



1H23

Earnings Presentation

VIÑA CONCHA Y TORO

140TH
ANNIVERSARY

AGENDA

Chapter 01

Overview and 1H23 Operating Result

EDUARDO GUILISASTI, CEO

Chapter 02

1H23 Financial Results

OSVALDO SOLAR, CFO

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2H23 Outlook

EDUARDO GUILISASTI, CEO

Chapter 01

Overview and 1H23 Operating Result

EDUARDO GUILISASTI, CEO

A challenging scenario *that is already beginning to improve*

The complex world situation marked by higher interest rates, inflationary pressures, an overstock of inventories due to logistical disruptions, economic slowdown, increases in the costs of inputs and freight, and lower consumption marked this quarter again, although signs of recovery are already beginning for the second half of the year.

1H23 OVERVIEW

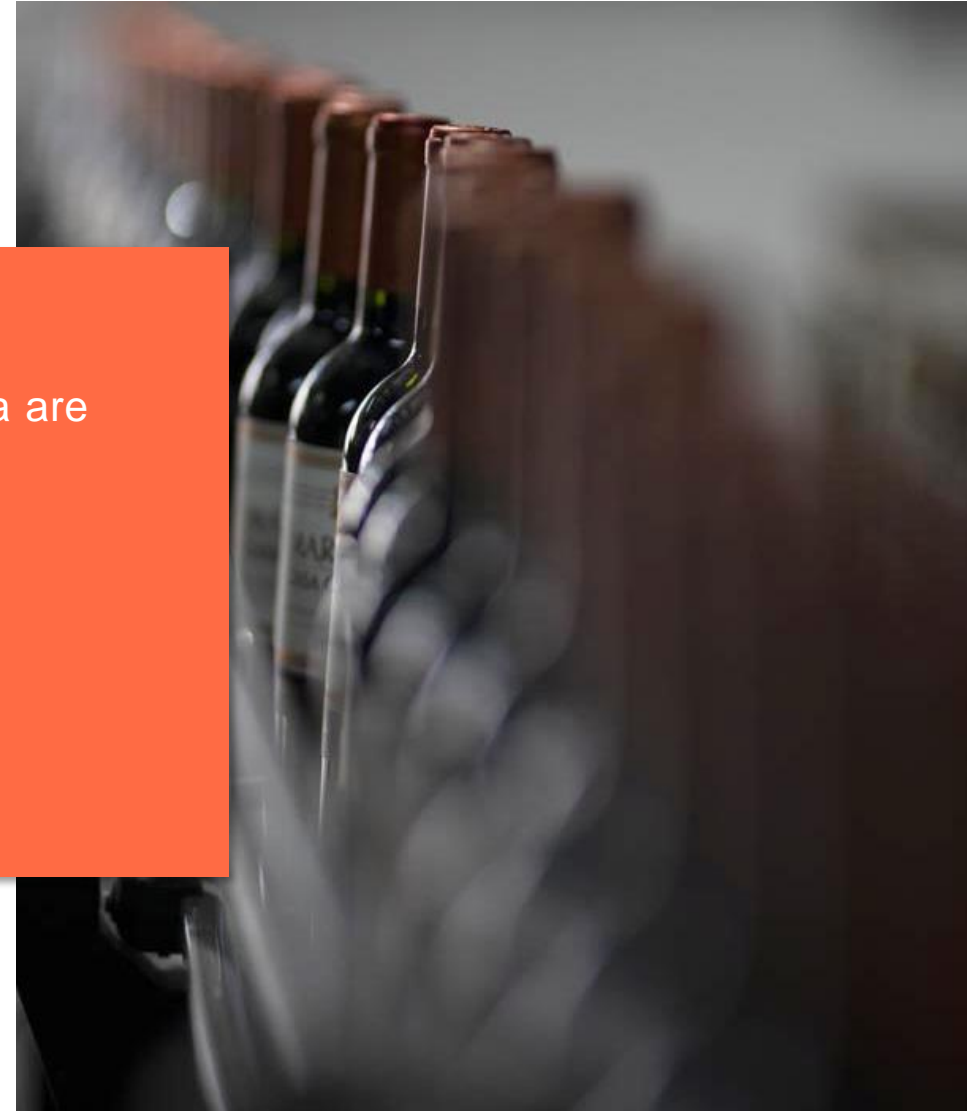
The global figures for exports from Chile and Argentina are a clear indicator of the situation our Industry is going through.

(24%)

CHILE

(27%)

ARGENTINA



1H23 OVERVIEW



DROP IN CONSUMPTION IN MOST MARKETS

(latest information available)

	VAR (%) VOLUME
UK	(2.3%)
CHILE	(5.9%)
US	(5.6%)
BRAZIL	14.3%
CHINESE IMPORTS	(32.2%)
MEXICO	2.9%
SOUTH KOREA	(56.0%)
CANADA	(8.0%)
PERU	(3.5%)
FINLAND	(4.2%)
NETHERLANDS	(5.0%)

1H23 OVERVIEW

HIGH INTEREST RATES

High interest rates and their impact on seeking to sharply reduce inventories:

- Get rid of inventories without turnover.
- Priority decrease working capital.
- Impact on margins. For years the interest rate was not an issue.

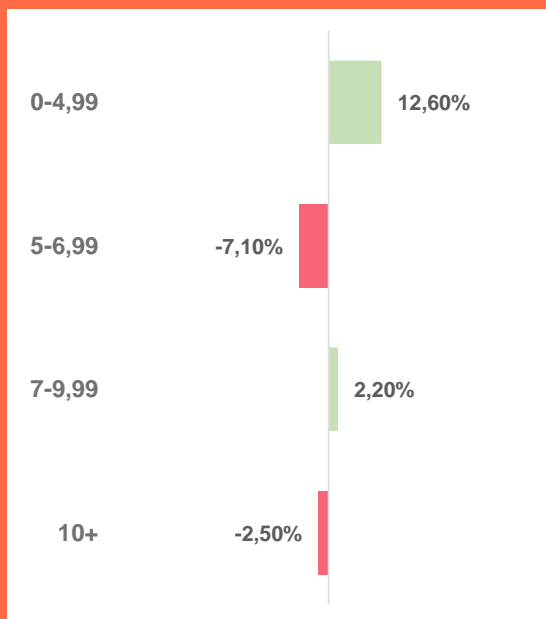
1-YEAR BASE RATES	AVERAGE 2009 TO MAY 2021	AVERAGE 2023 TO JUNE, 30
UK	0.5%	4.8%
COLOMBIA	4.5%	12.4%
BRAZIL	9.3%	12.9%
EUROPE	0.0%	3.4%
US	1.3%	5.5%
CHILE	4.0%	10.3%
MEXICO	5.5%	11.3%

1H23 OVERVIEW

MIX CHANGE

Consumers buying lower value products.

