

Investor Presentation

September 2023

VIÑA CONCHA Y TORO


ANNIVERSARY

AGENDA

Chapter 01

The Company at
a Glance

Chapter 02

Overview and
1H23 Results

Chapter 03

2H23 Outlook
and Highlights

Chapter 01

The Company at a Glance

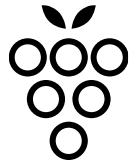
THE COMPANY AT A GLANCE



TOP 5

LARGEST WINE
COMPANIES GLOBALLY

Sales US\$1 billion
34m cases



PRODUCTIVE MODEL

PLANTED VINEYARDS

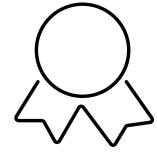
More than 12,000 hectares
in total



STRONG PORTFOLIO

OF MULTI ORIGIN BRANDS

Chile
Argentina
USA



PREMIUM FOCUS

> 50% OF WINE SALES

in the premium + segment

THE COMPANY AT A GLANCE



SALES



AND MARKETING
STRATEGY

with focus on priority brands
and markets.



PRIORITY MARKETS



INTEGRATED

distribution in priority
markets

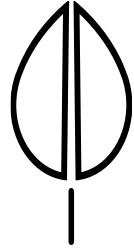


FINANCIAL POSITION



STRONG FINANCIAL
POSITION

support investment for
premium growth



SUSTAINABILITY



STRONG COMMITMENT

with a Sustainable growth

THE COMPANY AT A GLANCE



B CORP

SINCE 2021

and it has been included in the Dow Jones Sustainability Index for the last eight years.

90+

HIGH SCORES

PREMIUM AND SUPERIOR
LEVEL BRANDS

In 2022, we obtained 160 scores of above 90 points in the world's leading wine industry publications.



STRONG BRANDS

STRONG RECOGNITION

of our brands globally



CII

INNOVATING TO
TRANSCEND

Unique in Latin America and among the top 4 in the world

BRAND MATRIX

FOCUS ON PREMIUMIZATION

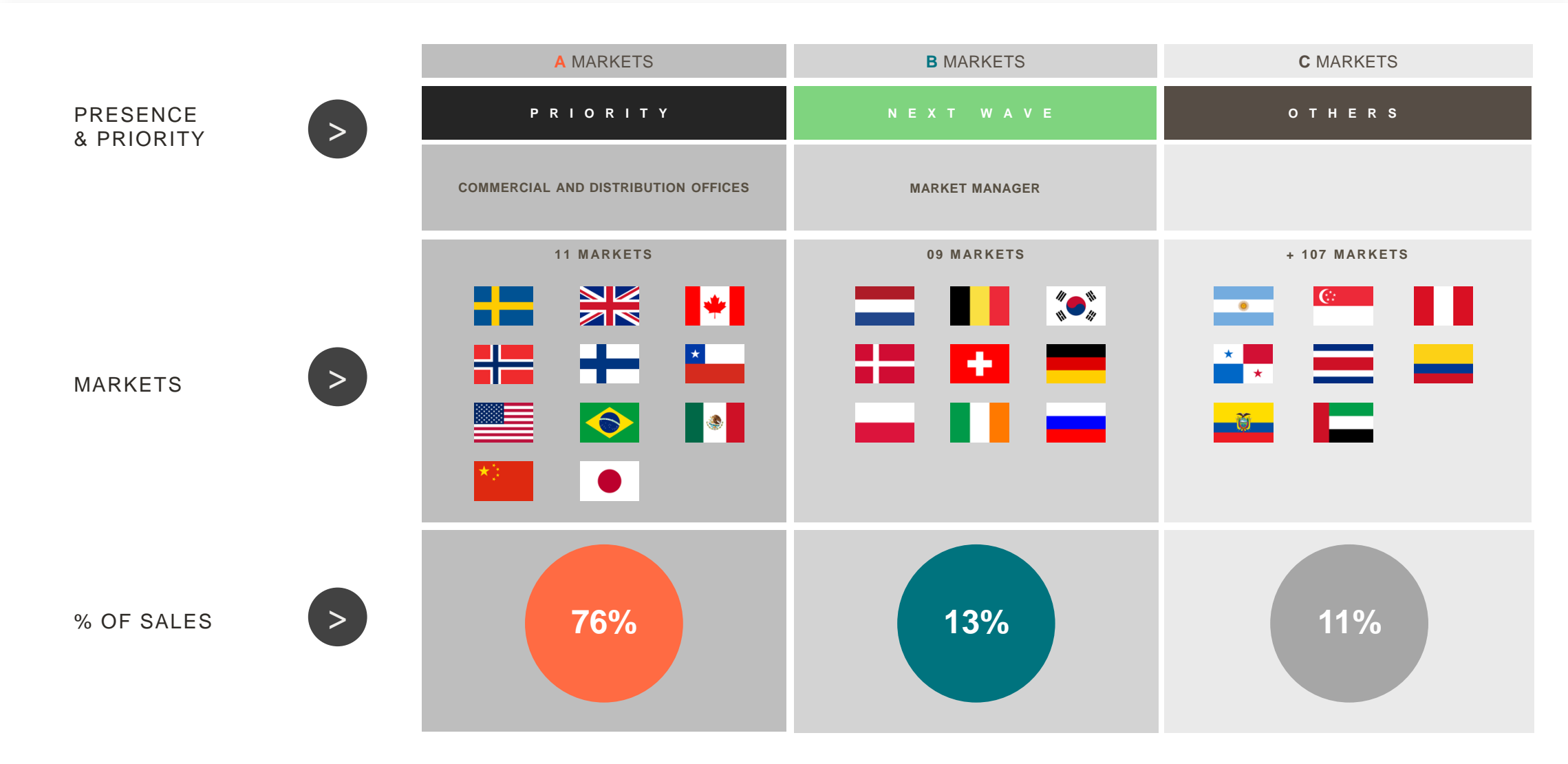
This year the brand matrix was updated, where the “Luxury Brands” category was created.



