



INVESTOR PRESENTATION

4Q22 and 2022 Results

VIÑA CONCHA Y TORO
— FAMILY OF NEW WORLD WINERIES —

AGENDA

Chapter 01

2022 Results

Eduardo Guilisasti, CEO

Chapter 02

4Q22 Sales Analysis

Blanca Bustamante, IR Director

Chapter 03

4Q22 and 2022 Financial Result

Oswaldo Solar, CFO

Chapter 01


2022 Results

Eduardo Guilisasti, CEO

Overview

A challenging and complex year 2022

It has been a challenging year that has led us to manage the different areas of the business, which put our resilience to the test in order to adapt quickly and with conviction to the new productive, logistical, commercial and financial environment that we have faced globally.



Aspects that we have worked on and adapted:

- **Productive:** Ensure the production of our products, in wines, supplies and availability of labor.
- **Logistics:** Make a strong follow-up of our logistics chain, strengthening our relationship with the main shipping companies, together with exceptional actions that allowed us to eliminate the backlog from the beginning of the year.
- **Commercial:** Assume a higher expense, which will be of a transitory nature, in the concept of freight to ensure the availability of our products and reduce the loss of promotional sales to a minimum. Along with the above, continue to strengthen the positioning of our brands, for the long term, without reducing investment in marketing.
- **Financial:** The higher cost of capital has led us to have a focus on reducing inventories, without risking the adequate availability of products to supply demand.

2022 Result less than the proposed objective

- Despite the efforts made, we could not achieve the great objective that we set for the year 2022: **Reach an operating result of Ch\$ 140,000 m.**
- We achieved an operating result of **Ch\$ 104,873 m**, which represents a drop of **25.1%** with respect to our goal, that is, **-Ch\$ 35,127 m.**
- Not having reached this objective leads us to review our business in order to put the company back on the path of growth.

Ch\$: Chilean peso
m: million

2022 Result vs 2021, impacted by extraordinary events that should not be repeated with the same intensity in 2023.

IMPACTS ON THE MAIN LINES:

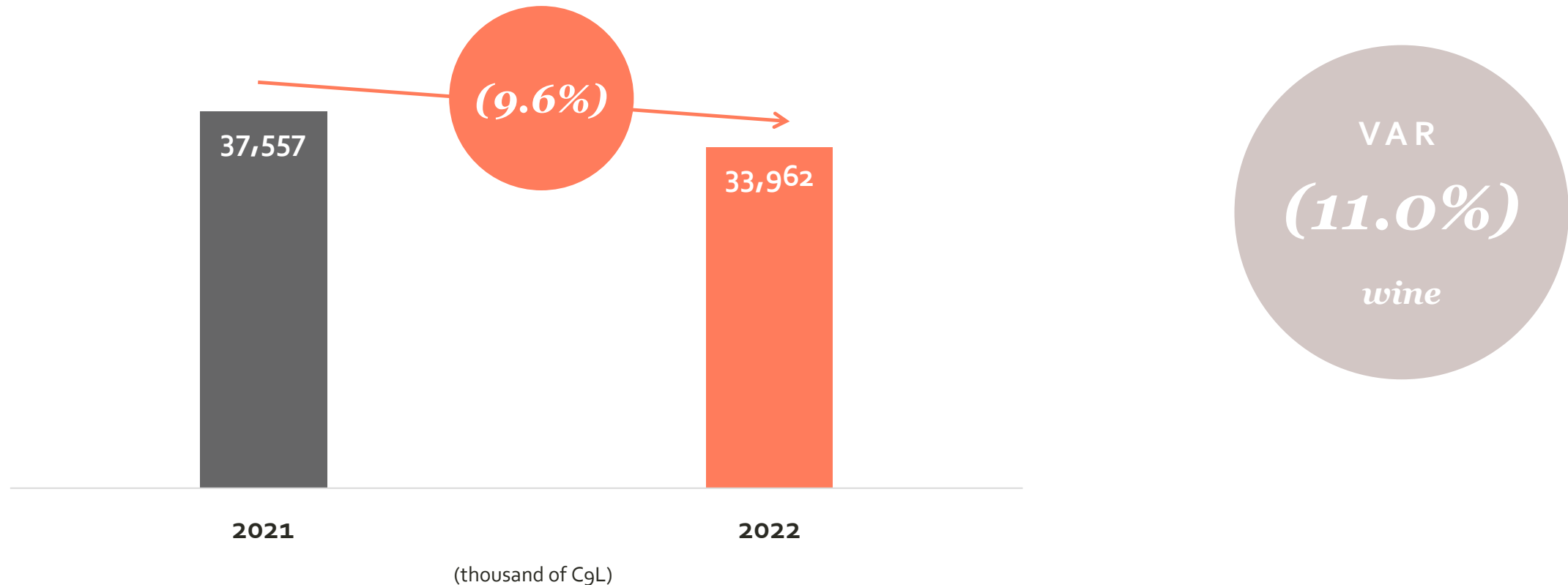
1. **Sales:** 9.6% drop in volume, equivalent to 3,595 thousand cases.
2. **Operating costs:** Increase of Ch\$ 45,056 m.
3. **Selling, general, and administrative expenses (SG&A):** Increase of Ch\$ 8,013 m.
4. **Positive exchange rate effect:** Ch\$ 29,541 m.
5. Lower results in our operations originating in the US and Argentina.

2022 Results Analysis

1. 2022 sales volume

9.6% decrease in volume, which represents a drop of **3,595 thousands of CgL**.

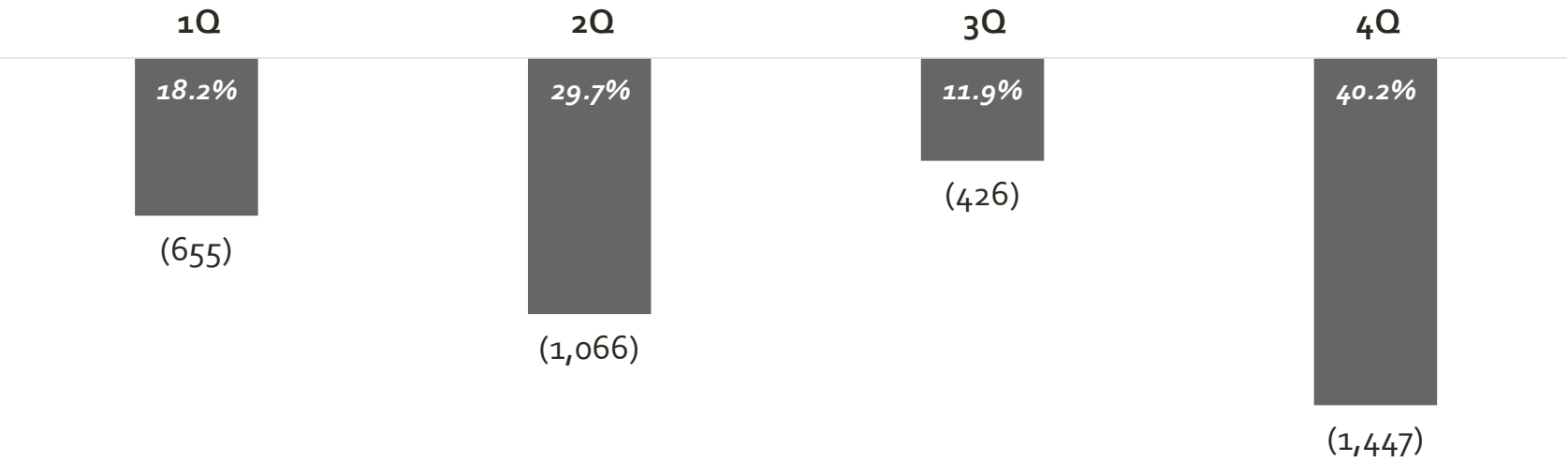
By origin, the decrease in thousand of CgL was **2,891** in Chile, **399** in the US and **305** in Argentina.



