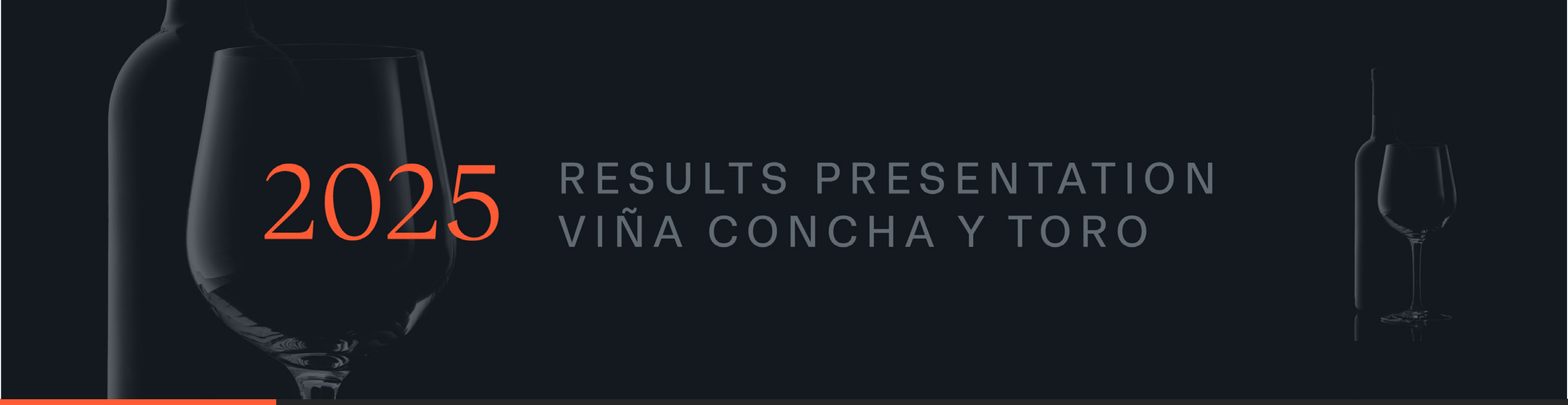

2025 Results Presentation Transcript – Viña Concha y Toro

Thursday, March 19, 2025, 11:00 AM (Chile)

Speakers:

→ Eduardo Guilisasti - CEO
→ Osvaldo Solar - CFO
→ Daniela Lama - Head of IR

Moderator: Daniela Lama

→ Good morning, everyone. My name is Daniela Lama, Head of Investor Relations of Viña Concha y Toro. Thank you for joining us for this presentation of results corresponding to the year 2025.

Before we begin, please note that on the right side of your screen you may select the language in which you wish to listen. The presentation we will review today is already available on our website in Spanish and English.

First, let me read a brief disclaimer. This presentation contains forward-looking statements based on the information available at this time and should be considered as made in good faith. Such statements are subject to risks and uncertainties beyond the company’s control, which could cause the actual Viña Concha y Toro results to differ materially from those indicated in these statements.

Today, we will take a closer look at the results for the year 2025. We will begin with an analysis of the year's performance with Eduardo Guilisasti, CEO of Viña Concha y Toro. Then we will conclude with the financial results for the fourth quarter and the accumulated period with Osvaldo Solar, the company's CFO.
For a more detailed quarterly analysis, please refer to the press release published on Monday, March 16th. If you have any additional questions, please feel free to contact me directly.

At the end of today's presentation, we will open a space to answer the questions you send us through the platform's chat.

I will now leave you with Eduardo Guilisasti.
(The presentation begins)

Speaker: Eduardo Guilisasti
→ Good morning, everyone. It is a pleasure to have this opportunity to share our 2025 results with you. As you can see, in terms of sales, referring specifically to wine, we achieved value growth of 2.8%, and consolidating the entire company's operation, a 1.7% growth. We continue to advance in premiumization, reaching 57.4% of the total wine portfolio. Regarding gross profit we also increased 0.9%. Our gross margin was 38.6%. EBITDA was 3.1% lower than last year, and the EBITDA margin is 15,7%.

Looking at these numbers, I would like to share some reflections, because to some extent, I believe that either I have not been able to convey everything that has happened in these recent years, or perhaps the full picture of the entire process the company has undertaken has not been fully understood. I'm going to take a little more time on this, and on the rest I will go faster, because I believe this needs to be very clearly understood by all of you, as you are crucial when informing our investors about the company's performance.