(1) Considers Casillero Expert Series, Signature Series, Platinum Reserve y Legendary
 (2) Considers Don Melchor, Carmin de Peumo, Amelia, MCC Heritage, CyT Master, Terrunyo

MARKET MATRIX

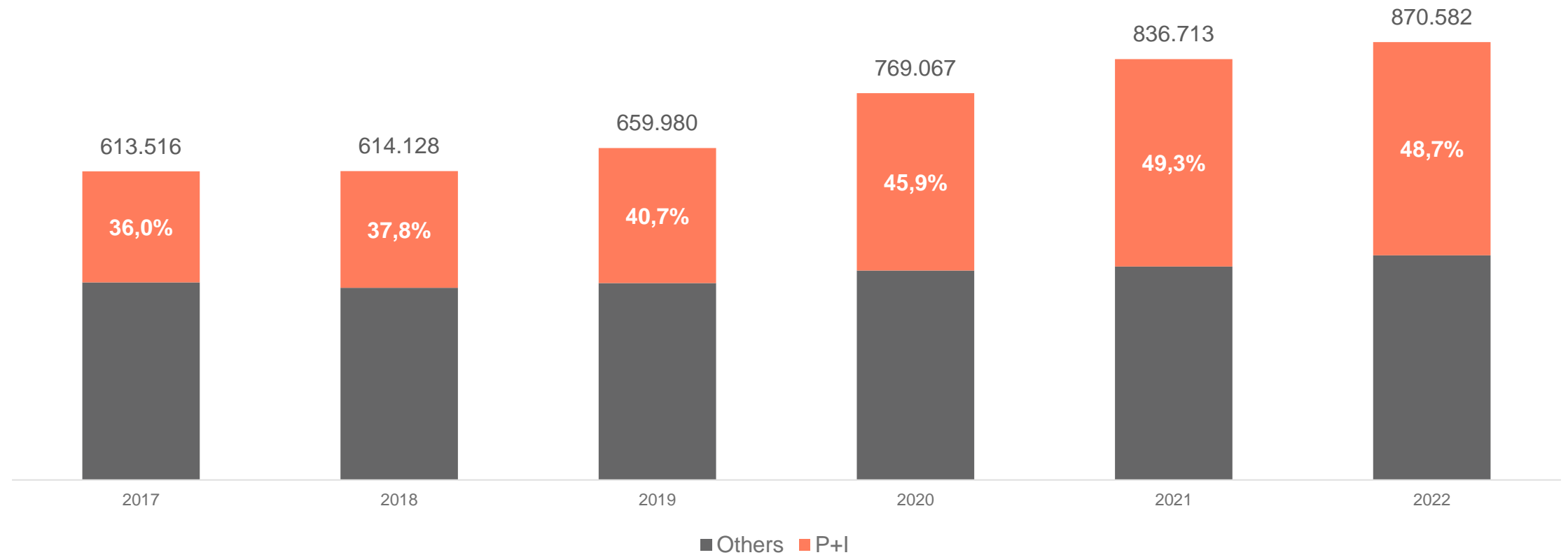
FOCUS ON PRIORITY MARKETS



GROWING CONTRIBUTION OF PRINCIPAL + INVEST BRANDS TO EBIT

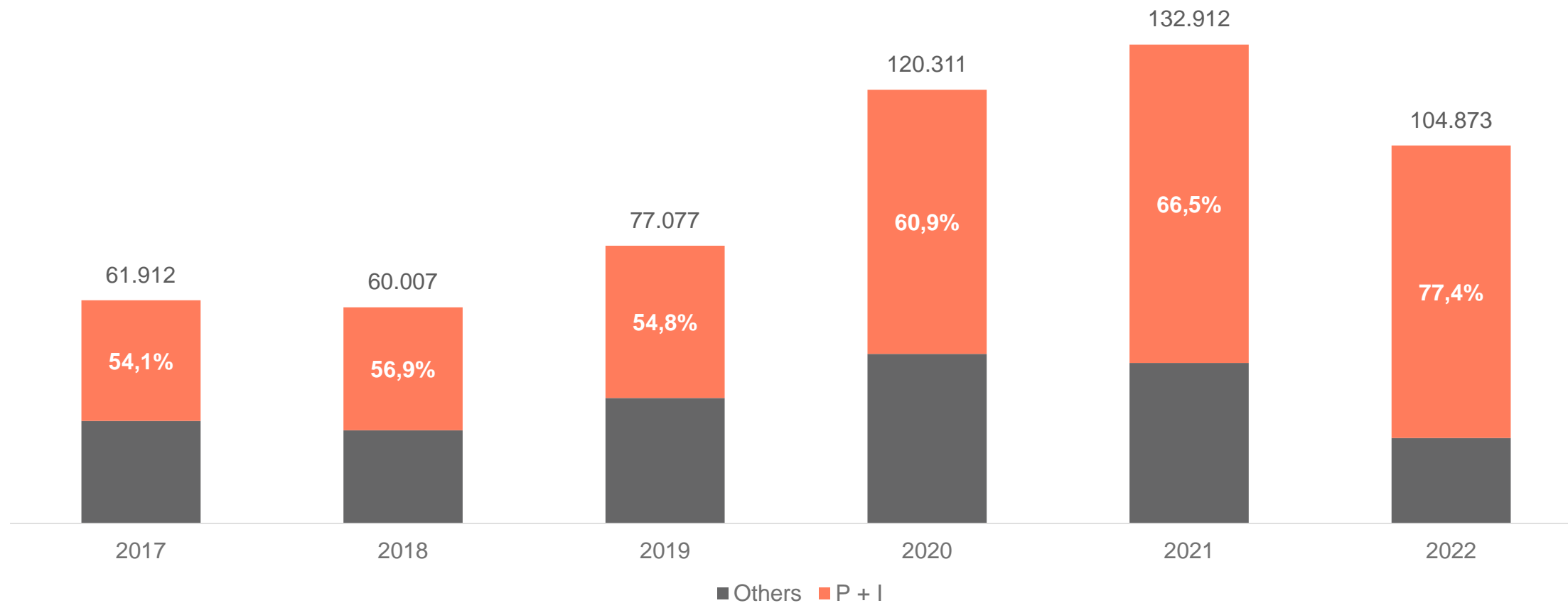
PREMIUMIZATION

% PRINCIPAL + INVEST IN SALES



THE COMPANY AT A GLANCE

% PRINCIPAL + INVEST IN EBIT



Chapter 02

Overview and 1H23 Result

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 dry goods 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