Quarterly evolution of volumes

- Participation (%) of each quarter in the total fall

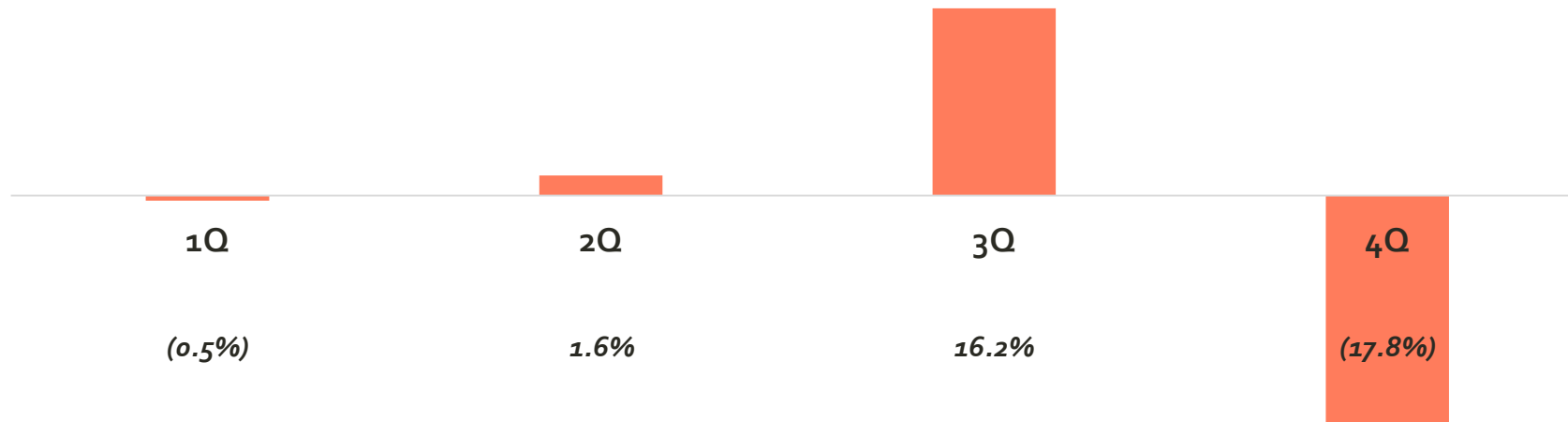
VOLUME CONTRACTION IN THOUSANDS OF CgL



Quarterly evolution of volumes

- Wine exports variation by quarter from Chile

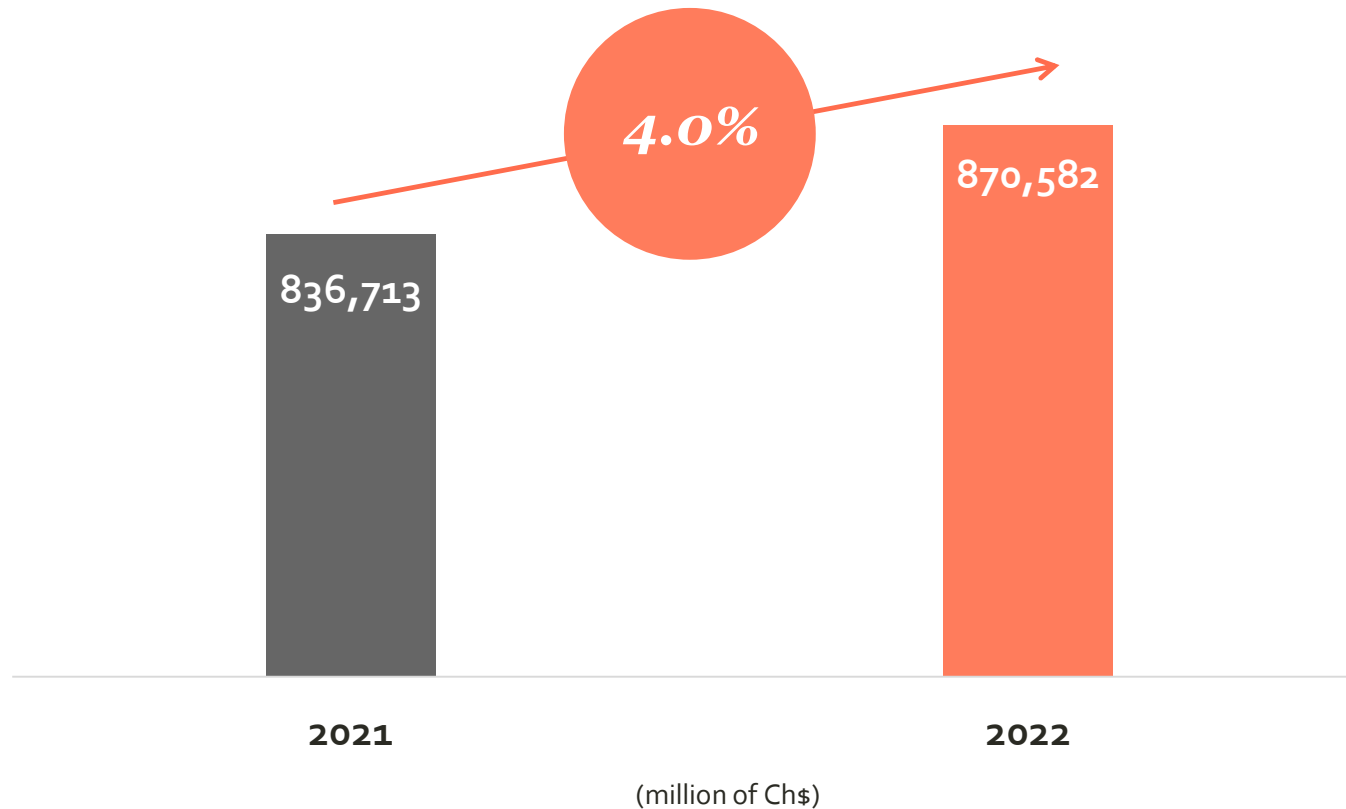
VOLUME VARIATION IN THOUSANDS OF C9L



Source: Wines of Chile as of December 2022.

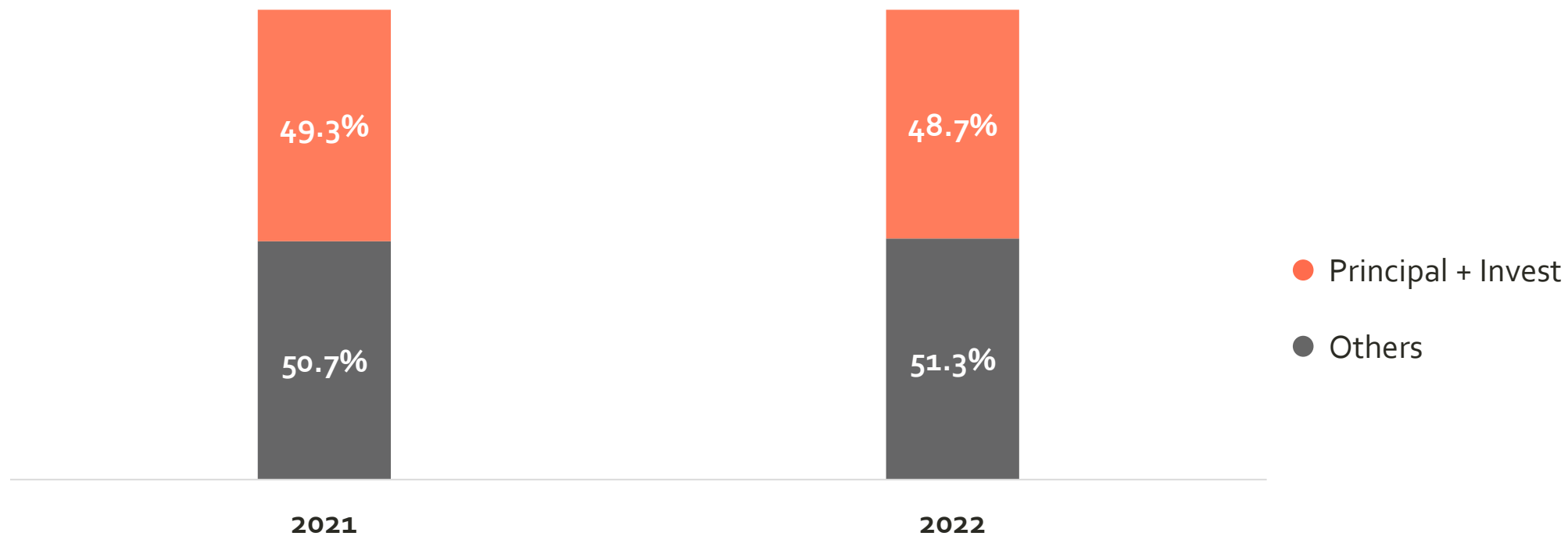
Sales in value grew in 2022

Value sales grew by **Ch\$ 33,869 m (+4.0%)**. This result reflects a higher average price and a favorable exchange rate effect, offset by lower volume.



Principal + Invest mix: *-60 bp*

% OF TOTAL SALES IN VALUE



Performance of the four main markets

Result that reflects lower volumes in the main markets, a higher average price and a slowdown in consumption at the industry level.

2022	% of Sales	Var % Value
UK	23.5%	(3.0%)
Chile	16.7%	(0.6%)
US	15.0%	3.4%
Brazil	6.4%	0.5%

Performance by category

Higher-value categories grew at double-digit rates.

2022	Var % Value
Ultra Premium	33.6%
Super Premium	10.0%
Premium	1.0%
Varietals	2.7%

Sales result impacted by:

- Strong accumulation of inventories throughout the logistics chain as of December 2021 due to fears of shortages.
- Need to optimize working capital due to interest rate increases not seen in the last 15 years.
- Slowdown in demand towards the fourth quarter.
- Price increases in our portfolio, especially in Casillero del Diablo, due to the effects of higher costs and to take care of the brand's positioning.

2. Operating Costs

<i>(million of Ch\$)</i>	2022	2021	Var (Ch\$)	Var (%)
Operating cost	(528,861)	(501,793)	(27,068)	5.4%
% Op. cost / Sales	(60.7%)	(60.0%)		(80 bp)

Main variations:

- The increase in costs of dry goods, equivalent to **Ch\$ 20,094 m.**
- Strong increase in shipping rates, equivalent to **Ch\$ 15,171 m (+101.9%)**. We assume a higher cost as a result of our vertical integration.
- An increase in Operations and Supply Chain of **Ch\$ 9,790 m.**

In this period, supply was prioritized, with a significant increase in the level of inventories in our distribution offices worldwide.