In the **UK**, the segment under 5 pounds grows



Source: Nielsen- May 2023

NEW PRODUCTS

Launch of new products with alcohol by other categories.

Ready to drinks

With flavors and/or lower alcoholic degrees.

In individual format and immediate consumption, mostly canned.

Example: Hard Seltzer

INVENTORIES

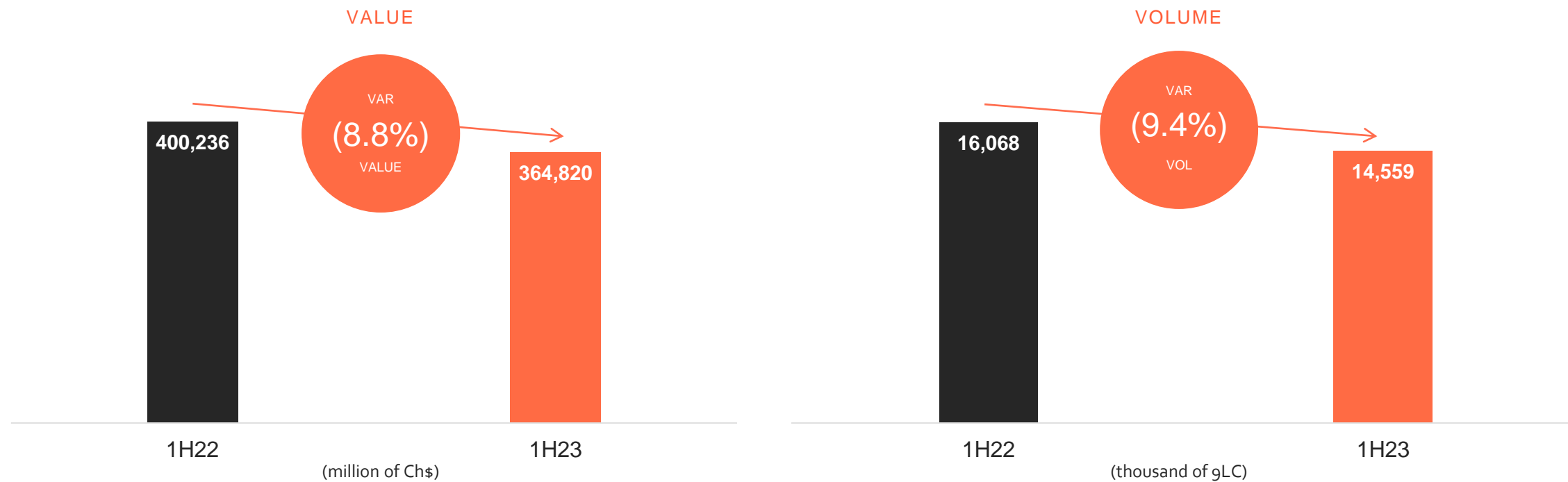
Excess of low-priced red wine in producing countries.

France

Distillation program for 3.2 million hectoliters, to help make space in wineries for the 2023 harvest.

1H23 Operating Result

1H23 SALES REVENUE



(6.5%)

PREMIUM AND UP

VALUE

(13.4%)

VARIETALS AND LOW

VALUE

0.7%

NEW BUSINESS

VALUE

MARKET PERFORMANCE

1H23	VAR (%) VALUE
UK	1.3%
CHILE	1.0%
US	(17.1%)
BRAZIL	(6.0%)
MEXICO	6.3%
CHINA	15.3%
JAPAN	(3.5%)

1H23

VAR (%) VALUE

CANADA

(31.6%)

EUROPE

(19.5%)

LATAM

(55.0%)

CONO SUR

(39.2%)

CONCLUSIONS

STRENGTH OF HAVING OUR OWN DISTRIBUTION CHAIN

- Good performance in the current context of our offices.
- Fall in the US and Canada. In the first, due to the sale to distributors, and in the second, due to the decision of the monopolies to reduce inventory days.
- In the rest of the markets it is marketed through distributors.

BRAND PERFORMANCE

1H23

VAR (%) VALUE

DON MELCHOR	12.9%
CASILLERO DEL DIABLO	(7.0%)
DIABLO	23.9%
FRONTERA	(15.7%)
RESERVADO	(9.1%)
EXPORTACIÓN SELECTO	(0.4%)
TRIVENTO RESERVE	11.3%
BONTERRA	(13.7%)

PERFORMANCE BY CATEGORIES

VAR (%) VALUE

(7.8%)

PRINCIPAL

(3.5%)

INVEST

(10.3%)

PROTECT

CONCLUSIONS

BRAND STRENGTH

- Significant increases in Don Melchor, Diablo and Trivento Reserve.
- Single-digit falls in the rest of the brands, with the exception of Frontera and Bonterra, which are explained by the distributor effect in the US and Canada.

1H23 OPERATING COSTS

(million of Ch\$)	1H23	1H22	VAR (Ch\$)	VAR (%)
OPERATING COSTS	(232,002)	(243,225)	(11,223)	(4.6%)
% COGS / SALES	(63.6%)	(60.8%)		(280 PB)

Ch\$ 9,230 m
OF EXTRAORDINARY COSTS

Ch\$ 7,256 m
FOR INTERNATIONAL COSTS
AND FREIGHT

Ch\$ 1,491 m
FOR IAS IN OPERATIONS AND
SUPPLY CHAIN

Extraordinary costs as of June 2023 were Ch\$ 9,230 m, which would have allowed reducing COGS / Sales from 63.6% to 61.1%.

1H23 OPERATING COSTS

DRY GOODS IN THE MONTH OF JUNE 2023 VS JUNE 2022:



SHIPPING FREIGHT IN THE MONTH OF JUNE 2023 VS JUNE 2022:



CONCLUSIONS

The costs of dry goods began to drop and will be reflected more intensely in the following months, due to the lag in inventories. Shipping freight is already reflecting a sharp drop.

GANANCIA BRUTA Y MARGEN BRUTO

(million of Ch\$)	1H23	1H22	VAR (CH\$)	VAR (%)
GROSS PROFIT	132,818	157,011	24,193	(15.4%)
GROSS MARGIN	36.4%	39.2%		(280bp)

Extraordinary costs as of June 2023 affect the margin by 2.5 points. Without these, the Gross Margin would have reached 38.9%.

SG&A AND SG&A / SALES

(million of Ch\$)	1H23	1H22	VAR (CH\$)	VAR (%)
SG&A	(112,705)	(106,867)	5,836	5.5%
% SG&A / SALES	(30.9%)	(26.7%)		(420 PB)

Ch\$ 2,508 m

OF EXTRAORDINARY EXPENSES, MAINLY
DUE TO IAS AND LOGISTICAL FACTORS

Ch\$ 1,900 m

FOR RECYCLING TAX IN UK

16.0%

THE INVESTMENT IN MARKETING
INCREASES AS A PROPORTION OF
THE SALES, AND THE AMOUNT WAS
INCREASED BY 10%

Without the extraordinary expenses and the UK recycling tax, the GAV variation would have reached 1.3%.