I'm taking us back to the year 2016. Back then, the company wasn't growing, and we decided to undergo a very profound transformation, which we called premiumization of the company. To be very clear, until 2016 we had opened doors to sell absolutely all of our brands, meeting every requirement from supermarkets and the strategic clients we had. We had a very, very large portfolio of brands. I have no problem sharing with you that during the last decade, specifically when starting 2016 we had a total of 290 brands. Just imagine what that means. From that moment, we began the process of premiumization, as I mentioned, with a very clear goal: to leverage the potential of the company's higher-value brands and to abandon —and that is the exact word, to abandon—those brands and that specific segment we call 'others'. These are commercial brands, private labels for large retailers, etc., which are low-margin and inefficient for our company. We were willing to lose or sacrifice volume, in order to grow in the other areas. So, when you look at our sales growth, you also have to see it through that lens. Under that strategy, the company had a truly spectacular performance up until the year 2021, when we had an operating result close to CLP$120,000 million because of the pandemic situation. Then in 2022 we began to notice a decline, a deceleration. This is important because due to the global reach of our company we have significant market intelligence and we know exactly what is happening in the wine industry, probably better than most companies, precisely because of the level of penetration we have in different markets.

In September of 2022, we began a process—and I would venture to say we were the first wine company, or perhaps the first in the alcoholic beverage world, to see this coming—and we started making adjustments. And when I talk about adjustments, it's not just about reducing the amount of workers, it's also about adjusting our production facilities. It's also about modifying the portfolio. It's also about changing the commercial strategy. I mean, it was a complete overhaul that the company began to undertake. We carried this out with a clear goal: to grow by the year 2025, because back then we envisioned that by 2025, the industry would be recovering. What happened in 2023? We fell sharply as a result of all these adjustments, as a result of the brand reduction we made, etc., In 2024, we grew sharply. And in 2025, which we are discussing now, the industry did not grow. On the contrary, the decline deepened. And this led us not to become complacent and to take measures. And, in the second half of the year 2025, the company began to make what I would venture to call the most profound of all the transformations. We had the most profound transformations regarding the number of brands, our commercial strategy, adjusting our various production units, we had adjustments in both our oenology and agricultural areas, also in the administrative area, in our centers of excellence, because we saw that the situation had deepened. Far from us believing that by 2025 the industry would be on its way to normalizing, that didn't happen. The company always—and I want to insist on this—always tries, sometimes we succeed, sometimes we don't, but we always try to get ahead of what's coming and take the necessary measures. That's why 2025 wasn't as powerful as it should have been.

Along with that, there is another factor that allows us to look to the future with great optimism, and I believe this is the key for you to truly understand our business model, and I would be happy to elaborate on this on a further occasion, the key factor is that we continue doing agricultural investment, we keep investing, and why? Because we have strong belief in the wine industry and we strongly believe in the positioning that Concha y Toro has with its brands and the global distribution structure it has. And that is going to weigh very positively in the upcoming complete reconfiguration of the wine industry. So, 2025 was also a year of very significant adjustment.

I wanted to make this parenthesis before continuing with the presentation, to show you very clearly that there are three major milestones for the company: one in 2016, when something was detected, a process begins in 2017 and is implemented starting 2018; one in 2022, in the last quarter of 2022, where we envisioned a difficult scenario and we began adjusting the company again to that reality; and in 2025, in the second half, when we did the same thing again, and with increasing depth. And we feel very confident about what this will mean for the future.

Here we are going to focus on 2025's performance, and Osvaldo, as announced by Daniela, will discuss the 4Q results and the non-operational results.

In the performance analysis here's a comment I made in the press release, which reads: the strength of our brand portfolio, the efficiency of our business model, and our extensive international distribution network allowed us to achieve a positive performance in sales value in a super challenging environment. To demonstrate this in a very graphic way, here is this chart that shows what Concha y Toro was able to do in 2024 thanks to the adjustments we began in 2022.

We can see how Concha y Toro, compared to several competitors, achieved the highest figure, with 14.5% sales growth. Exchange rates and other factors are to be considered, but to some extent they affect everyone similarly. And then for 2025, compared to 2024, where we made that adjustment again to prepare from 2026 to 2028, we see that Concha y Toro continues to grow despite all the negative figures you see in the industry. So, achieving 1.7% growth when the average is a decline from 2.5% has to be valued in its full magnitude.

In terms of volume, for wines specifically, we were practically flat. For me, given the scenario we experienced in 2025, which was worse than expected, I'll say it openly, it is a success to have achieved this flat volume, and especially considering what we will mention later. In the fourth quarter we were down 2.6% for the reasons I already explained, combined with a very specific factor that was imposed by the United States, the new tariffs, which were a revolution, so to speak, a very strong reconfiguration among distributors that disrupted the entire alcohol industry, absolutely all of it. We could go deeper into that later. But what I want to emphasize with this flat growth—and this is the main message I want to convey in this presentation—is that the Premium & Superior segments, meaning the company's premiumization, grew 2.3%. And where did we decline? 1.5% in the Varietal & Lower segments, where we are trying to abandon some brands and some small markets that are not contributing real value to the company.
Then, if we look at the Premium & Superior category specifically, it's the same as I mentioned earlier: a growth of 2.3% compared to 2024.