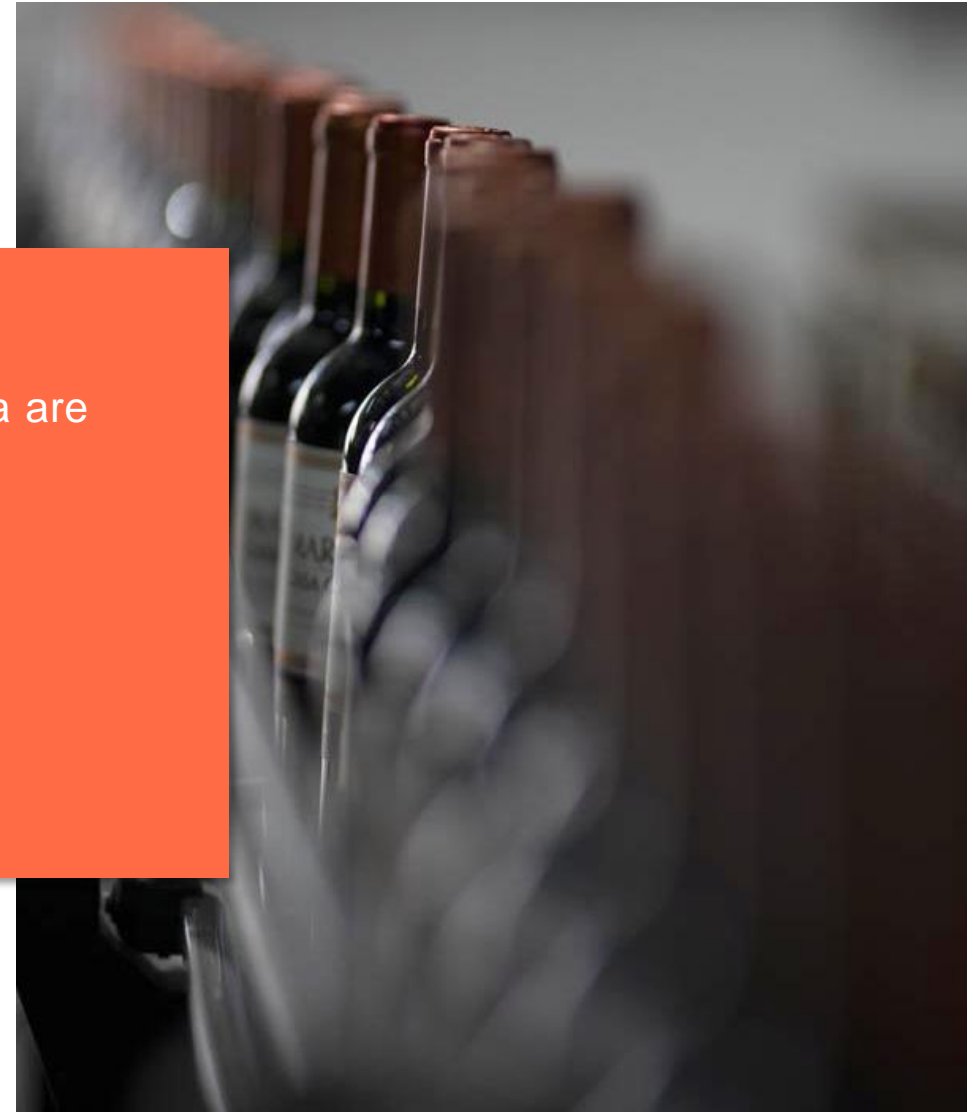
The global figures for exports from Chile and Argentina are a clear indicator of the situation our Industry is going through.

(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.

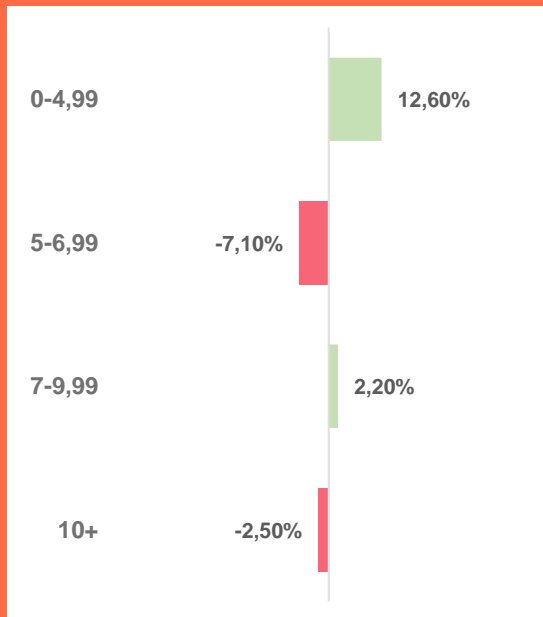
1-YEAR BASE RATES	AVERAGE 2009 TO MAY 2021	AVERAGE 2023 TO JUNE, 30
UK	0.5%	4.8%
COLOMBIA	4.5%	12.4%
BRAZIL	9.3%	12.9%
EUROPE	0.0%	3.4%
US	1.3%	5.5%
CHILE	4.0%	10.3%
MEXICO	5.5%	11.3%

