Statements. Administrative expenses relates to the account administrative expenses presented in the Statement of Profit or Los by Function in the Issuer's Consolidated Financial Statements. As of December 31 2019, the Company's Finance Cost Coverage Ratio was 8.62 times;

d) Sending to the Representative of the Bondholders, together with the copies of its quarterly and annual Consolidated Financial Statements, a letter signed by its legal representative, leaving evidence of compliance of the financial ratios defined in letters a), b) and c) above;

e) Sending to the Representative of the Bondholders, during the same term in which they should be delivered to the Chilean Financial Market Commission (CMF), a copy of its quarterly and annual Consolidated Financial Statements and the financial statement of its Subsidiaries that are regulated by the standards applicable to openly-held shareholders' corporations and all other public information that the Issuer provides to the CMF. In addition, the Company should send a copy of the risk rating reports, no later than within five business days after receiving them from the Private Risk Raters;

f) Recording in its accounting records the provisions arising from adverse contingencies which, in the Issuer management's judgment, must be reflected in its o its subsidiaries' Consolidated Financial Statements. The Issuer will ensure that its subsidiaries comply with the provisions of this letter;

g) The Issuer commits to ensure that the operations that it conducts with its Subsidiaries or other related parties are conducted under conditions similar to those customarily prevailing in the market. With respect to the concept "related parties," this shall be defined as provided in Article 100 of Law 18.045;

h) The Issuer should establish and maintain adequate accounting systems based on International Financial Reporting Standards (IFRS) and the instructions issued by the Chilean CMF. The Issuer shall ensure that its domestic Subsidiaries also comply with that established in this letter. However, with respect to foreign Subsidiaries, these should be in accordance with the accounting standards generally accepted in their respective countries and, for consolidation purposes, the applicable adjustments should be made to be in accordance with International Financial Reporting Standards (IFRS) and the instructions issued by the Chilean CMF. In addition, the Issuer should engage and maintain a reputable domestic or international independent external audit firm for the examination and analysis of its Consolidated Financial Statements, with respect of which such firm should issue an opinion at December the thirty first of each year;

i) The Issuer must comply with the laws, regulations and other legal provisions applicable to it, having also to comply with, with no limitation whatsoever, the payment on the time using the method required of all the taxes, duties, excises and charges affecting the Issuer or its movable or immovable assets, except for those disputed in good faith and in accordance with the applicable legal and/or administrative proceedings and, provided that, in such case, adequate reserves are maintained to cover such contingency, in conformity with International Financial Reporting Standards (IFRS) an the instructions issued by the Chilean CMF.

j) Maintaining, during the term of this issuance, Assets free of Restricted Liens, which are equivalent, at least, to 1.5 times the total amount of total placements of bonds effective as placed with a charge to the line of bonds agreed in accordance with the bond issuance agreement. Such obligation shall be required solely at the closing dates of the Consolidated Financial Statements (as such concept is defined in the first clause of the Bond Issuance Agreement). For such purposes, Restricted Liens shall be understood as any type of liens, collaterals, encumbrances, restrictions or any type of privileges on or relative to the Issuer's present or future assets. The assets and debts are measured at carrying amount not considering those liens established by any authority in respect to taxes that are not yet owed by the Issuer and which are being duly disputed by the Issuer, liens constituted during the ordinary course of the Issuer's business activities, which are being duly disputed by the Issuer, preferences established by the Law, liens constituted by virtue of the bond issuance agreement and all those liens to which the Issuer has not provided its consent and which are being disputed by it. The Issuer should send to the Representative of the Bondholders, provided that the Representative requires it, the background that allows verifying the ratio referred to in this section. As of September 30, 2019, assets free of Restricted Liens on the total amount of effective placements with a charge to the present line was 22.14 times; and

k) Maintaining insurance policies fairly supporting its assets, in accordance with the usual practices for the industries of the nature of the Issuer's industry. The Issuer shall ensure that its Subsidiaries also comply with that established in this letter.