3. Selling, general, and administrative expenses (SG&A)

	2022	2021	Var (Ch\$)	Var (%)
SG&A	(234,767)	(205,736)	(29,031)	14.1%
Consolidated sales	870,582	836,713	33,869	4.0%
% of sales	-27.0%	-24.6%		(240 bp)

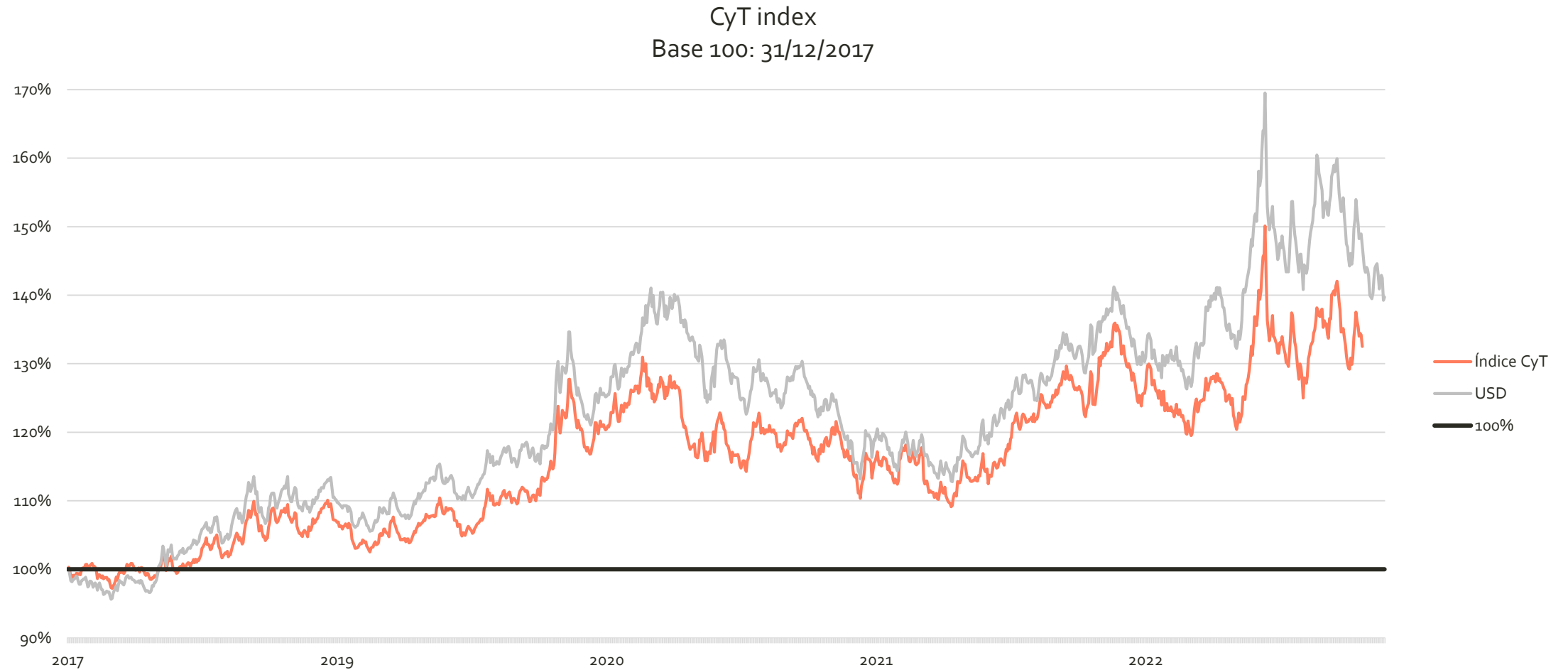
Main variations:

- In percentage terms, the greatest increase corresponded to the logistics area, with **+19.2%**.
- Marketing expenses increased by **10.0%** to strengthen the positioning of our main brands.
- Increases in remunerations due to the indexing of salaries to inflation of **9.9%**.

4. Positive effect of the exchange rate of Ch\$ 29,541 m

	FX Rates 2022	FX Rates 2021	Var (%)
USD	875	762	14.8%
EUR	918	899	2.2%
GBP	1,075	1,048	2.5%
CAD	676	608	11.2%
SEK	86	88	(2.6%)
NOK	91	88	2.6%
BRL	171	141	21.1%
ARG	7	8	(16.3%)
MXN	44	38	16.5%
CNY	130	119	8.7%

4. CyT index



The CyT index corresponds to the variation with respect to the Chilean peso of the weighted basket of Viña Concha y Toro's billing currencies.

5. Lower results in our operations originating in the US and Argentina.

22 vs 21 variation	US	Argentina
Sales	(0.9%)	2.6%
Operating cost	5.4%	26.2%
Gross margin	(13.0%)	(12.4%)
SG&A	11.5%	21.0%
Lower Operating Result	(Ch\$ 13,525 m)	(Ch\$ 7,643 m)

6. Non-Operating result

<i>(million of Ch\$)</i>	2022	2021	Var (Ch\$)	Var (%)
Financial income	3,522	2,819	702	24.9%
Financial cost	(15,564)	(13,060)	(2,504)	19.2%
Results of indexed units	297	101	196	194.3%
Net financial expense	(11,745)	(10,140)	(1,605)	15.8%
% of sales	(1.3%)	(1.2%)		(10 bp)
Exchange differences	1,660	(431)	2,090	(485.5%)
Non-operating result*	(10,085)	(10,571)	485	(4.6%)

* Does not consider results of affiliated companies

7. 2022 consolidated result

<i>(million of Ch\$)</i>	2022	2021	Var (%)
Consolidated sales	870,582	836,713	4.0%
Operating cost	(528,861)	(501,793)	5.4%
Gross profit	341,721	334,920	2.0%
Gross margin	39.3%	40.0%	(80 bp)
SG&A	(234,767)	(205,736)	14.1%
EBIT	104,873	132,912	(21.1%)
EBIT margin	12.0%	15.9%	(380 bp)
Net profit	87,213	98,810	(11.7%)
Net margin	10.0%	11.8%	(180 bp)

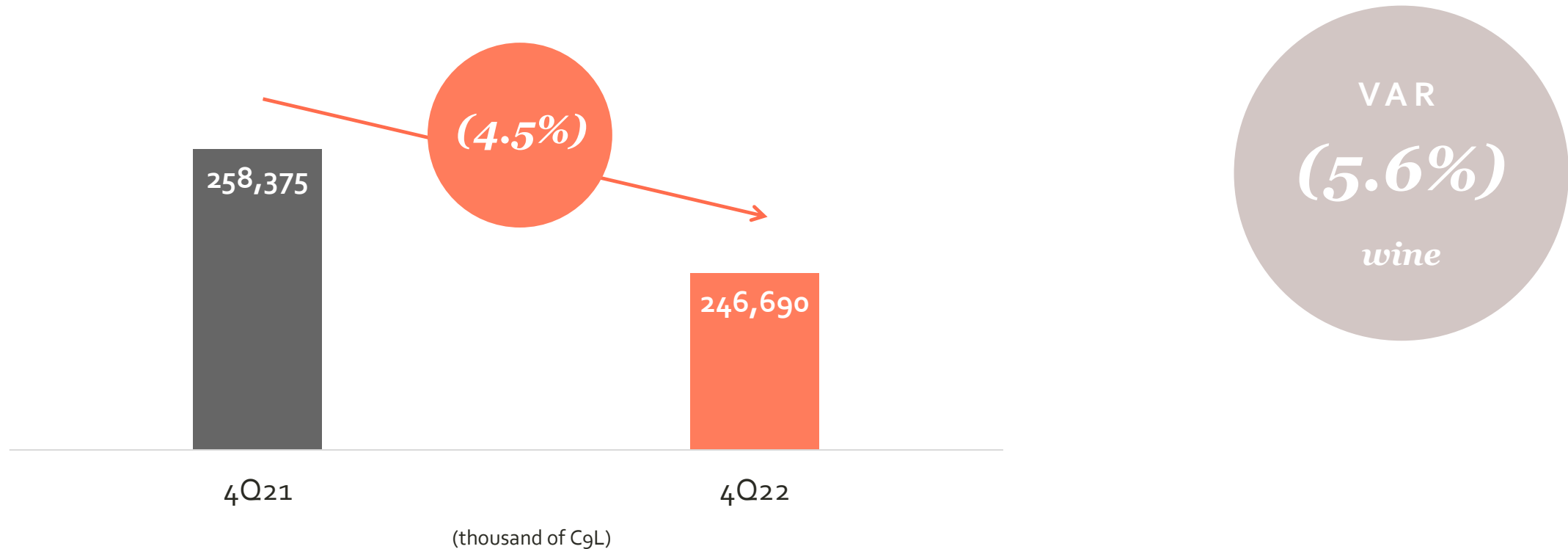
Chapter 02

4Q22 Sales Analysis

Blanca Bustamante, IR Director

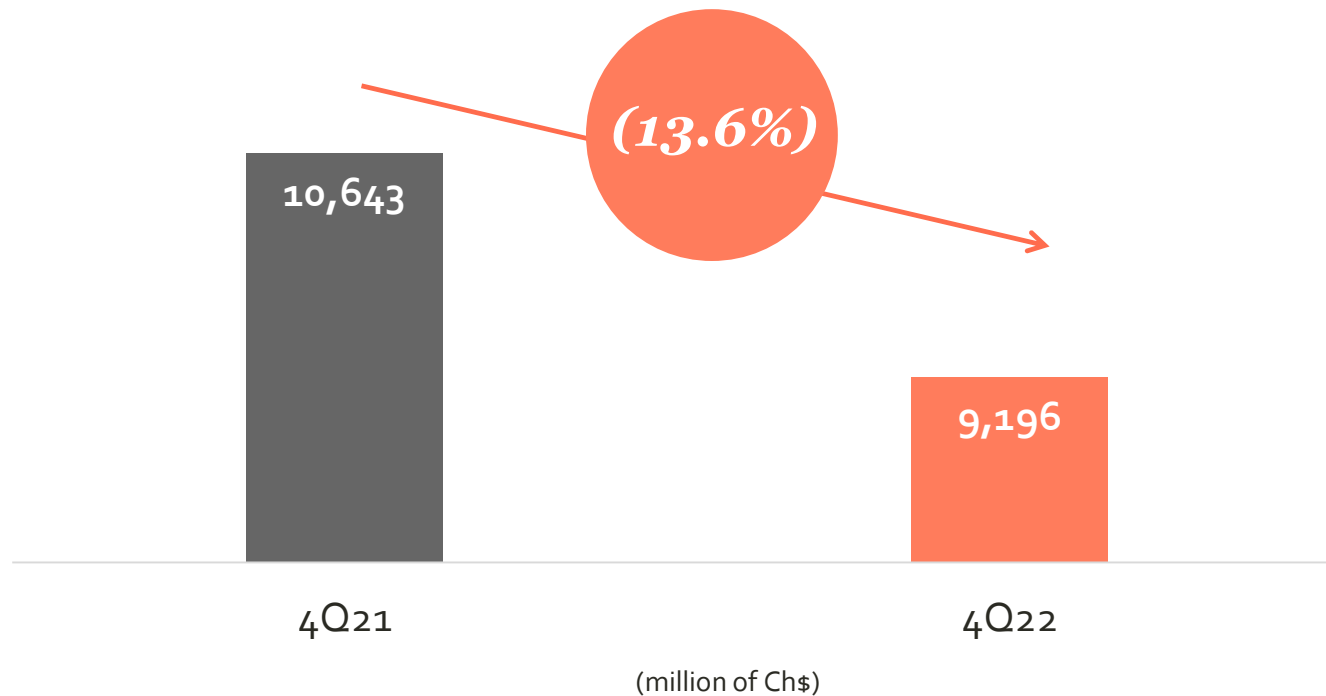
4Q22 sales

Drop in sales for the quarter due to lower volumes, a higher average price and slowdown in the industry.