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

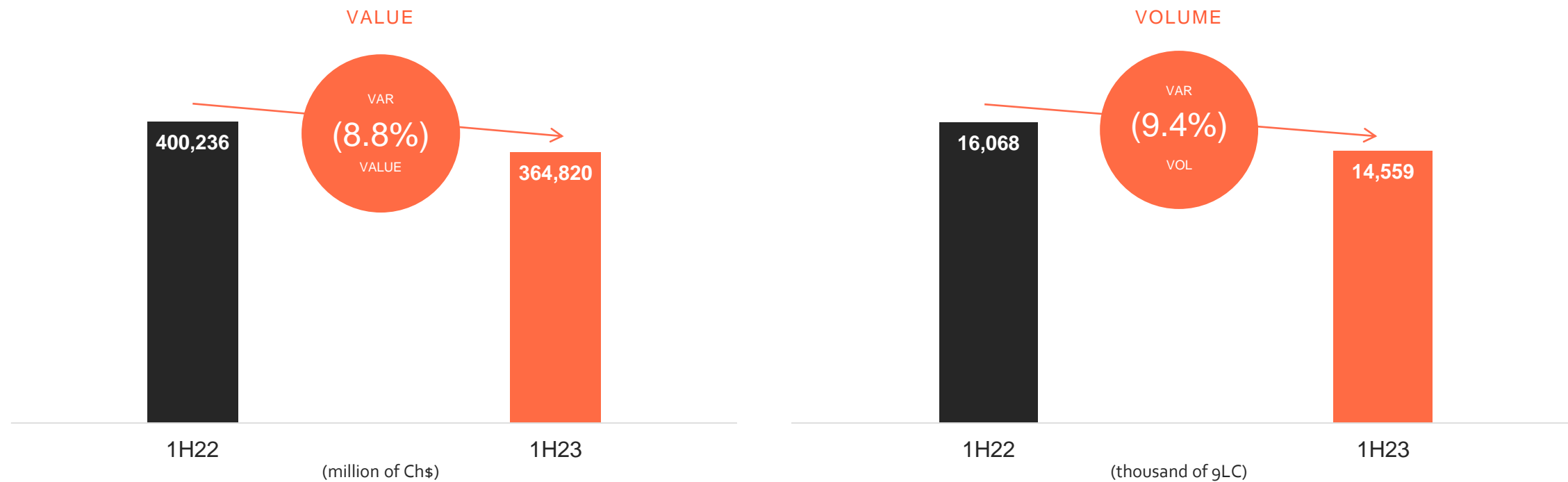
Excess of low-priced red wine in producing countries.

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 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.

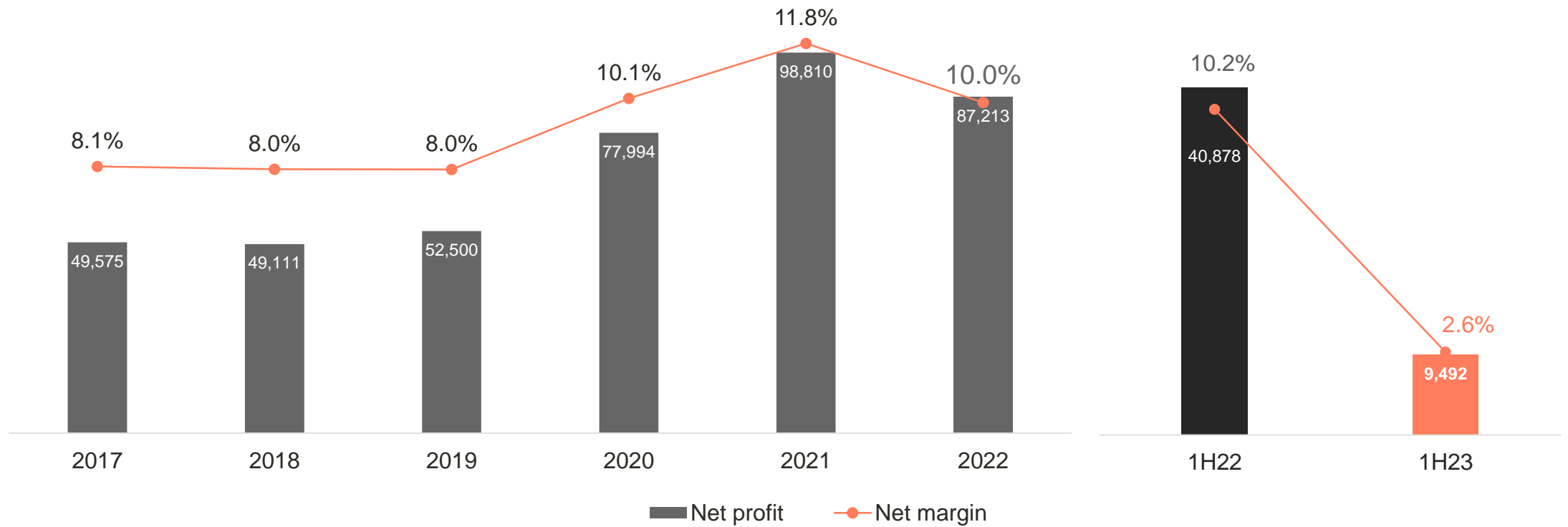
A CHALLENGING AND COMPLEX SEMESTER NON-OPERATING RESULT