Causes for Acceleration

k) Should the Issuer have a default or simple delay in the payment of any partial payment of interests or repayment of principal owed of the Bonds;

l) Should the Issuer not comply with any of the obligations of providing information to the Representative of the Bondholders and this is not resolved within thirty business days from the date in which this is required in writing by the Representative of the Bondholders. The Information that the Issuer must provide to the Representative of the Bondholders is the following: (i) a Copy of its quarterly and annual Consolidated Financial Statements and those of its Subsidiaries regulated by standards applicable to openly-held shareholders' corporations; (ii) Other public information that the Issuer provides to the Chilean CMF; (iii) A copy of the reports issued by risk raters; (iv) a Report on compliance with the obligations assumed by virtue of the issuance agreement, which has to be delivered within the same term in which the Consolidated Financial Statements have to be delivered to the Chilean Financial Market Commission; and (vi) Notice of every circumstance implying the default or breach of the conditions or obligations assumed by virtue of the issuance agreement, as soon as the event or breach occurs or it becomes aware of it;

m) If the default or breach of any other commitment or obligation assumed by the Issuer by virtue of the Issuance Agreement or Supplemental Deeds persists for a period equal to or greater than sixty days after the Representative of the Bondholders has sent to the Issuer, through registered mail, a written notice describing the default or breach requiring remediation. This, except for default or breach with respect to the Net Indebtedness Ratio and Finance Cost Coverage Ratio, in which case the default will be ninety days after the date in which the Representative of the Bondholders had sent to the Issuer, through registered mail, the aforementioned notice. The Representative of the Bondholders should send the notice to the Issuer within the business day subsequent to the date in which it has verified the related default or breach by the Issuer and, in any case, within the term established by the Chilean CMF through a general standard issued in accordance with article one hundred and nine, letter (b) of the Securities market Act, if the latter is lower;

n) Should the Issuer or any of its Significant Subsidiaries not resolve within a term of thirty business days any past due o simple delay situation related to the payment of the debt obligations for an accumulated total sum greater than that equivalent in Chilean pesos to UF 150,000 and the date of the payment of the obligations included in such amount had not been expressly postponed. Such amount will not consider the obligations that (i) are subject to pending litigation or lawsuits for obligations not recognized by the Issuer in its accounting records; or, (ii) are related to the price of constructions or the acquisition of assets the payment of which has been objected by the Issuer because of defect in such constructions or assets or because of noncompliance by the related builder or seller or its obligations under the contract. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

o) Should any other creditor of the Issuer or of any of its Significant Subsidiaries legitimately collects from it or any of its Significant Subsidiaries the total amount of a loan subject to term conditions, by virtue of having exercised the right to request the early expiration of the related loan because of default by the Issuer or any of its Significant Subsidiaries, as contained in the relevant contract. However, except for the cases in which the sum of the loans collected earlier as provided in this number, do not exceed the accumulated amount of UF 150,000. For such purposes, the exchange rate or parity prevailing at the date of the related calculation shall be used;

p) Should the Issuer and/or any of its Significant Subsidiaries incur in cessation of payments, filed a requested voluntarily or incur any cause for filing a liquidation process, as established in the Law twenty thousand, seven hundred and twenty; or if any liquidation process is filed by or against the Issuer and/or any of its Significant Subsidiaries; or if any process is filed by or against the Issuer and/or any of its Significant Subsidiaries for its dissolution, liquidation, reorganization, tender, proposals for legal or extrajudicial agreement or payment arrangement, in accordance with Law twenty thousand, seven hundred and twenty or any law on insolvency or tender; or requests the appointment of a receiver, administrative receiver, inspector or another similar officer with respect to the Issuer and/or any of its Significant Subsidiaries, or of a significant portion of its asset, or if the Issuer takes any action to allow any of the acts indicated above in this number, provided that, in the case of a tender process for the liquidation in which the Issuer is the debtor, this is not be objected or disputed as to whether it is legitimate by the Issuer with written and justified information with the Courts of Justice within the thirty days following the date of beginning of such process. However and for these purposes, the procedures filed against the Issuer and/or any of it Significant Subsidiaries will necessarily have to be supported by one or two executive securities for amounts that individually or in aggregate, exceed the amount equivalent to UF one hundred and fifty thousand and provided that such proceedings are not objected or disputed as to their status of being legitimate by the Issuer or the related Significant Subsidiary with written and justified information with the Courts of Justice within the term established by the law for such purposes. For such purposes, it shall be considered that a proceeding has been filed when the related collection legal actions have been noticed to the Issuer or related Significant Subsidiary.