1H23 EBIT

(million of Ch\$)	1H23		1H22		VAR (%)	
	% / SALES		% / SALES		% / SALES	
CONSOLIDATED SALES	364,820		400,236		(8.8%)	
GROSS PROFIT	132,818	36.4%	157,011	39.2%	(15.4%)	(280 bp)
SG&A	(112,705)	(30.9%)	(106,869)	(26.7%)	(5.5%)	(420 bp)
OTHER INCOMES AND EXPENSES	(1,327)	(0.4%)	(980)	(0.2%)	(35.4%)	(10 bp)
EBIT	18,786	5.1%	49,162	12.3%	(61.8%)	(710 bp)
ADJUSTED EBIT (*)	32,428	8.9%	49,162	12.3%	(34.0%)	(340 bp)

(*) **ADJUSTED EBIT** does not consider extraordinary costs and expenses mentioned above.

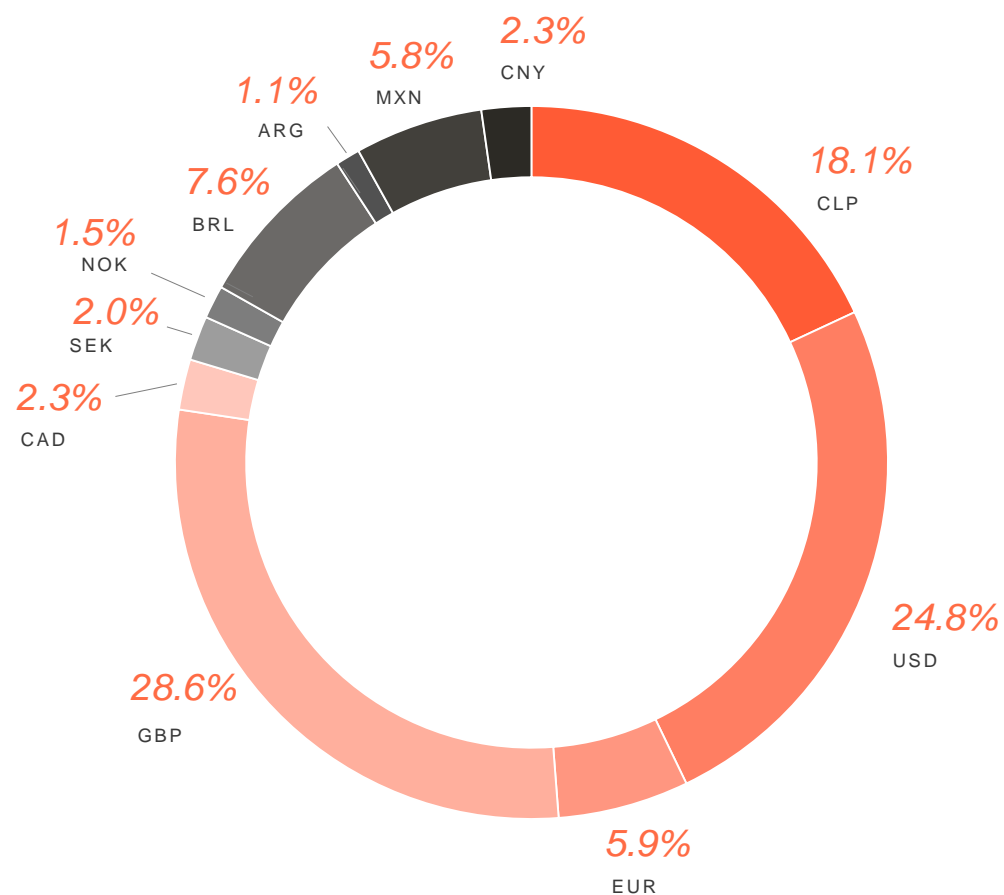
Chapter 02

1H23

Financial Results

OSVALDO SOLAR, CFO

CURRENCY DIVERSIFICATION



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

EXCHANGE RATE VARIATION 1H23 VS 1H22



USD: (3.1%)

LIBRA: (7.0%)

EUR: (3.6%)

A CHALLENGING AND COMPLEX SEMESTER NON-OPERATING RESULT

(million of Ch\$)	1 H 2 3	1 H 2 2	VAR (Ch\$)	VAR (%)
NET FINANCIAL EXPENSE (*)	(8,161)	(4,467)	(3,694)	82.7%
EXCHANGE DIFFERENCES	828	1,408	(580)	(41.2%)
NON-OPERATING RESULT (**)	(7,333)	(3,059)	(4,274)	139.7%
ASSOCIATED COMPANIES	(269)	186	(455)	(245.0%)

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

(**) Does not consider results of affiliated companies

NON-OPERATING RESULT

Ch\$ 4,274 m
INCREASE IN THE NON
OPERATIONAL EXPENDITURE (*)

Ch\$ 3,694 m
FOR HIGHER NET
FINANCIAL EXPENSE

Ch\$ 580 m
FOR EXCHANGE
DIFFERENCES

* Does not consider results of affiliated companies

HIGHLIGHTS

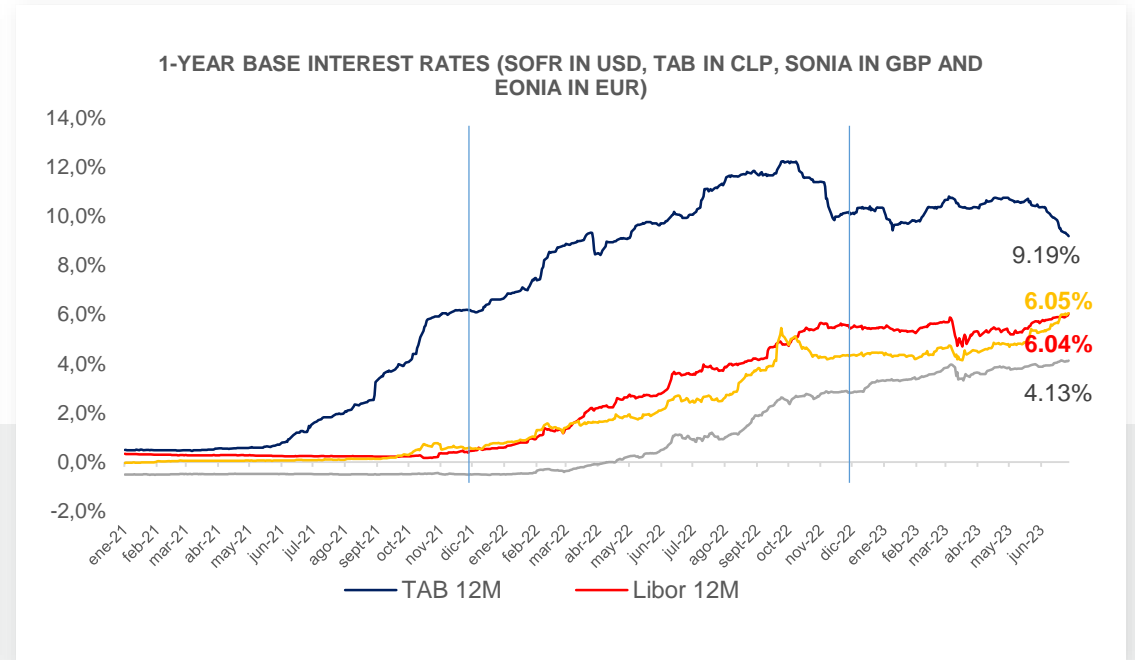
Positive effect, agreed annual inflation of 2.78% vs. 5.70% (semi-annual annualized). Estimated savings of **Ch\$ 2.561 m** in the first half of 2023.