(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.

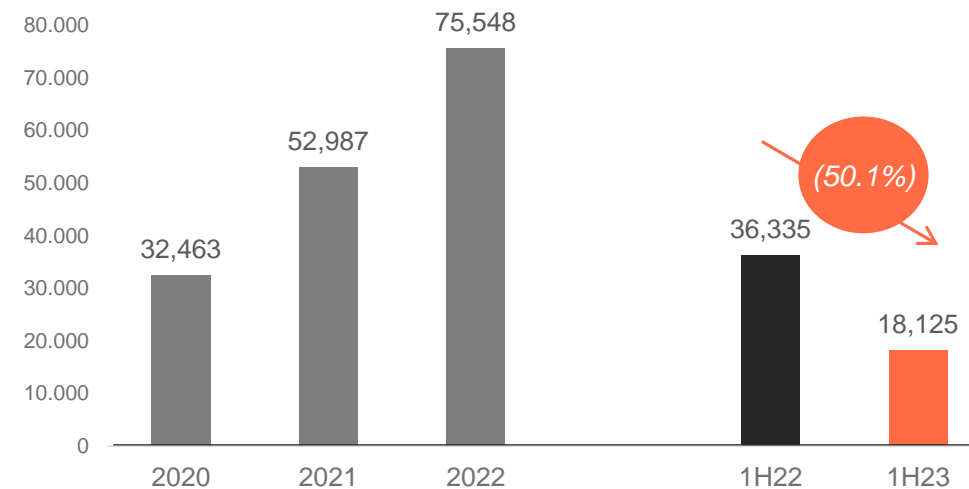
(**) Does not consider results of affiliated companies