q) If any declaration made by the Issuer in the instruments that are granted or subscribed as a result of noncompliance with the obligations contained in the issuance agreement or supplementary deeds, or those that are provided in issuing or registering the Bonds that are issued with a charge to this Line, were manifestly false or willfully incomplete in any essential aspect of the declaration;

r) If the duration term of the Issuer is amended to a date earlier than the effective term of Bonds issued with charge to the respective line; or if the Issuer Company undergoes an early dissolution; or if there is a decrease in the capital effectively subscribed and paid in terms which do not comply with the ratio established for the financial indicators of Net Finance Indebtedness Ratio, Equity and Finance Cost Coverage Ratio;

s) If the Issuer charges or disposes of Essential Assets or these would be disposed from a subsidiary company of the Issuer, except copulative conditions are met in the last case: (i) the Issuer constantly maintains the condition of Parent of the company which becomes owner of the Essential Assets; (ii) that such subsidiary does not dispose of or charge Essential Assets, except they are disposed from other subsidiary of the Issuer or one of its own subsidiaries which, in turn, is a subsidiary of the Issuer; (iii) that the subsidiary of the Issuer which Essential Assets are transferred to is incorporated -at the time or before the disposal of such assets - severally obligated to pay Bonds issued under this Issuance Contract. The Issuer should send to the Representative, as required, all information for verification of the compliance with the referred herein; and

t) If in the future the Issuer or any of its subsidiaries grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other credits, except those in the following cases: one) collateral existent at the issuance contract date; two) collateral created to finance, refinance or amortize the purchase price or costs including construction costs, assets acquired after the issuance contract; three) collateral granted by the Issuer in favor of its subsidiaries or vice versa; four) collateral granted by a company which subsequently merged with the Issuer; five) collateral over assets acquired by the Issuer after the issuance contract, which are constituted before its purchase; and, six) extension or renewal of any collateral herein mentioned in one) to five), inclusive. However, the Issuer or any of its subsidiaries may always grant actual collateral to new bond issuance or to any financial credit, cash credit operation or other current credits, if in advance and simultaneously, they constitute collateral at least proportionally equivalents in favor of the Bondholders. In this case, the collateral proportionalities will be assessed, every opportunity, by the Representative of Bondholders, who, if considered sufficient, will grant collaterals' constituent instruments in favor of the Bondholders.

As of December 31, 2019, Viña Concha y Toro S.A. and subsidiaries are in compliance with their restrictions and covenants mentioned in paragraphs above.

a) Indebtedness Ratio not greater than 1.4 times (valid for Series J and K Bonds)

	As of December 31, 2019 ThCh$
A) Total liabilities	659,782,661
B) Total equity	594,034,466
Indebtedness ratio (A/B)	1.11

b) Indebtedness Ratio not greater than 1.2 times (valid for Series N, Q and T Bonds)

	As of December 31, 2019 ThCh$
A) Other financial liabilities, current	147,539,239
B) Other financial liabilities, non-current	244,035,418
C) Cash and cash equivalents	72,037,137
D) Net financial debt (A+B-C)	319,537,520
E) Total equity	594,034,466
Indebtedness ratio, net (D/E)	0.54

c) Minimum Finance Cost Coverage Ratio of 2.5 times (valid for Series J, K, N, Q and T Bonds)

Cálculo efectuado sobre 12 meses anteriores a la fecha de emisión de los Estados Financieros Consolidados	As of December 31, 2019 ThCh$
A) Gross profit	241,396,894
b) Distribution expenses	131,543,755
C) Administrative expenses	31,430,822
D) Depreciation expense	26,802,415
E) Amortization for the period	1,764,400
F) Total (A-B-C+D+E)	106,989,132
G) Finance costs	12,413,267
Finance Cost Coverage Ratio (F/G)	8.62

d) Minimum equity of UF 5,000,000 (valid for Series J, K, N, Q and T Bonds)

	As of December 31, 2019 ThCh$
A) Equity attributable to the owners of the Parent	589,591,330
B) Non-controlling interests	4,443,136
C) Total equity (A+B)	594,034,466
D) Amount in UF	28,310
Equity in UF (C/D*1000)	20,983,247

e) Restricted Assets free of liens, which are equivalent, at least, to 1.5 times the total amount of total placements of bonds effective as placed with a charge to the line
(valid for Series J, K, N, Q and T lines)

i) Line 575 (Series J and K Bonds)

	As of December 31, 2019 ThCh$
A) Total assets	1,253,817,127
B) Encumbered assets	-
C) Restricted Assets free of liens	1,253,817,127
D) Total placements of bonds effective	37,746,583
Assets free of liens / Amount in Line 575 (C/D)	33.22

ii) Line 841 (Series N Bonds)

	As of December 31, 2019 ThCh$
A) Total assets	1,253,817,127
B) Encumbered assets	-
C) Restricted Assets free of liens	1,253,817,127
D) Total placements of bonds effective	56,619,880
Assets free of liens / Amount in Line 841 (C/D)	22.14

iii) Line 876 (Series Q Bonds)