NON-OPERATING RESULT

EFFECTS OF INTEREST RATE INCREASES

INTEREST RATES	2023		2022	
	RATE	PROPORTION	RATE	PROPORTION
CLP	5.5%	39.7%	4.9%	57.1%
USD	4.9%	44.7%	2.0%	34.7%
EUR	0.9%	2.8%	0.5%	1.1%
GBP	4.0%	6.3%	2.4%	1.8%
ARS	45.1%	2.5%	29.0%	1.6%
OTHER CURRENCIES (*)	10.6%	3.9%	10.0%	3.7%
AVERAGE RATE	6.2%	100.0%	4.4%	100.0%

(*) Includes rates on BRL, MXN, SEK, CNY y UF



SEMI-ANNUAL IMPACT

INTEREST RATE EFFECT

Ch\$ -3,463 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.

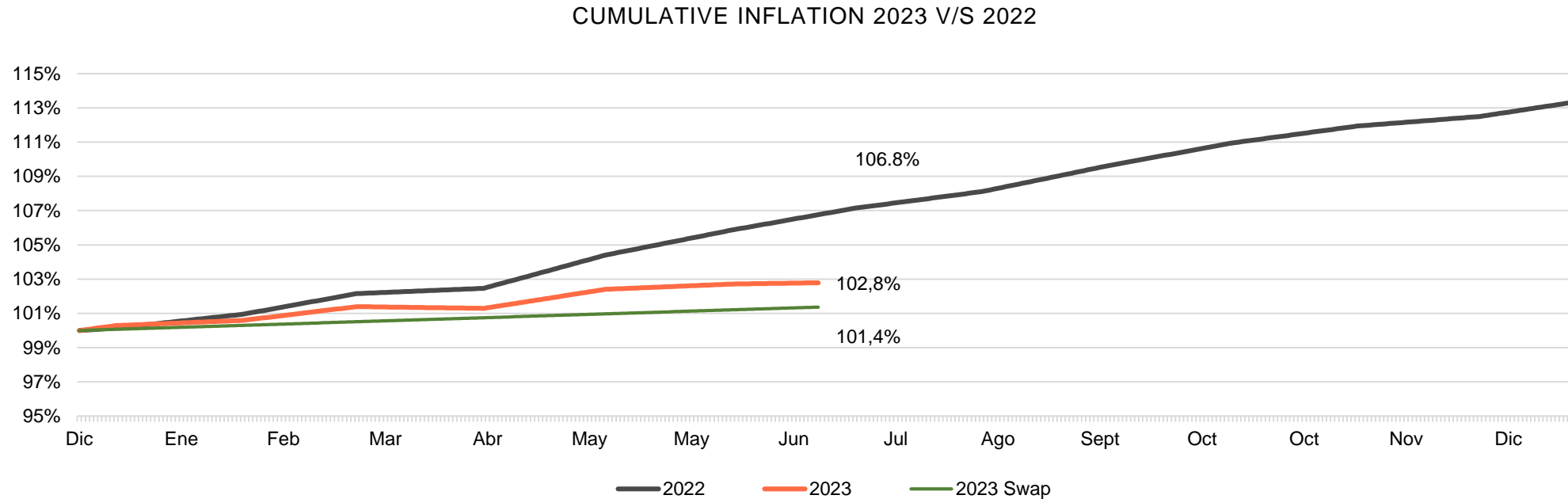
CAPITAL EFFECT

Ch\$ -1.041 m (increase in average gross debt from Ch\$ 334,938 m to Ch\$ 382,080 m).

POSITIVE EXCHANGE RATE EFFECT

Ch\$ 1.403 m (mostly Dev. Peso Arg vs. Ch\$:8.00 to 4.25).

NON-OPERATING RESULT INFLATION EFFECT



1H23 BENEFITS:

Inflation set for the year 2023: **2.78%**
 Effect without hedge in YTD 2023: **Ch\$ 5,137 m**
 Effect with fixed inflation: **Ch\$ 2,576 m**
Loss reduction: Ch\$ 2,561 m

NEXT MONTHS:

Currently **100%** of the bonds are covered.