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



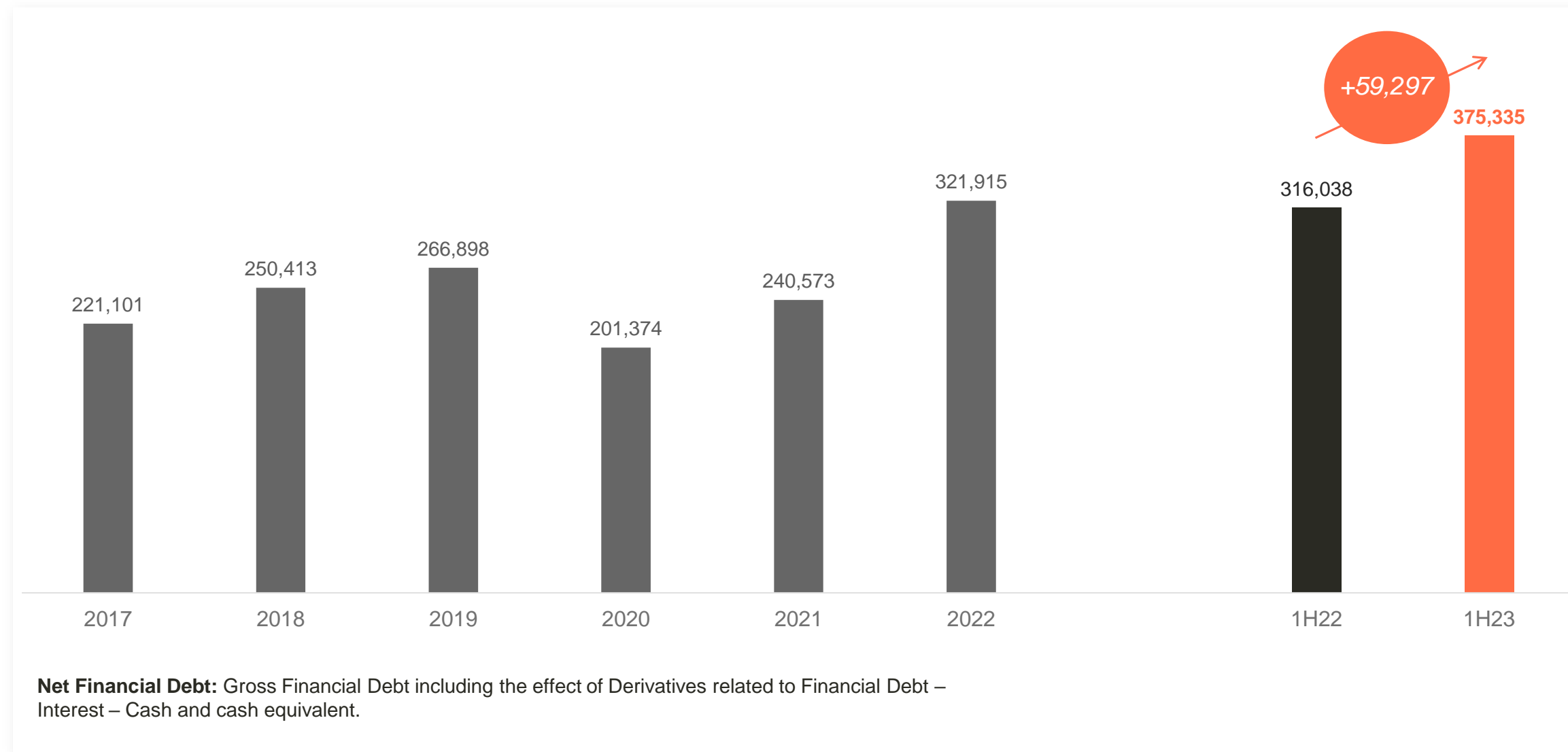
INCREASE IN INVESTMENT IN LAST YEARS, ENDING IN 2023

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.