4Q22 volume

During this quarter, wine volume fell 16.4%, reflecting a slowdown in the industry and inventory adjustments by distributors and retailers.



Main price increases in local currency (does not consider mix effect)

4Q22	Price variation in local currency
UK	4.7%
Chile	5.1%
US	4.2%
Mexico	9.3%
Canada	12.9%
South Korea	12.2%
China	14.6%
Colombia	16.1%
Norway	10.3%

Main markets performance

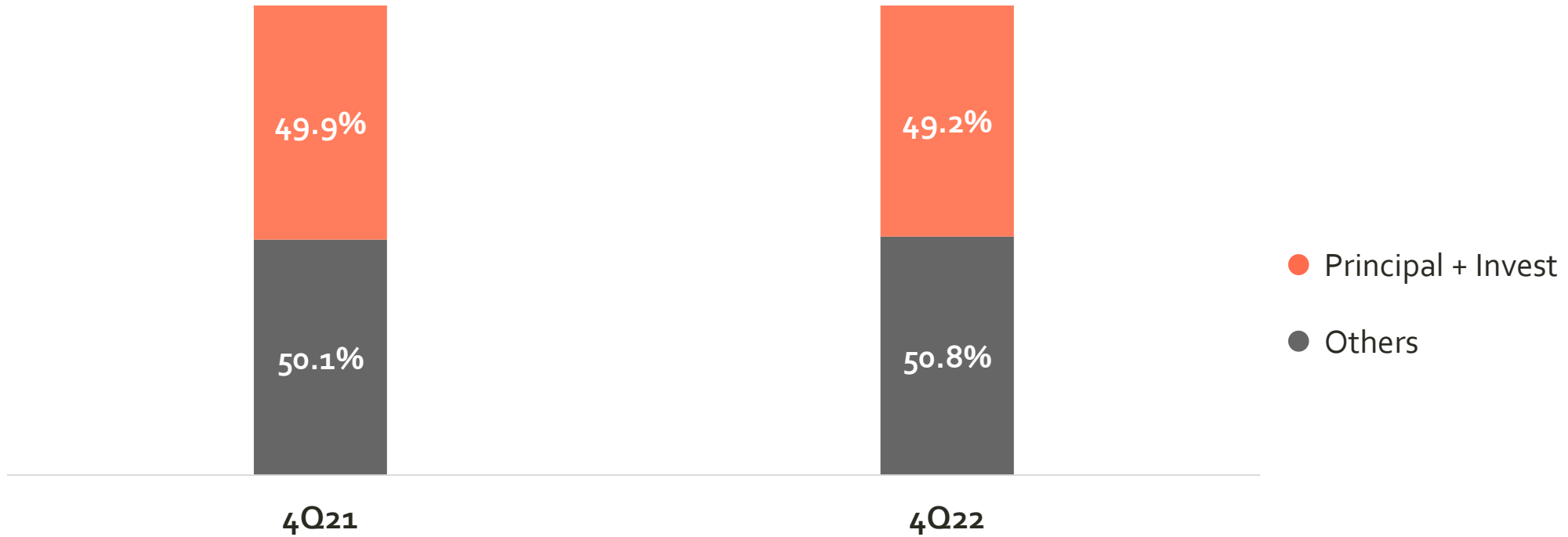
4Q22	% of Sales	Var % Value	Var % Volume
UK	22.7%	(12.0%)	(16.2%)
Chile	15.9%	(4.3%)	(5.0%)
US	15.7%	6.1%	(8.0%)
Mexico	8.2%	21.9%	(5.8%)
Japan	6.9%	1.3%	(13.8%)
Brazil	4.7%	(14.9%)	(23.5%)
Canada	2.2%	(26.9%)	(39.9%)
South Korea	2.2%	139.6%	94.4%
China	2.2%	(12.6%)	(30.8%)
Netherlands	2.2%	4.7%	3.9%

Wine: Category performance

4Q22 wine	Var % Value	Var % Volume	BRAND MATRIX
PRINCIPAL	(13.1%)	(21.6%)	
INVEST	2.6%	(6.7%)	
PROTECT	(6.1%)	(15.4%)	
WATCH	4.0%	(14.1%)	
PORTFOLIO SUPER & ULTRA PREMIUM	1.2%	9.0%	
TOTAL WINE	(5.6%)	(16.4%)	

Principal + Invest mix: *-60 bp*

% OF TOTAL SALES IN VALUE



Chapter 03

4Q22 and 2022 Financial Results

Osvaldo Solar, CFO

Gross profit: -11.9%, impacted by cost increases

<i>(million of Ch\$)</i>	4Q22	4Q21	Var (%)
Consolidated sales	246,690	258,375	(4.5%)
Operating cost	(151,459)	(150,235)	0.8%
Gross profit	95,231	108,140	(11.9%)
Gross margin	38.6%	41.9%	(330 bp)

3 concepts that mainly explain the rise in operating costs:

1. Increase in freight and shipping expenses of **64.0%** (Ch\$ 4,567 m).
2. Increases in dry goods with **22.7%** (Ch\$ 6,280 m).
3. Operations and Supply Chain Costs with **22.8%** (Ch\$ 4,045 m).

SG&A – Lower expenses in absolute terms in the quarter

<i>(million of Ch\$)</i>	4Q22	4Q21	Var (%)
Consolidated sales	246,690	258,375	(4.5%)
Gross profit	95,231	108,140	(11.9%)
SG&A	(65,068)	(65,884)	(1.2%)
SG&A / Sales	(26.4%)	(25.5%)	(90 bp)

SG&A / Sales ratio increased due to lower sales in the quarter.

2 concepts that mainly explain the decrease in SG&A:

1. Freight and shipping expenses, and logistic space rental with **-3.1%**.
2. Marketing with **-3.1%**.

EBIT and EBITDA

	4Q22		4Q21		Var (%)	
<i>(million of Ch\$)</i>		% / Sales		% / Sales		% / Sales
Consolidated sales	246,690		258,375		(4.5%)	
Gross profit	95,231	38.6%	108,140	41.9%	(11.9%)	(330 bp)
SG&A	(65,068)	(26.4%)	(65,884)	(25.5%)	1.2%	(90 bp)
Other incomes and expenses	(406)	(0.2%)	(2,167)	(0.8%)	81.3%	70 bp
Real estate result		0.0%		0.0%		
EBIT	29,757	12.1%	40,089	15.5%	(25.8%)	(350 bp)
EBITDA	37,467	15.2%	49,006	19.0%	(23.5%)	(380 bp)

Non-Operating result

<i>(million of Ch\$)</i>	4Q22	4Q21	Var (Ch\$)	Var (%)
Net financial expense (*)	(3,775)	(2,432)	(1,343)	55.2%
Exchange differences	167	273	(105)	(38.6%)
Non-Operating result (**)	(3,608)	(2,160)	(1,448)	67.0%
Associated companies	104	244	(140)	(57.3%)

(*) Net Financial expense = Financial income, Financial Costs and Results by readjustment units.

(**) Does not consider results of affiliated companies

Non-Operating result

Non-operating result (*) decreased Ch\$ 1,448 m due to:

- Higher Net financial expense of **Ch\$ 1,343 m** (capital effect Ch\$ 565 m; interest rate effect Ch\$ 738 m).
- Lower exchange differences of **Ch\$ 105 m**.

* Does not consider results of affiliated companies

FACTORS TO HIGHLIGHT:

- Positive effect, agreed annual inflation of 2.78% vs. 10.25% (annualized quarterly). Estimated savings of **Ch\$ 3.205 m** in the fourth quarter of 2022.

Non-Operating result 2022 v/s 2021

<i>(million of Ch\$)</i>	2022	2021	Var (Ch\$)	Var (%)
Financial income	3,522	2,819	702	24.9%
Financial cost	(15,564)	(13,060)	(2,504)	19.2%
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% of sales	(1.3%)	(1.2%)		(10 bp)
Exchange differences	1,660	(431)	2,090	(485.5%)
Non-operating result*	(10,085)	(10,571)	485	(4.6%)

* Does not consider results of affiliated companies

4Q22 currency diversification

Diversification of currencies attenuates the variations of the dollar as a single currency