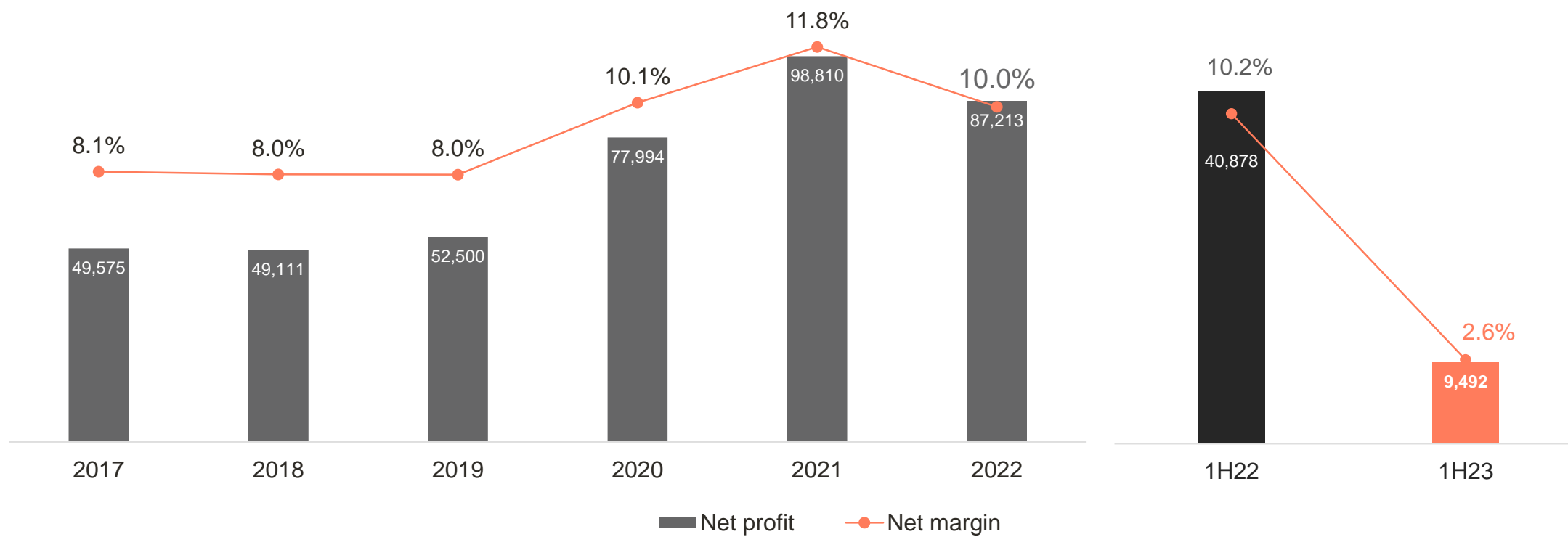
- **UF 5.25 m** to CLP (inflation set at **2.78%**)
- **UF 1.75 m** a USD (tasa fijada en **4.47%**)

INCOME TAX EFFECT

(million of Ch\$)	1H23	1H22	VAR (Ch\$)	VAR (%)
INCOME TAX EXPENSE	(1,388)	(4,869)	(3,481)	(71.5%)
% TAX / PROFIT (LOSS) BEFORE TAX	(12.4%)	(10.5%)		190 PB

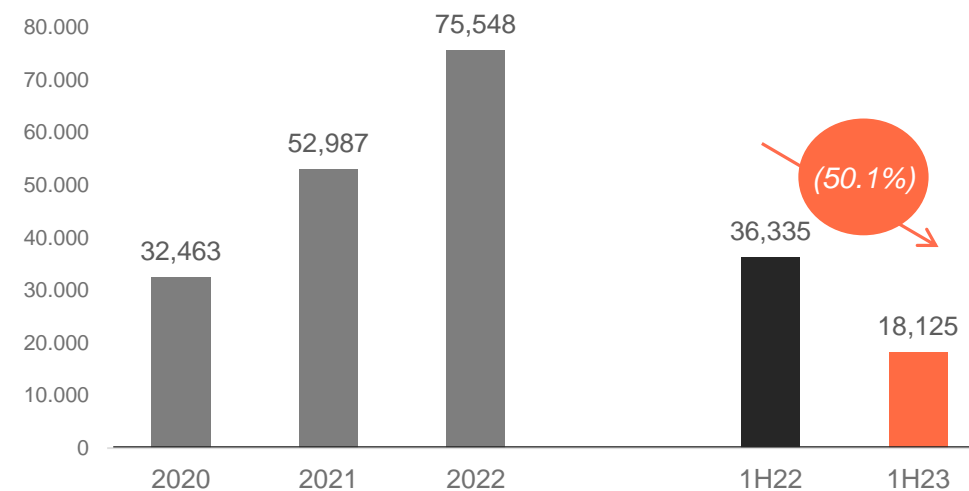
In 1H22 there was an extraordinary benefit due to inflation of 6.8%, generating a tax reduction of Ch\$ 7,906 m, vs. Ch\$ 2,412 m in 1H23, with inflation of 2.8%.
1H22 extraordinary difference vs 1H23 of Ch\$ 5,496 m.

NET PROFIT (million of Ch\$) AND NET MARGIN (%)



CAPEX SOLID INVESTMENTS MADE

	2020	2021	2022	2022	2023
			FY (REAL)	1H (REAL)	1H (REAL)
CAPEX	32,463	52,987	75,548	36,335	18,125



INCREASE IN INVESTMENT IN LAST YEARS, ENDING IN 2023

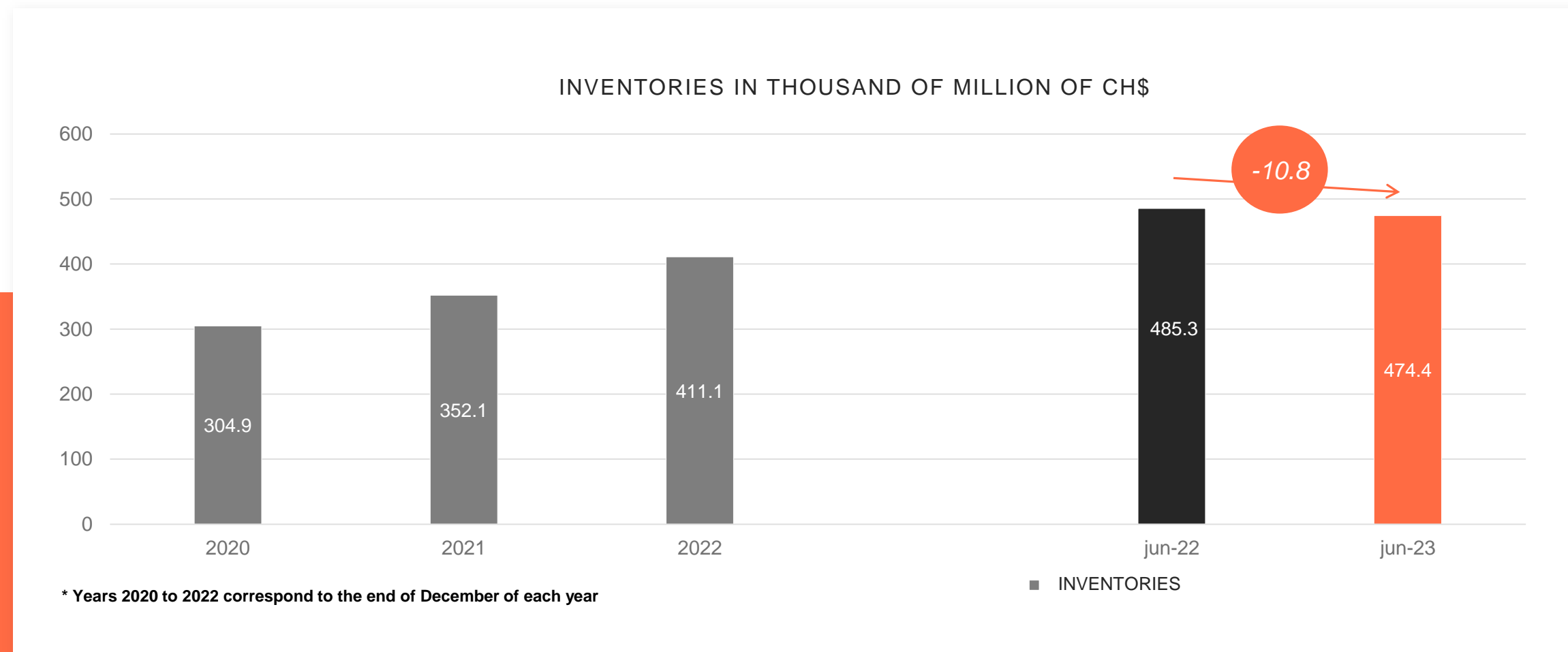
In 2022 we invested 42.6% more than in 2021. While in 2021, 63.2% more than in 2020.