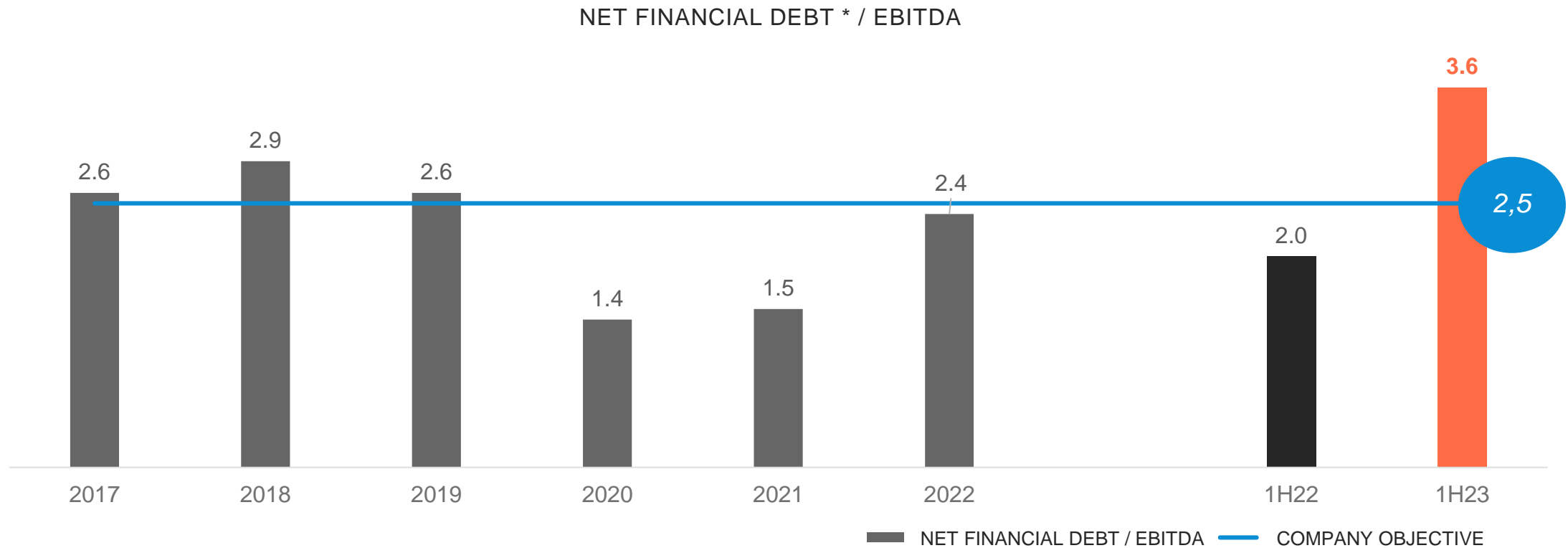
The objective of a greater investment in CAPEX is to strengthen the Winery with a higher level of productivity and competitiveness than the industry.