EXCHANGE RATE VARIATION 4Q22 VS 4Q21

CyT basket index: +4.4%

USD: +10.1%

GBP: -3.6%

EUR: -1.3%

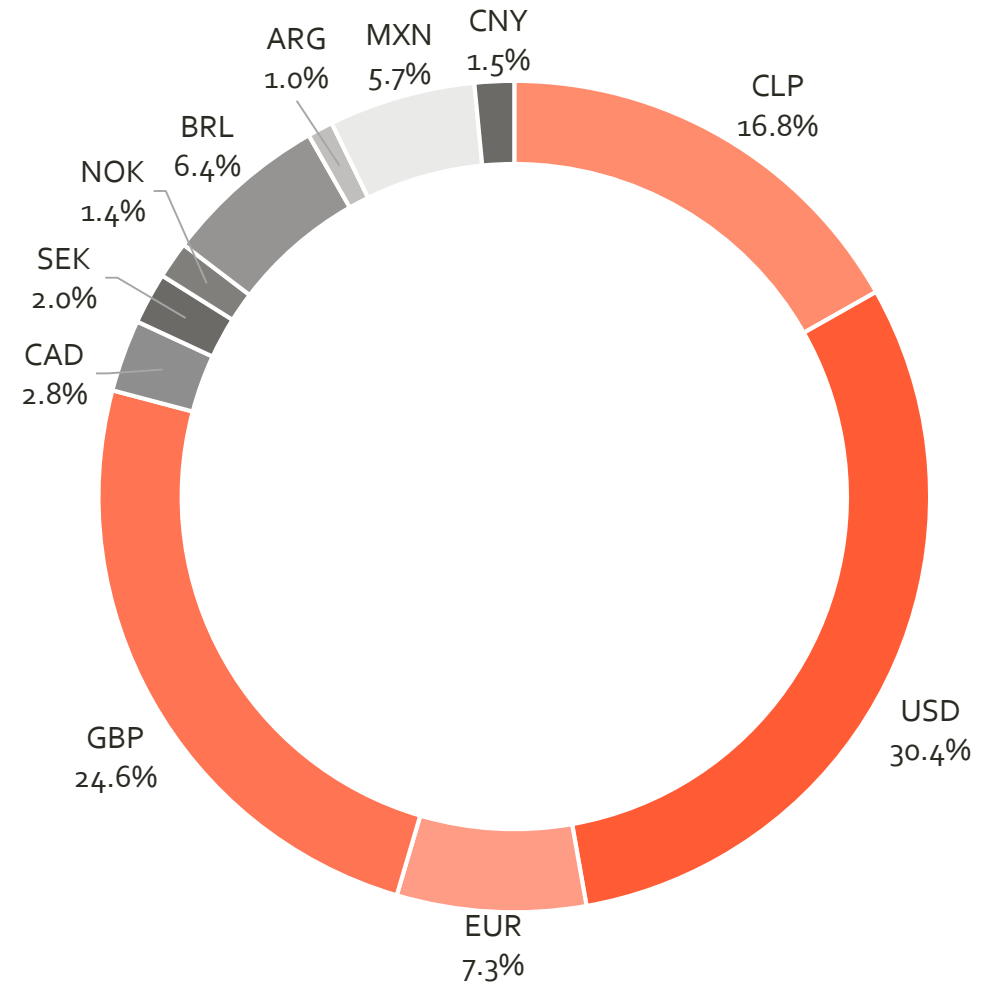
EXCHANGE RATE VARIATION 2022 VS 2021

CyT basket index: +9.0%

USD: +14.8%

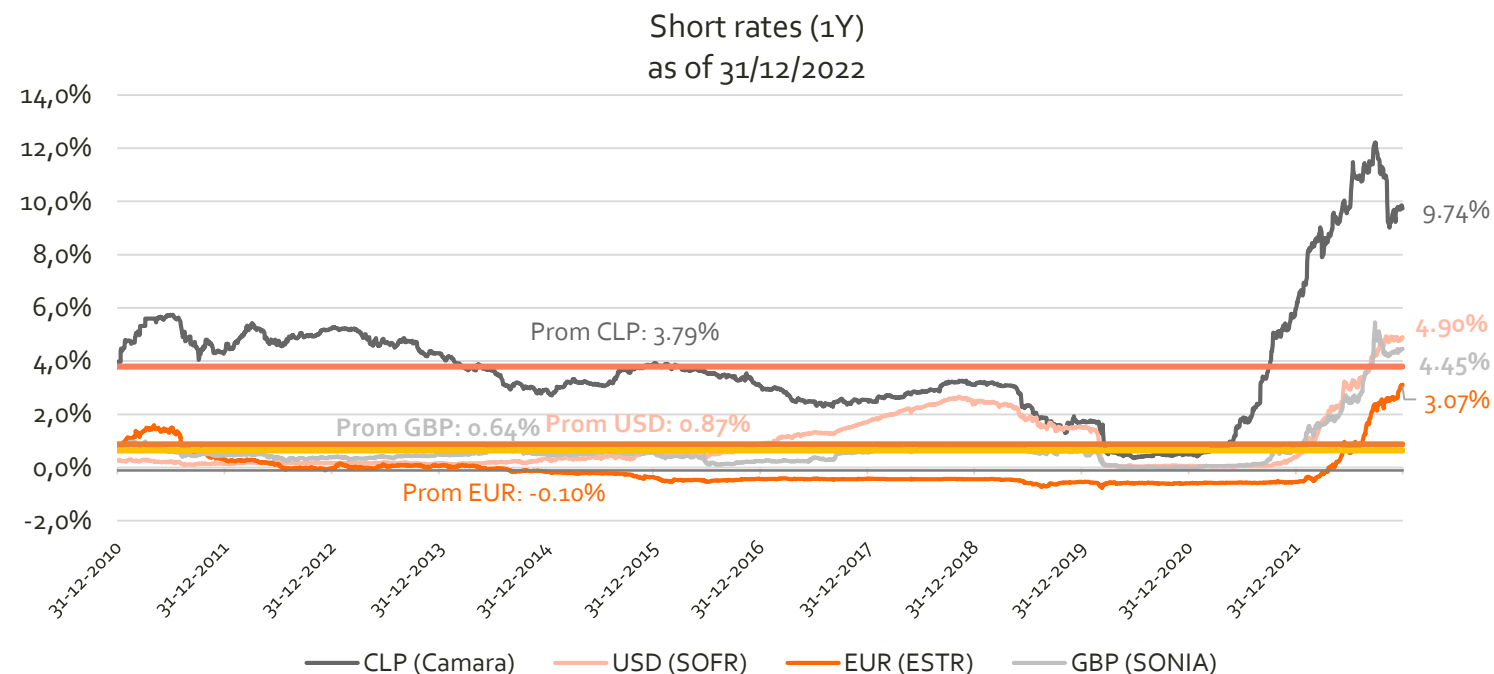
GPB: +2.5%

EUR: +2.2%



Non-Operating result: Effects of interest rate increases

Interest rates	2022		2021	
	Rate	% total	Rate	% total
CLP	5.2%	52.6%	4.8%	72.0%
UF	3.6%	0.6%	3.4%	0.7%
USD	2.7%	34.3%	1.8%	23.6%
BRL	12.9%	2.3%	6.5%	1.4%
ARS	29.2%	2.1%	29.3%	1.9%
MXN	11.0%	0.3%	7.7%	0.4%
EUR	0.5%	2.5%	0.0%	0.0%
GBP	2.8%	5.5%	0.0%	0.0%
Tasa promedio	4.8%	100.0%	4.6%	100.0%

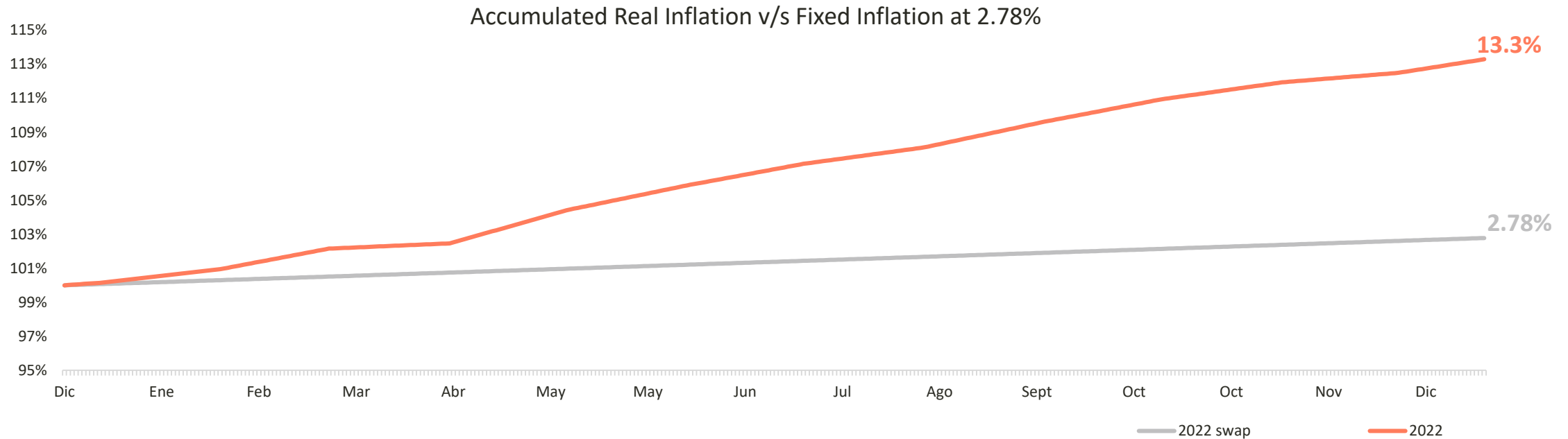


Annual impact:

Interest rate effect: -Ch\$ 626 m due to an increase in the average interest rate, which has been minimized by changing the debt currency mix and anticipating loan renewals at the beginning of the year.

Capital effect: -Ch\$ 1,969 m (increase in average gross debt from Ch\$ 287,740 m to Ch\$ 330,115 m).