67% of the investment during 2021 and 2022 is focused on Agriculture, Oenology and Operations. Of the investments, the purchase of 950 plantable hectares, an increase in storage capacity of 34 million liters and automation in the wine cellars stand out.

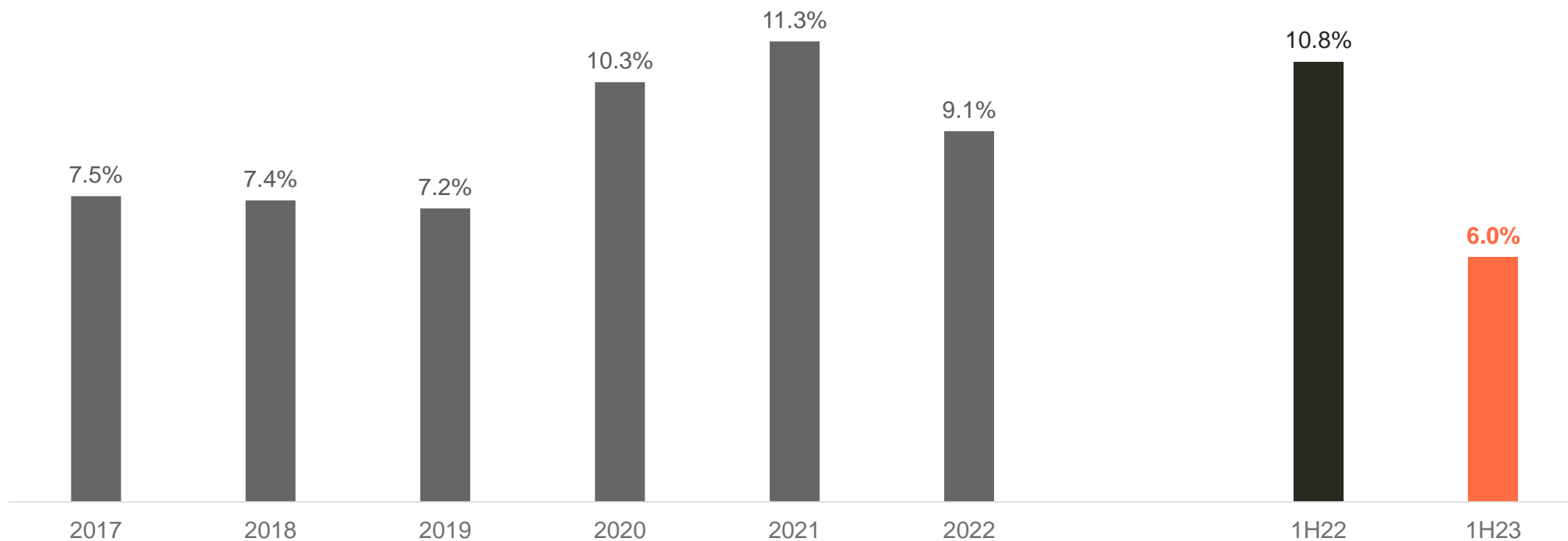
The objective of a greater investment in CAPEX is to strengthen the Winery with a higher level of productivity and competitiveness than the industry.

INVENTORIES

DECREASE OF Ch\$ 10,800 m (JUNE 23 VS JUNE 22)



RETURN ON INVESTED CAPITAL ROIC

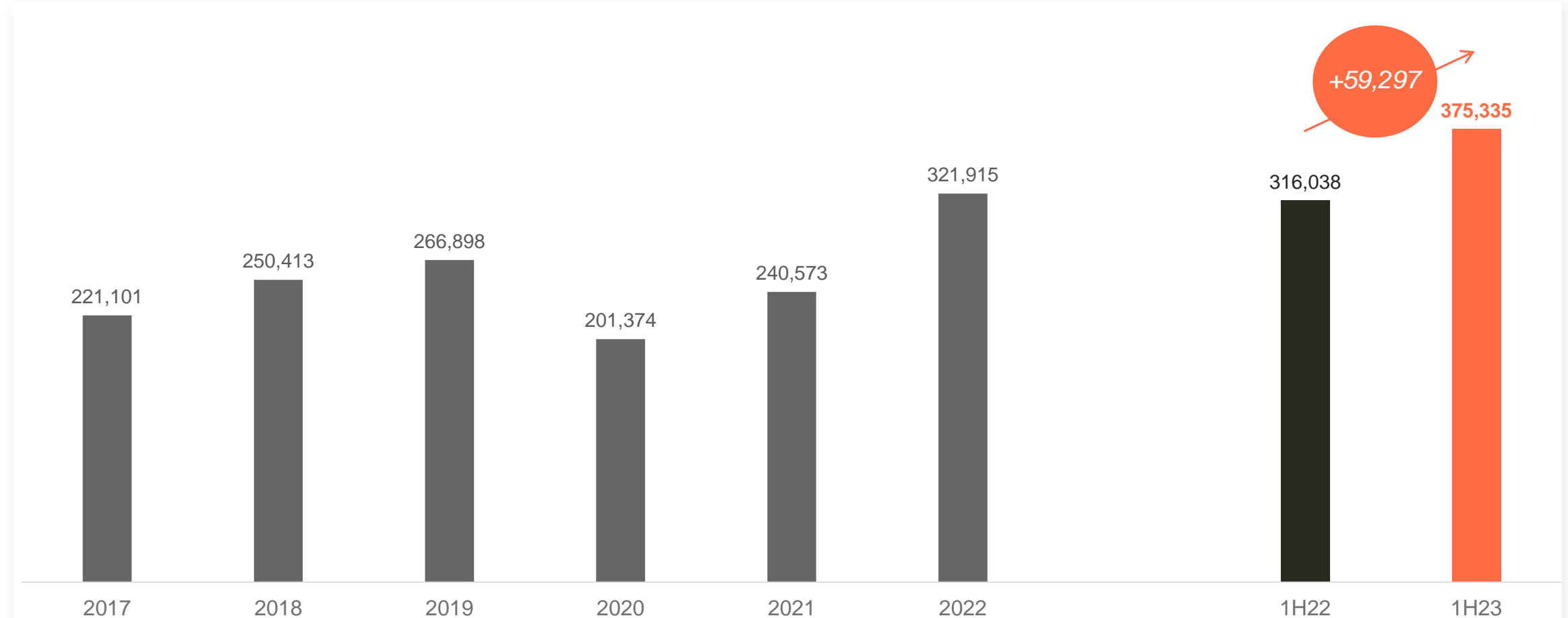


ROIC: (Operating Margin – Taxes + Exchange Differences) / (Equity – Net Financial Debt – Cash) 12 moving months.