	As of December 31, 2019 ThCh$
A) Total assets	1,253,817,127
B) Encumbered assets	-
C) Restricted Assets free of liens	1,253,817,127
D) Total placements of bonds effective	56,619,880
Assets free of liens / Amount in Line 876 (C/D)	22.14

iv) Line 931 (Series T Bonds)

	As of December 31, 2019 ThCh$
A) Total assets	1,253,817,127
B) Encumbered assets	-
C) Restricted Assets free of liens	1,253,817,127
D) Total placements of bonds effective	56,619,880
Assets free of liens / Amount in Line 931 (C/D)	22.14

5) The following bank loans have no restrictions on their agreements:

Creditor name	Creditor	Currency	Nominal rate
Viña Concha y Toro S.A.	Estado	USD	2.81%
Viña Cono Sur S.A.	Scotiabank	USD	3.06%
Viña Cono Sur S.A.	Scotiabank	CLP	3.46%
Viña Cono Sur S.A.	Scotiabank	CLP	3.49%
Trivento Bodegas y Viñedos S.A.	San Juan	ARG	17.00%
Trivento Bodegas y Viñedos S.A.	CREDICOOP	USD	3.80%
Trivento Bodegas y Viñedos S.A.	B.E.CHILE	USD	2.92%
Trivento Bodegas y Viñedos S.A.	CREDICOOP	USD	3.00%
Trivento Bodegas y Viñedos S.A.	CREDICOOP	USD	3.00%
Trivento Bodegas y Viñedos S.A.	HSBC CHILE	USD	2.45%
VCT Brasil Imp. Y Exp. Ltda	Citibank	BRL	6.02%
VCT Brasil Imp. Y Exp. Ltda	Itaú Brasil	BRL	7.41%
VCT USA Inc.	Scotiabank	USD	2.84%
VCT USA Inc.	Estado NY	USD	3.34%
VCT USA Inc.	Estado NY	USD	2.80%
VCT USA Inc.	Estado NY	USD	2.96%
VCT USA Inc.	Scotiabank	USD	2.49%
VCT USA Inc.	Estado NY	USD	3.39%
VCT&DG S.A.	Banamex	MXN	9.46%
Southern Brewing Company S.A.	Banco Estado	CLP	3.66%
Southern Brewing Company S.A.	Banco Estado	CLP	3.60%
Viña Concha y Toro S.A.	Status	USD	2.81%
Viña Cono Sur S.A.	Scotiabank	USD	3.06%
Viña Cono Sur S.A.	Scotiabank	CLP	3.46%
Viña Cono Sur S.A.	Scotiabank	CLP	3.49%
Trivento Bodegas y Viñedos S.A.	San Juan	ARG	17.00%
Trivento Bodegas y Viñedos S.A.	CREDICOOP	USD	3.80%
Trivento Bodegas y Viñedos S.A.	B.E.CHILE	USD	2.92%
Trivento Bodegas y Viñedos S.A.	CREDICOOP	USD	3.00%
Trivento Bodegas y Viñedos S.A.	CREDICOOP	USD	3.00%
Trivento Bodegas y Viñedos S.A.	HSBC CHILE	USD	2.45%
VCT Brasil Imp. Y Exp. Ltda	Citibank	BRL	6.02%
Southern Brewing Company S.A.	Banco Estado	CLP	4.08%
Southern Brewing Company S.A.	Banco Estado	CLP	3.96%
Southern Brewing Company S.A.	Banco Chile	CLP	3.96%
Southern Brewing Company S.A.	Banco Chile	CLP	3.42%
Southern Brewing Company S.A.	Banco Chile	CLP	3.84%
Southern Brewing Company S.A.	Banco Chile	CLP	3.42%
Southern Brewing Company S.A.	Banco Chile	CLP	4.32%
Southern Brewing Company S.A.	Banco Chile	CLP	3.48%
Southern Brewing Company S.A.	Banco Security	CLP	3.96%
Southern Brewing Company S.A.	Banco Security	CLP	4.07%
Southern Brewing Company S.A.	Banco Security	CLP	7.32%
Southern Brewing Company S.A.	Banco Bice	CLP	3.29%
Southern Brewing Company S.A.	Banco Bice	CLP	3.42%
Southern Brewing Company S.A.	Banco Bice	CLP	3.43%
Southern Brewing Company S.A.	Banco Bice	CLP	3.48%
Southern Brewing Company S.A.	Banco Bice	CLP	3.01%
Southern Brewing Company S.A.	Banco Bice	CLP	3.00%
Southern Brewing Company S.A.	Banco Bice	CLP	3.47%
Southern Brewing Company S.A.	Security	UF	4.65%
Southern Brewing Company S.A.	Chile	UF	4.31%
Southern Brewing Company S.A.	Estado	UF	3.88%