Non-Operating result: Inflation effect



2022 benefits:

- 1) Inflation set for the year 2022: **2.78%**
 Effect without hedge in 2022: **Ch\$ 22,704 m**
 Effect with fixed inflation: **Ch\$ 5,064 m**
Loss reduction: Ch\$ 17,641 m
- 2) Lower inflation tax (Equity readjustment)
Ch\$ 14,243 m 2022 versus **Ch\$ 6,060 m** 2021

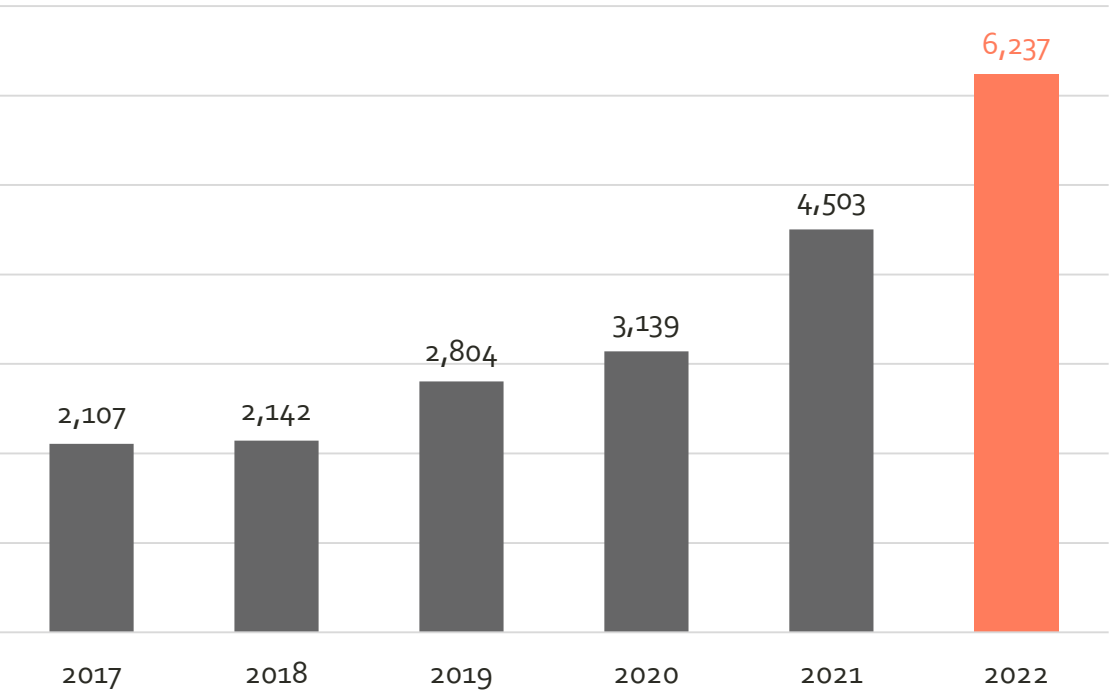
2023:

- 1) Currently **100%** of the bonds are covered.
 - **UF 5.25 m** to CLP (inflation set at **2.78%**)
 - **UF 1.75 m** to USD (rate set at **4.47%**)

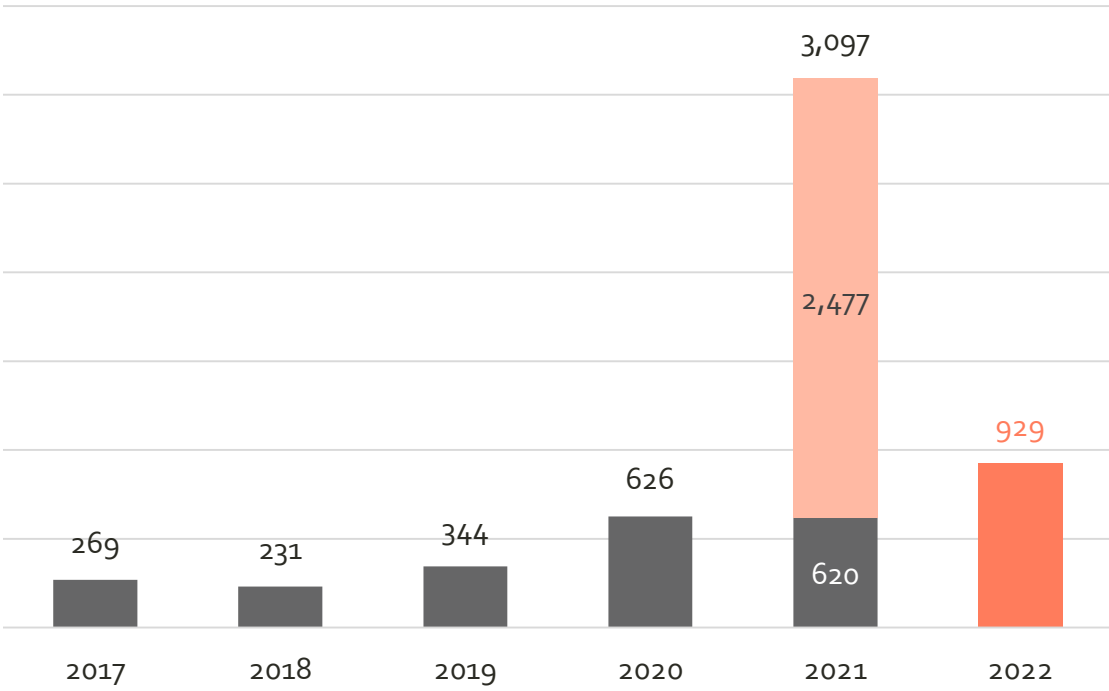
Associated companies results

(Proportional Value for CyT – in million of Ch\$)