Looking at the quarterly evolution in value sales for wine only, we see here growth of 2.8% in 2025, and 4.3% in Premium & Superior. Compare that to the figures we saw earlier of a total industry decline of 2.5%, and you'll see how significant this is. In the Varietal & Lower segment, we grew 0.9%. Then focusing on Premium & Superior, same as before, 4.3% growth.

Regarding markets, we need to do a brief analysis. There were very important things happening in three main markets. First, the United States. The US suffered due to the tariff measures implemented by the government, I would call it a convulsion, a major internal convulsion, because many of the large alcohol producers in the US had Canada as their primary export market. When that export market closed, they had to place a large part of their production in the domestic market, lowering prices, completely distorting the market, and strongly impacting the distribution chain. And also, there is a distributor practically exiting the market, RNDC, etc. It's a real revolution, a convulsion that has occurred internally. And then there is the Japan market, where you can analyze the figures yourselves to see how with the exchange rates situation in Japan all the lower segments have been strongly affected in recent years. This has led to certain brands practically disappearing. Something similar is happening in the South Korea market, and in the China market, which are declining sharply. So, there are external factors that one cannot control, like exchange rates, which affect the destination market, and what happened with tariffs, etc., causing very strong disruptions. But we have to focus on the positive view: we have an important 1.3% growth in UK in this scenario, in Chile 2.7%, in the US a decline of 1.2% (which was very affected by what happened in the last quarter, which I have somewhat explained), Brazil has been doing excellently well with 15.2% growth, and Mexico 4.6%.

Now we will address brand performance. This is very illustrative of what I was mentioning before. The main brands where Concha y Toro is betting on and started betting on in 2017. We've been at this for eight years, where Concha y Toro has bet on these brands. We officially launched the strategy in 2018, 2017 was the year of adjustments. We see Casillero del Diablo growing 4% in value terms, Trivento 4.1%, Bonterra 3.7%, despite the bad performance of Bonterra in the last semester for the reasons I just explained. Cono Sur was also flat. Frontera, which is within the lower category, but mainly due to the US and Japan—the two markets where we were strongly affected—the brand declined. But the brand is very solid in all other markets. It declined 5.7%. And Reservado, thanks to the very good performance in Mexico and Brazil especially grew 11%.

For the premium segment it's as I mentioned before. We have increased 90 basis points, reaching 57.4%. We consider this a great achievement for the company, and it's what gives us more confidence in the future projection.

Then moving on to overall results. The overall results, without considering extraordinary write-offs, are: revenues were up 1.7%, operating costs were down 2.3%, operating margin was up 0.9%. Administration and selling expenses (SG&A) are up 3.6%. And we ended up with an operating result down 6.7%. But what I want to emphasize here is that the top line—which for me is the most important, obviously without diminishing the others, but it's the most important because it gives a clear signal of where the company is going, how strong we are moving forward, we are growing at 1.7%, and I'm going to explain as much as I can why operating costs increased by 2.3%. You'll see that these are mostly external factors to the company, and all the internal adjustments the company has made have been tremendously positive.

I'll explain it here. Operating costs increased by CLP$13,000 million. And this chart, prepared especially for you, is very clear. It clearly indicates everything I was talking about. In direct operating costs for the holding company—bringing everything together in one chart—direct wine costs, input costs and operational costs, we spend CLP$1,242 million less this year. The company was more efficient than last year. And this is an impressive achievement. On top of that, everything related to non-wine costs, and considering the growth in our beer products along with all the things being done, all the adjustments across all areas— we spend CLP$2,500 million less than 2024. So where did the problem come from? The problem was in specific, very specific items. First, the freight costs. We faced a strike in Brazil. For us, Brazil, as I showed, was the market with the highest growth. We faced a strike, and instead of being able to transport our products by sea, which is most efficient, we had to do it by land, significantly increasing costs. There was a strike in what is the equivalent of our SAG there, called MAPA, which blocked a lot of orders. And also, increased shipping costs for sea freight in the UK and Nordics. But this was foreign to us, and what happened in Brazil was extraordinary. The other major item, which we will also see in SG&A, is taxes. Obviously, when we made the business plan—when we spoke in March of 2025 about what we anticipated for 2025—a 10% tariff in the United States was not on our horizon, nor was the implementation of alcohol taxes in the UK with such force. We concentrate all these taxes in two major markets, the US and the UK, which are important markets for us, but we are taking measures to neutralize that effect.