6) Viña Concha y Toro S.A., due to its lines of business, usually participates as a plaintiff or defendant, in judicial proceedings aimed at claiming the payment of sums that third parties may owe, or to defend itself against claims made by third parties because of their labor, civil and commercial relationships with the Vineyard. The perspectives for success in these procedures vary from case to case

Notwithstanding the foregoing, Concha y Toro is a party (directly or through its related companies) to the following lawsuits which in the event of an unfavorable judgment may have a significant effect on the Company's financial statements:

a) In Brazil, the Treasury Department of the State of Sao Paulo has issued two “Tax Assessment Notice and Imposition of Fine” (one in 2012 and the other in 2017, for the same reason) by virtue of which it was officially determined and required the subsidiary VCT Brazil Importación y Exportación Limitada (“VCT Brasil”) the payment of taxes due, plus interests and fines. Each Tax Assessment Notice is in different procedural stages.

The total amount corresponds to R$29,713,802.91 (equivalent to Ch$5,541,921,381.- as of December 31, 2019) due to taxes; R$69,141,254.40.59 (equivalent to Ch$12.895.535.358.- as of December 31, 2019) due to interests; and R$27,264,027.00 (equivalent to Ch$5,085,013,676.- as of December 31, 2019) due to fines.

In the opinion of the Company's attorneys, both Brazilians and Chileans, VCT Brasil Importación y Exportación Limitada has reasonable and solid arguments for its defense and considers that there are significant possibilities that the challenge of the amounts settled by the tax authority will finally be accepted. Consequently, the Company considers that an eventual disbursement -that may cost a financial effect for this concept- is unlikely. It is not feasible to provide an estimated date for the resolution of this conflict and nor can we provide an estimate of the financial impact associated with this litigation process. Lastly, we conclude it is not possible to indicate the possibilities of a reimbursement of funds for this concept.

b) Currently, the Company (or its subsidiaries) is a party to three tax claim proceedings, all in different administrative or legal procedural stages. In all these cases, the Company is advised by external lawyers who consider that the Company's position in each proceeding has legal grounds solid enough to expect a favorable outcome. However, given the complexity of these proceedings, it is not feasible to provide an estimated date for the resolution of each conflict and nor can we provide an estimate of the financial impact associated with this litigation process. Finally, it is not possible to indicate the possibilities of a reimbursement of funds for this concept.

c) In 2016, the Colombian company Conservas y Vinos S.EN C sued Viña Concha y Toro y José Canepa y Cia Limitada for damages due to termination of the distribution contract in Colombia. The first instance ruling was favorable for Viña Concha y Toro and José Canepa, fully rejecting the claim and sentencing Conservas y Vinos to pay the legal expenses. An appeal was filed against this judgment by Conservas. The amount claimed is $2,532,511,000 Colombian pesos (equivalent to Ch$582,477,530 as of December 31, 2019). In the opinion of both Chilean and Colombian lawyers, there are reasonable and solid arguments to support the defense of this case, specially taking into consideration the totally favorable ruling of first instance.

In its turn, the Company notes that it is not possible to provide an estimate of the financial impact associated with this litigation and nor it is possible to indicate the possibilities for the reimbursement of funds for such concept.

d) On January 31, 2019, Viña Concha y Toro was noticed of a claim for the fees payable for the seven-day week concept to 450 of its workers, amounting to Ch$407,769,368. The hearing will be held on January 15, 2020, being the ruling pending on a subsequent date.

Both the Company and its external legal advisors consider this lawsuit has a high possibility of a favorable outcome for the Company, considering the last rulings of the Supreme Court regarding the accrual of payments for the seven-day week concept, which support the actions of Viña Concha y Toro.

In its turn, the Company notes that it is not possible to provide an estimate of the financial impact associated with this litigation and nor it is possible to indicate the possibilities for the reimbursement of funds for such concept.

e) As of December 31, 2019, there are no other litigations or probable litigation, judicial or extrajudicial, tax matters, such as encumbrances of any nature that have an actual probability of affecting the financial statements of Viña Concha y Toro S.A.

NOTE 36. SUBSEQUENT EVENTS

Between January 1, 2020 and the date of issuance of these consolidated financial statements there are no subsequent events that may significantly affect its exposure and/or interpretation.