NET FINANCIAL DEBT (million of Ch\$)



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 and Highlights

We expect an
improvement in 2H23

REASONS TO BELIEVE IN A SOLID GROWTH IN SALES AND RESULTS

ENCOURAGE THE COMERCIAL MODEL



OPERATIONAL EFFICIENCY



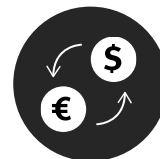
SOUTHERN HEMISPHERE HARVEST

PRODUCTIVE MODEL



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

(11.4%)

CHILE

(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.

Highlights

ESG and Innovation

ESG PROGRESS

ENERGY

FOSSIL INDEPENDENCE

We are making progress towards establishing a clean energy matrix free of CO2 emissions. For this reason, in 2022, we managed to make the electricity supply of the Viña Concha y Toro holding company 100% renewable.

100%
RENEWABLE
ELECTRICITY
3 ORIGINS

We are taking important steps in the replacement of fossil energy in our facilities to reach the goal set for 2025.

(50% replacement in internal sources, compared to 2020)

BIODIVERSITY

AGRICULTURAL ECOSYSTEM MANAGEMENT

Transforming project in the Agricultural Management, where regenerative practices have been implemented to improve conditions of

- Soil
- Native Flora and Fauna
- Native forests

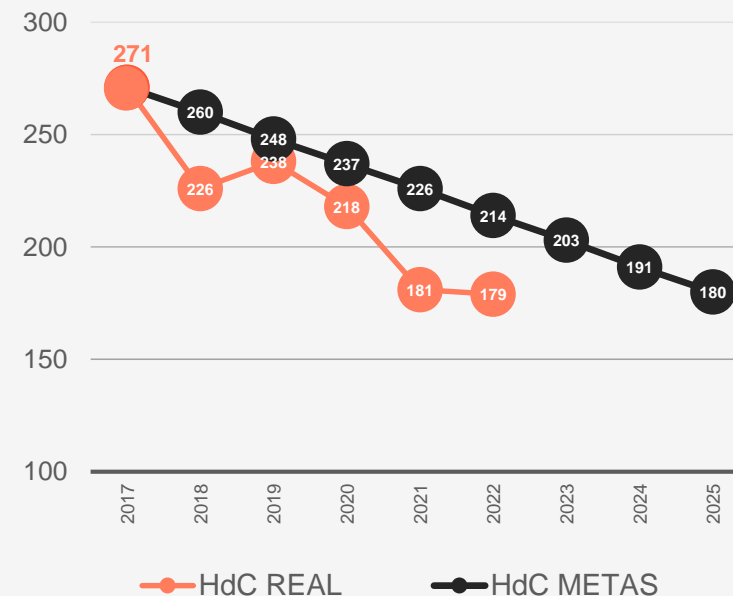
NATIVE FORESTATION

Plantation of more than 12,000 native trees that germinated in our own nurseries.

CLIMATE CHANGE

In 2022 we reached the goal of reducing carbon emissions, which was set for 2025.

CARBON FOOTPRINT v/s 2025 GOALS
2017 – 2025
(Miles tCO2e)



INNOVATION PROGRESS

WATER SAVINGS



Savings of +18% with different efficient irrigation techniques. Today it is in a pilot plan with 1.200 ha.

The APP developed by the CII makes it possible to receive data on leaf evapotranspiration, soil moisture and weather forecasts to know how much and when to irrigate.

PLANTS 2.0



Virus-free vines and wood fungi without affecting their identity.

This allows them to be better prepared to face climate change and live longer.



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.