ALMAVIVA

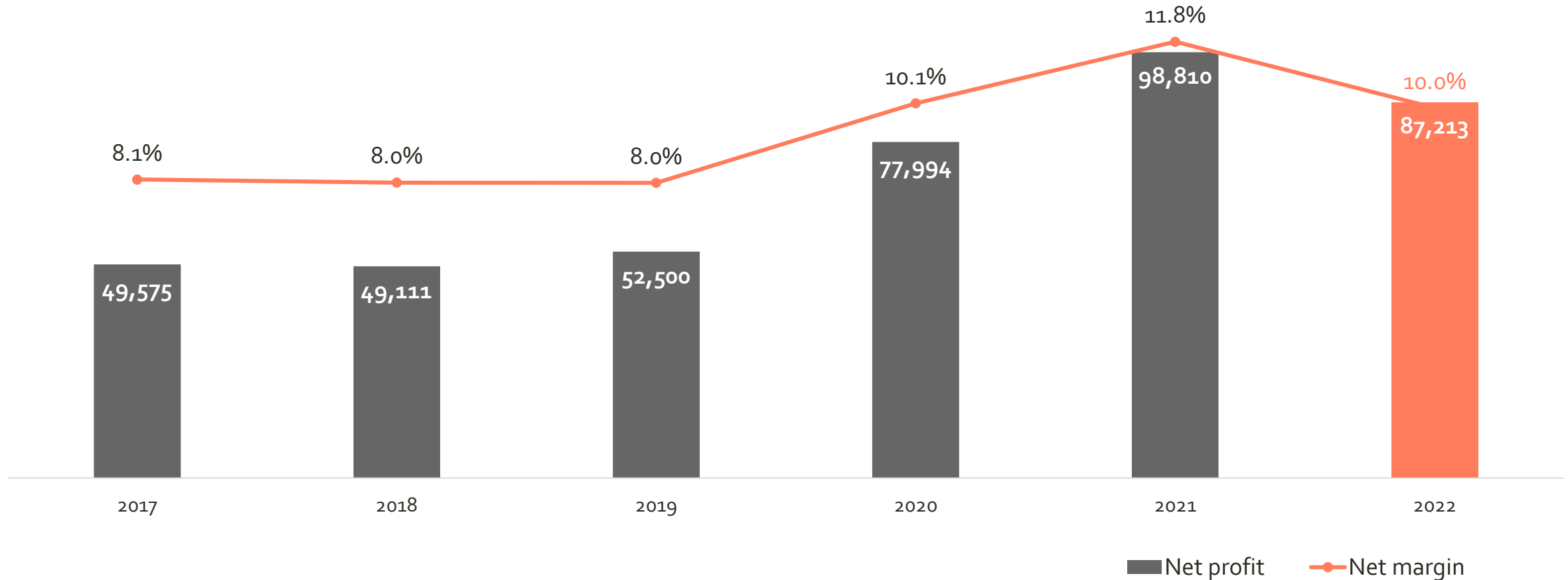


INDUSTRIA CORCHERA

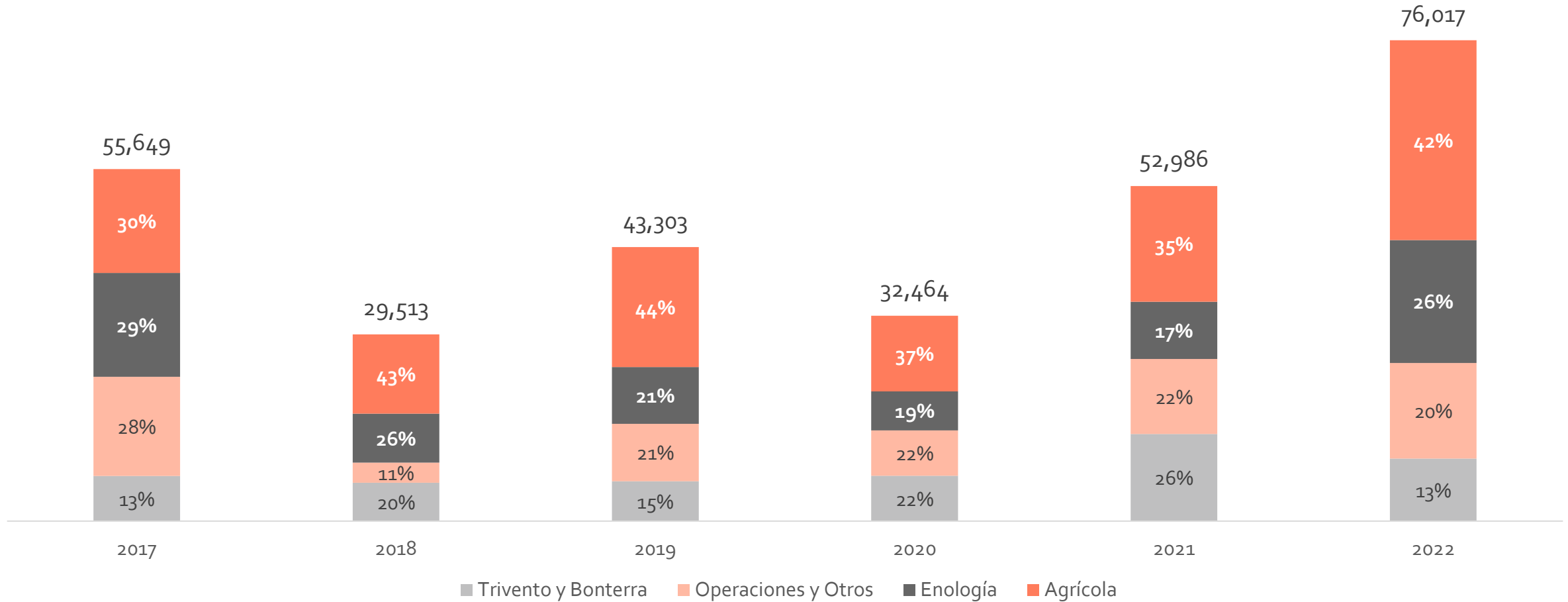


Venta de terreno

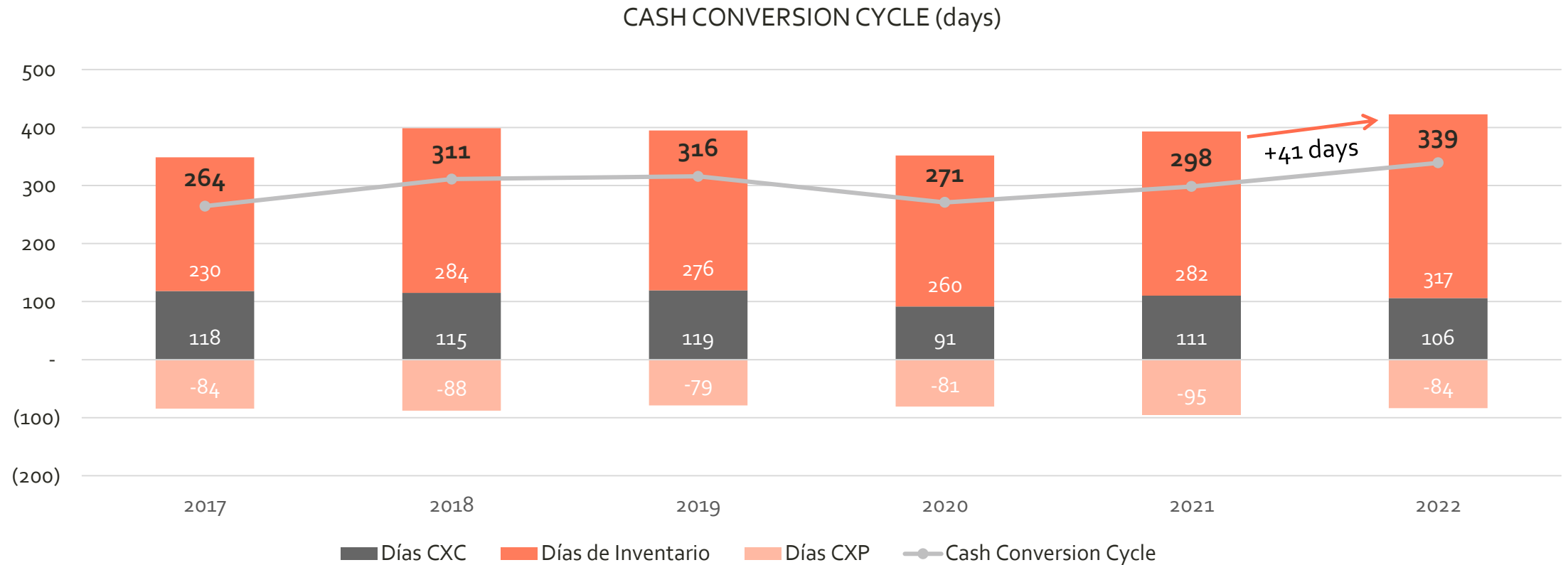
2022: Net profit (million of Ch\$) and Net margin (%)



CAPEX: Ch\$ 290 billion invested between 2017 and 2022,
equivalent to US\$ 391 m



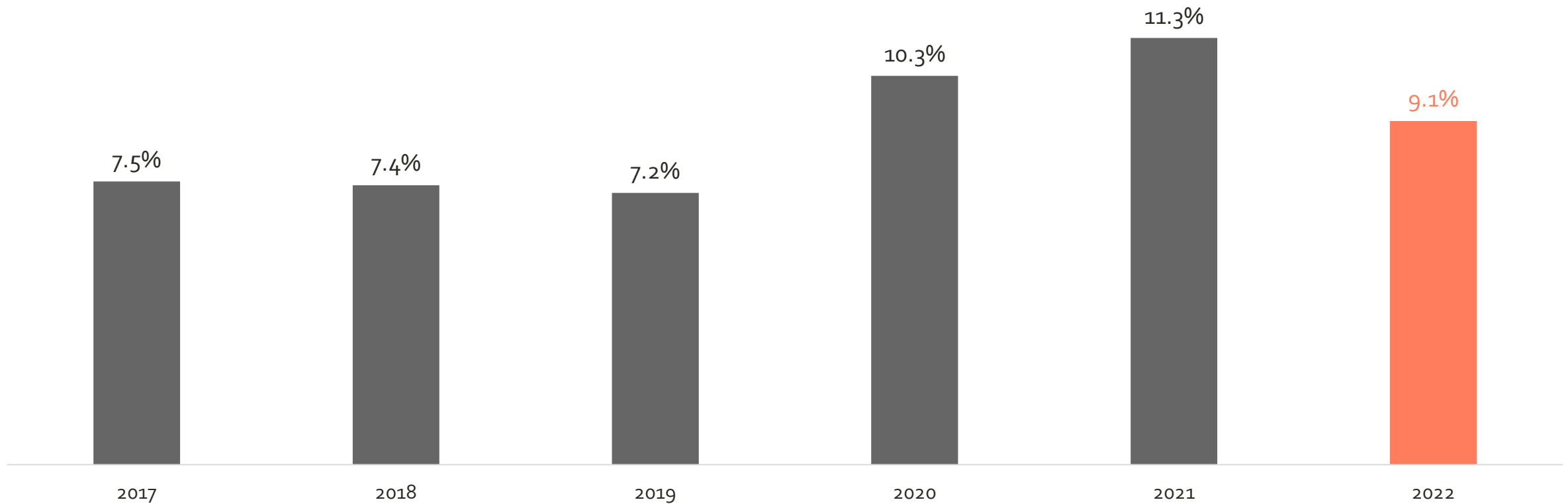
Working capital: Increase of Ch\$ 67,000 m in 2022 v/s 2021



Cash Conversion Cycle: Días CxC + Días de Inventario + Días CxP

- **Días CxC (accounts receivable days):** Trade debtors and other current accounts receivable + Accounts receivable from related entities, current / Income from ordinary activities.
- **Días Inventario (inventory days):** Current inventories / Cost of sales.
- **Días CxP (accounts payable days):** Trade accounts payable and other accounts payable + Accounts payable to related entities, non-current - Dividends payable/ (Cost of sales + Distribution costs + Administrative expenses).

Return on invested capital – ROIC

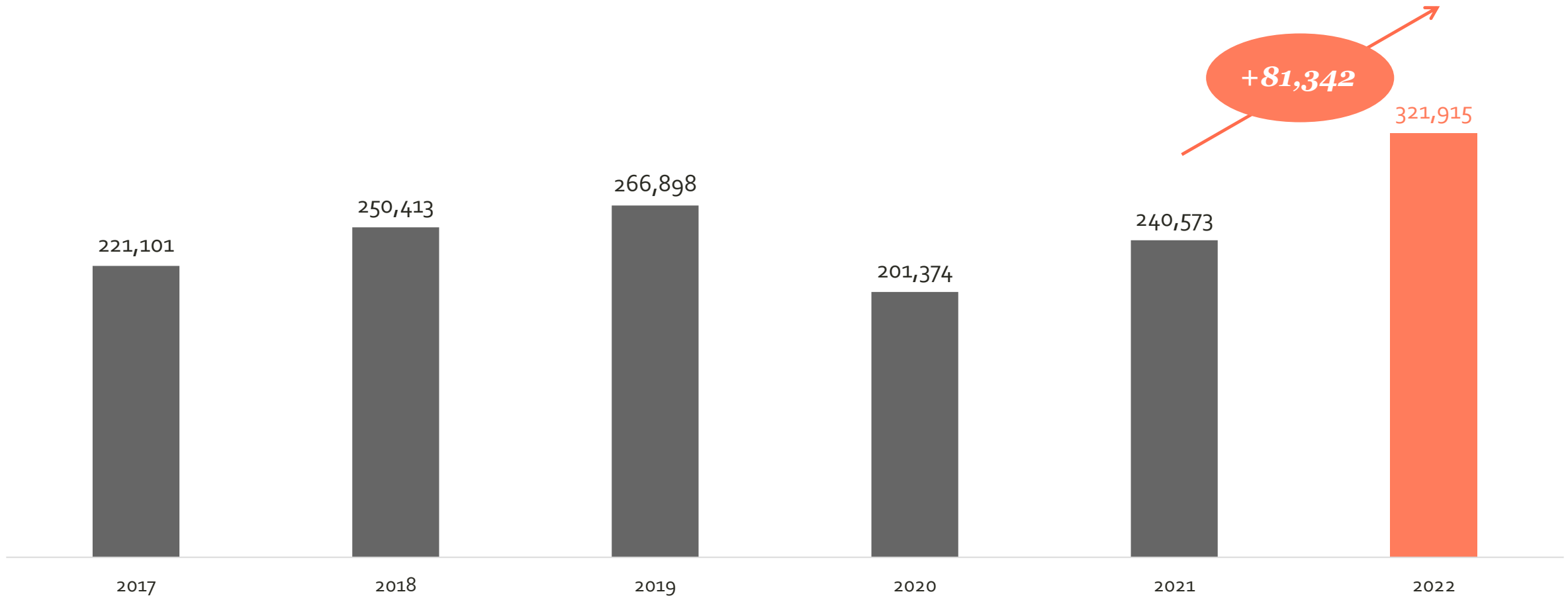


ROIC: (Operating Margin – Taxes + Exchange Differences) / (Equity – Net Financial Debt – Cash) 12 moving months.