* Income Statement corresponds to the 12 moving months.

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

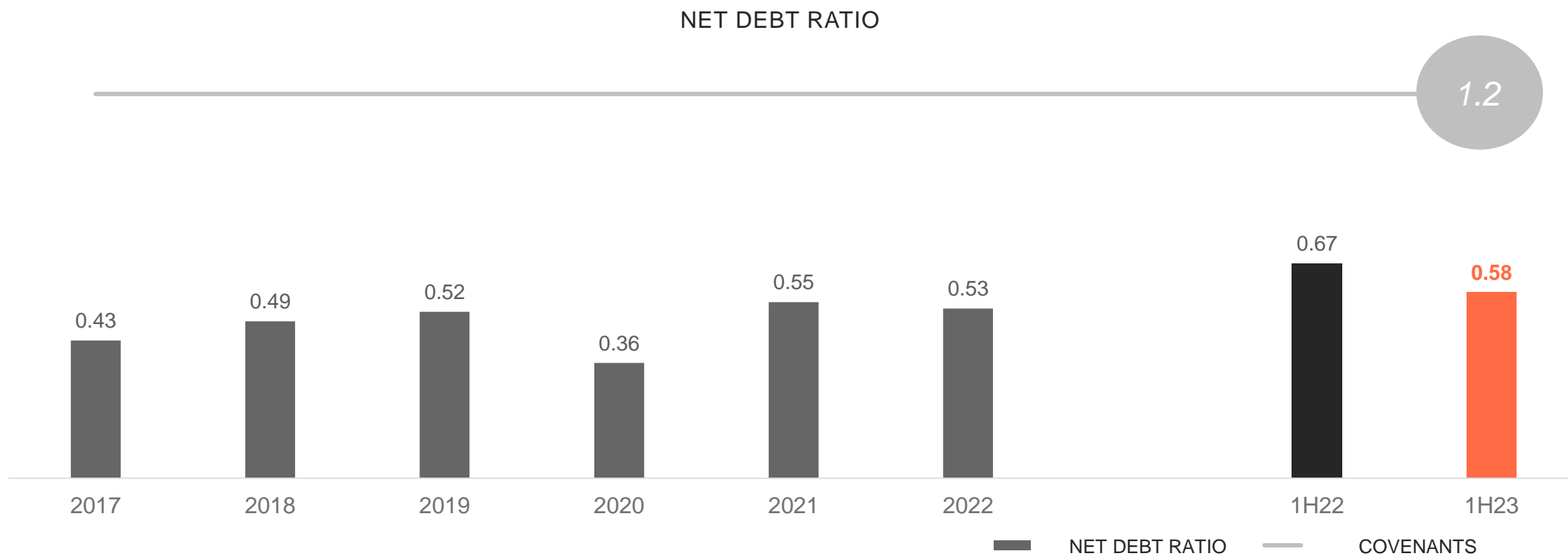
NET FINANCIAL DEBT (million of Ch\$)



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

LOW LEVEL OF INDEBTEDNESS RELATIVE TO THE SIZE OF EQUITY

FINANCIAL STRENGTH

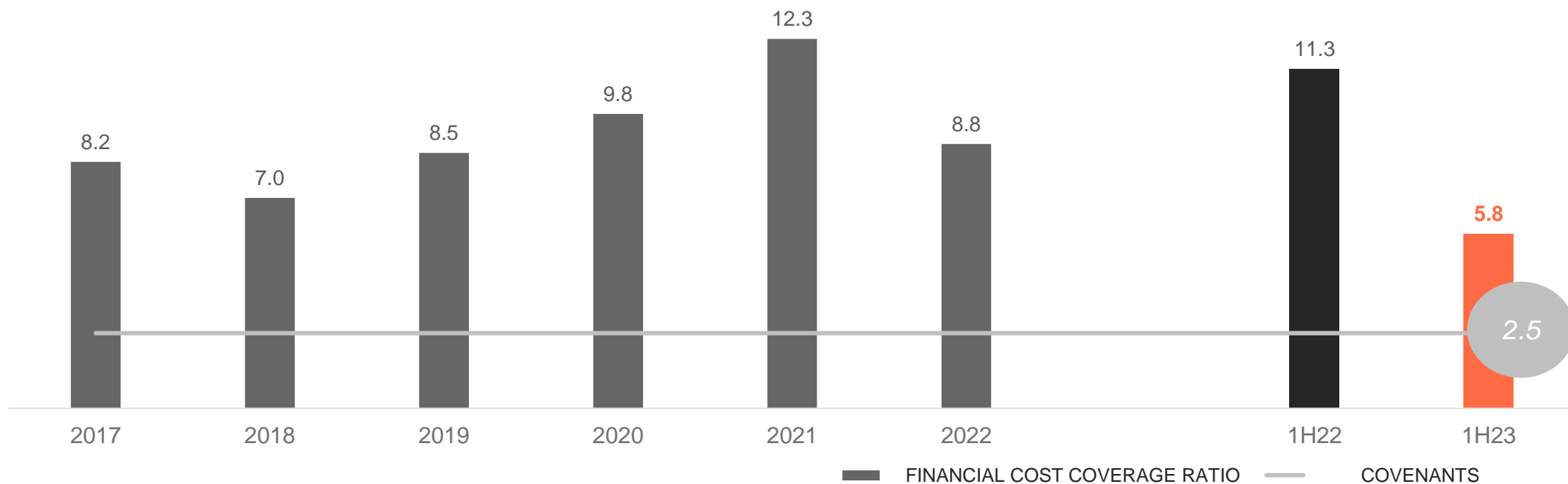


Net Debt Ratio: (Other Current and Non-Current Financial Liabilities – Cash) / Equity