* Income Statement corresponds to the 12 moving months.

* Balance Sheet Accounts correspond to the average of the last four quarters.

Net financial debt (million of Ch\$)

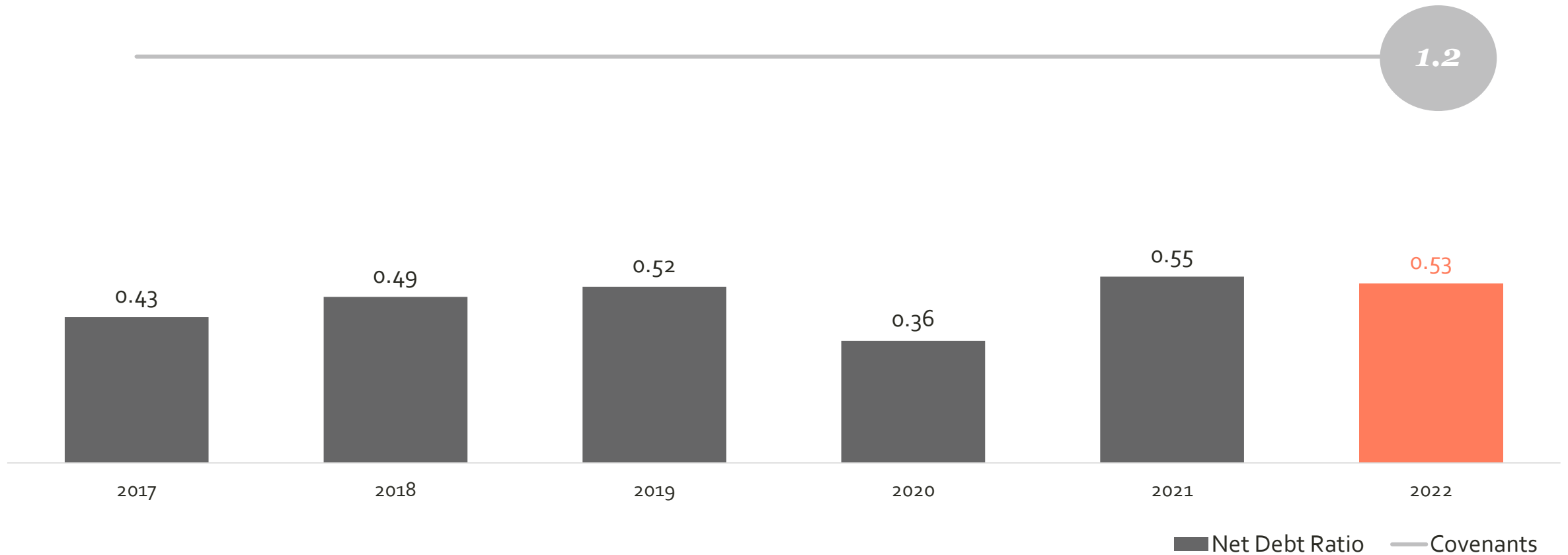


Net Financial Debt: Gross Financial Debt including the effect of Derivatives related to Financial Debt – Interest – Cash and cash equivalent.

Adequate level of indebtedness relative to the size of the Equity

FINANCIAL STRENGTH

NET DEBT RATIO

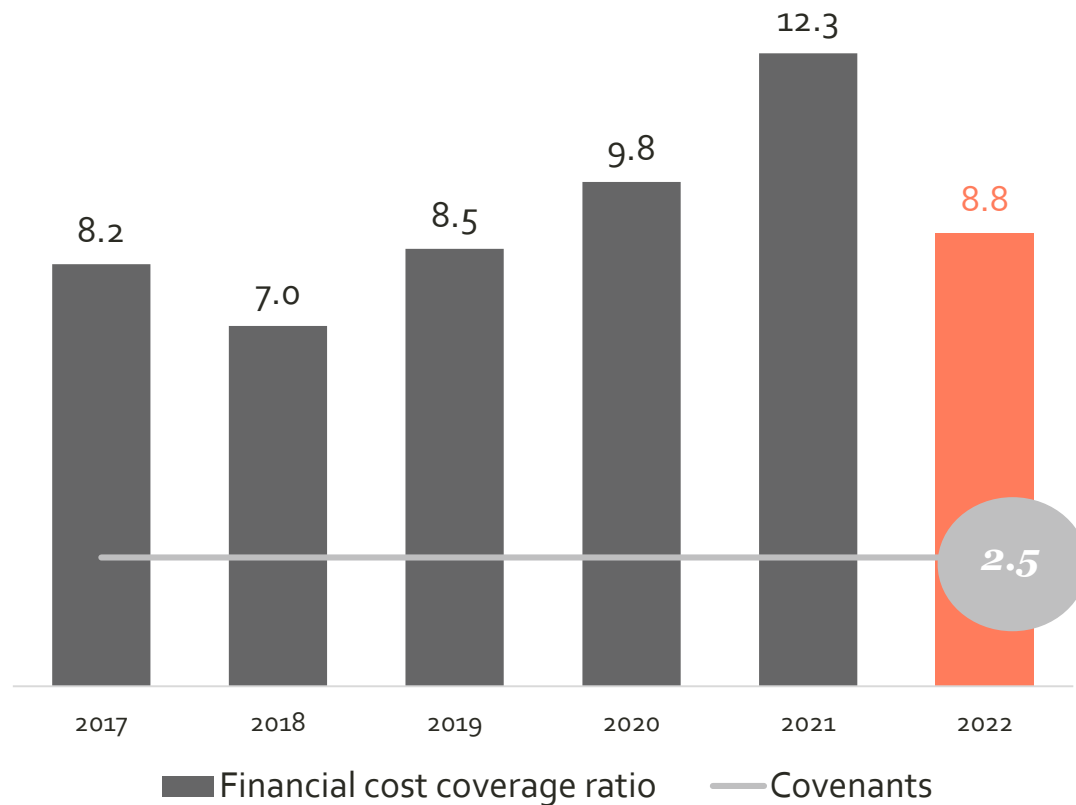


Net Debt Ratio: (Other Current and Non-Current Financial Liabilities – Cash) / Equity

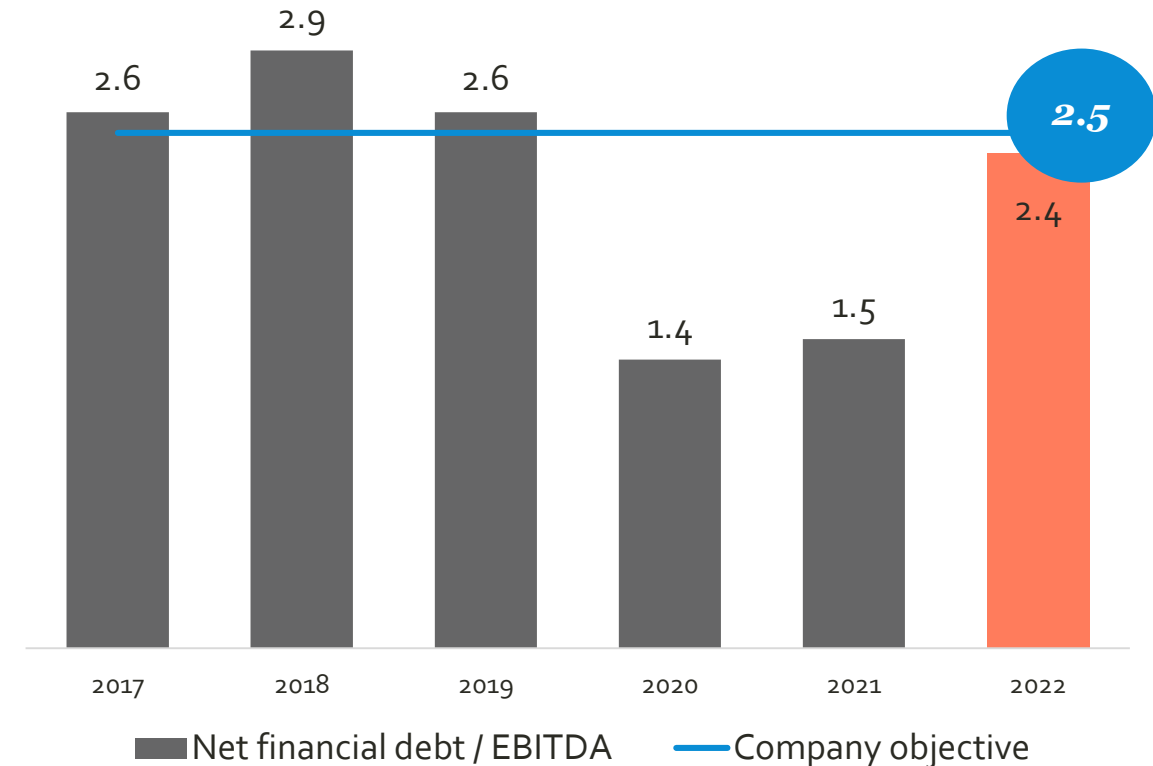
Debt and Financial Expense vs. Cash generation

FINANCIAL STRENGTH

FINANCIAL COST COVERAGE RATIO



NET FINANCIAL DEBT*/EBITDA



Net Financial Debt: Gross Financial Debt including the effect of Derivatives related to Financial Debt – Interest – Cash and cash equivalent.

Closing remarks

For a year that presents itself as challenging and uncertain, our priority objective is to reorient the company towards strong sales growth in value and volume. This is based on our solid business model:

- Profound transformation achieved in the five-year period 2018-2022.
- Conviction that the premiumization strategy has paid off and in its relevance to ensure sustained and profitable growth over time.
- Continue investing in brands as a fundamental element for the development of Premium markets.
- Strict control of costs and expenses.
- Maintain the financial strength of the company.