FINANCIAL COST COVERAGE

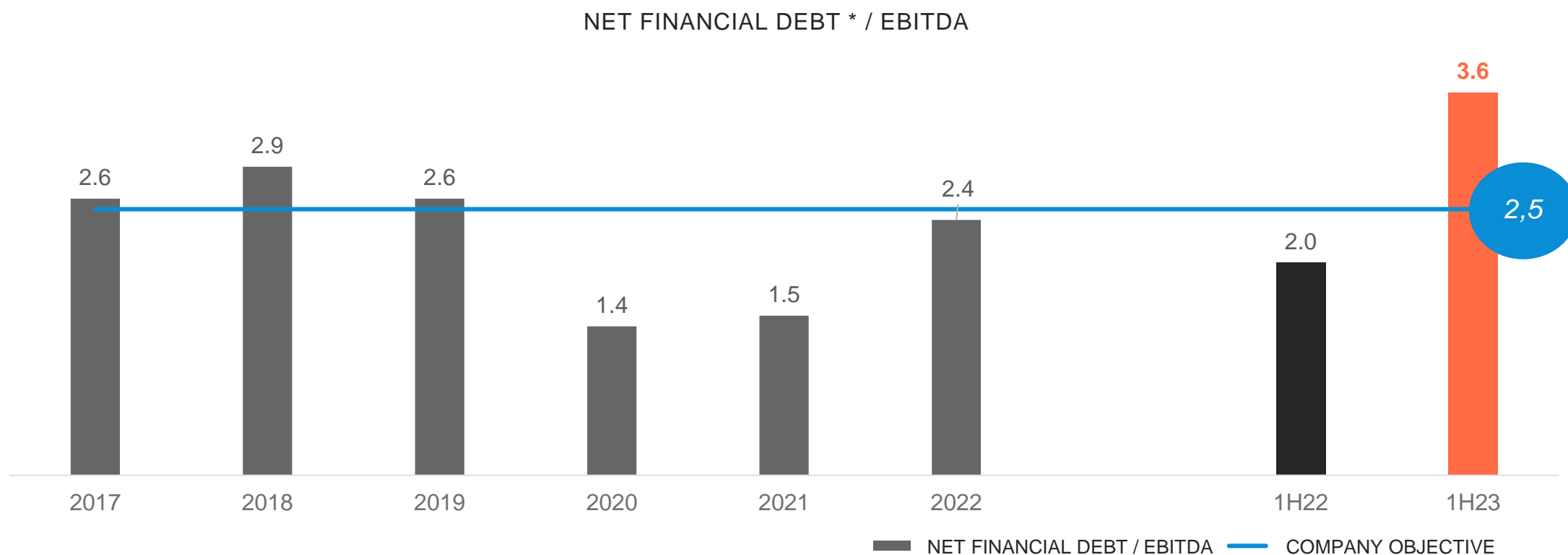
FINANCIAL STRENGTH

FINANCIAL COST COVERAGE RATIO



NET FINANCIAL DEBT / EBITDA

COMPANY OBJECTIVE



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

Chapter 03

2H23 Outlook

EDUARDO GUILISASTI, CEO



We expect a strong
improvement in 2H23

REASONS TO BELIEVE IN A SOLID GROWTH IN SALES AND RESULTS

ENCOURAGE THE COMERCIAL MODEL



OPERATIONAL EFFICIENCY



PRODUCTIVE MODEL



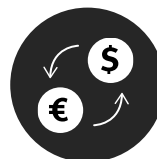
SOUTHERN HEMISPHERE HARVEST



SG&A REDUCTION AND DILUTION



EXCHANGE RATE



REASONS TO BELIEVE OPERATIONAL EFFICIENCY OF THE COMPANY

This process began in September 2022, and will have an approximate impact of \$5,000 thousand for the second semester.

SEPTEMBER 2022

INICIO

CH \$5.000 m

IMPACT AT 2H23

CH \$20.000 m

IMPACT TO THE TRIENNium
2023-2025

- **Ch\$ 2.700 m:** Organizational restructuring for new ways of working
- **Ch\$ 600 m:** Global supply management
- **Ch\$ 700 m:** Production, Logistics and Planning efficiencies
- **Ch\$ 1.000 m:** Administrative efficiencies by new way of working (CoE)
- **Ch\$ 5.600 m:** Organizational restructuring for new ways of working
- **Ch\$ 6.800 m:** Global supply management
- **Ch\$ 5.500 m:** Production, Logistics and Planning efficiencies
- **Ch\$ 2.100 m:** Administrative efficiencies by new way of working (CoE)

REASONS TO BELIEVE ENCOURAGE THE COMERCIAL MODEL

Strengthen our commercial model to insert our Company in the new world scenario, always with an important emphasis on the

PREMIUMIZATION AND NEW RELEASES



We are currently in the process of launching products in brands that are very relevant to our Company

REASONS TO BELIEVE SOUTHERN HEMISPHERE HARVEST

(24%)

AUSTRALIA
THE LOWEST SINCE 2000

(24.5%)

ARGENTINA

(14.4%)

SOUTH AFRICA

(10%)

CHILE (E)

(1,0%)

VIÑA CONCHA Y TORO'S
OWN PRODUCTION



REASONS TO BELIEVE PRODUCTIVE MODEL

Our production model, with a high level of own production, will give us a very significant competitive advantage.

An example is our operation in Argentina, a market where the prices of the Malbec Premium grape grew 178% compared to the previous year.

178%

PRICE GROWTH IN PREMIUM
MALBEC GRAPE



REASONS TO BELIEVE SG&A REDUCTION AND DILUTION

80%

OF THE SG&A ARE **FIXED
EXPENSES** AND **MARKETING
EXPENSES**

A level of Administrative and Sales Expenses is expected for the second semester of around 26%, much lower than the 30.9% of the first semester.



REASONS TO BELIEVE EXCHANGE RATE

MAIN CURRENCIES	AVERAGE EXCHANGE RATE 1H23	SPOT EXCHANGE RATE 2ND JULY FORTNIGHT	VAR (%)
28.6%	GBP: \$993.6	\$1,060.0	6.7%
5.9%	EUR: \$868.8	\$913.0	5.1%
5.8%	MXN: \$44.2	\$48.7	10.2%
7.6%	BRL: \$160.0	\$171.6	7.3%
24.8%	USD: \$804.2	\$819.2	1.9%

- **Significant improvement in Exchange Rates vs. 1H**
- **Total Coin Effect of Basket vs 1H:** The 5.0% drop would be reduced to -0.6%. Equivalent to raising prices vs. 1H, by 4.4% and the Operational Mg effect + 2.7 points.



OUTLOOK

2H23

- The situation that the industry is facing will bring **adjustments** throughout the production and commercial chain.
- Like any extreme situation, it will also bring great **opportunities**.
- At Viña Concha y Toro we are very **optimistic** about our future because we had the vision to foresee a crisis situation and have adopted measures since September 2022.

We are very well prepared to face the future and we will do it with the same strength and conviction with which we did it for the 2018-2022 five-year period, very hopeful in the adjustments we have made to our production and commercial model; and in the talent and experience of our people.