If we look at SG&A, which increased by CLP$9,000 million, we see an effect in the UK, again due to those taxes, for recycling/collection costs. The higher volume in Brazil, which was very significant, led us to implement an aggressive plan, a plan we called "Boost" for Casillero del Diablo, Reserva and Diablo. It's going excellently and this first quarter of 2026 continues to be going very well in Brazil, and this confirms that the decision we made was very significant, very powerful, and highly efficient. And then, as you know, we opened the Wine Center. With any opening of a project of this magnitude, there are initial expenses that obviously will be recouped over the following years: we spend CLP$2,257 million, more than we originally anticipated, but we are already seeing a 15% increase compared to the previous year, with a very good operating result, and we are very optimistic that this, specifically the Wine Center—for those who have had the opportunity to go, and if not, please ask Daniela to invite you—it really is an exceptional thing. We are receiving very good feedback, and it's going to be a very important source of revenue for the company.

So, moving to the operating result, if we compare 2024 with 2025, we see a difference of CLP$8,008 million. Where is that difference? In taxes, obviously, there was a portion that was recovered by pricing in the case of the UK. And that's why we ended up with a final figure of CLP$9,119 million in the UK. Also, CLP$2,625 million in the US. The exchange rate did play in our favor; the sales effect amounts to CLP$1,707 million excluding exchange rates, and other factors amount to CLP$1,532 million. And so, with this very simple chart with five major classifications, one perfectly understands where the causes lie. We hope the situation in the United States reverses, and that would be very positive for us, and that we manage things with increasing efficiency. And there is very strong pressure in the UK to reduce that tax.

Next, operating result. It's the same we discussed before, 13.5% lower, reaching CLP$111,710 million compared to the previous year, without extraordinary write-offs.

Then we look at the EBIT margin, which follows the same trend, with 190 basis points declining, which I have already explained, ending at 11.5% versus 12.5%. And for me, the most interesting part of all this is how the company has demonstrated brutal solidity. And that probably hasn't been fully grasped. A brutal solidity in the growth of the categories where we needed to grow. We have been abandoning the categories we wanted to abandon, therefore losing volume, but we are securing the long term.

And then the EBITDA also decreased by 3.1%, ending at a very interesting figure that you can follow throughout the different quarters, with a final year figure of CLP$152,760 million. And the evolution of the EBITDA margin, the same, down to 15.7% from 16.4%.

I wanted to add here, and it's very much in line with the initial presentation, a transformation for the future. And here we return to the same previous chart that I had before, comparing the CLP$111,710 million EBIT in 2025 with the CLP$119,718 million in 2024, with the positive data on revenues. And here we included something I'd also like to explain: an extraordinary write-off. The company made an extraordinary write-off in the last quarter. So, when you look at the last quarter's result, logically it's not good. But why did we do it? Because we are thinking about 2026, 2027 and 2028. The company is thinking ahead. We had to enter a process of—if you'll pardon the expression—portfolio cleansing to achieve a better 2026, obviously within a difficult scenario, I don't deny that. But we are steering the company according to the reality of the market, deepening the things we need to deepen to achieve results that provide consistency and security for our investors in the future. That is our big bet. And there you can see that this CLP$8,188 million can be classified into three major chapters. First: the exiting of a vineyard field in Chile and the termination of field contracts in the United States with Bonterra, contracts that we inherited when Fetzer was acquired, where we reached agreements with the owners of those vineyards to exit those contracts because they were not economically efficient. All of this amounted to CLP$3,980 million, but with a very significant benefit starting in 2026: We will no longer have those vines. Second: we had inventory obsolescence due to all the cleanup we had to carry out because of what I mentioned before, about deepening the management model and the commercial model. And third: wine degradation, also part of a natural process, led to CLP$8,188 million. And we did it consciously, knowing that with this, we are betting on the future.

This simplification obviously involves many points. Here we mention some: better planning, we are counting on external advisors so the company can make its production plants much more efficient; expiration control for our products; more strategic purchasing; a different inventory policy; warehouse management; slow-movers management; reclassification of our inventories; financial management of obsolete inventory, etc. All of this will allow us to share an important figure with you, just as we did in the past with a figure, that if I'm not mistaken, it was close to CLP$25,000 million, now the company is projecting, as a result of all these adjustments made in 2025, which impacted the 2025 results, it is projecting savings over two years, 2026 and 2027, and we will report them quarterly—of CLP$28,000 million. Of which CLP$5,000 million are from a deep adjustment we are making to our distribution network here in Chile: on the side of Cono Sur, our subsidiary in Chile, CLP$7,000 million, and on the side of Concha y Toro Chile, CLP$16,000 million. So, all of this is accompanied by concrete numbers we are aiming for to deliver very solid benefits in the future, knowing that we assumed a cost in 2025.

I want to give— as we are finishing with this- an analysis of the 2017-2025 period, so that one has the perspective that time gives, and one can realize if the Concha y Toro's strategy is working or not.

For me, this chart is very significant. In 2017, when the strategy was not yet implemented—the strategy began in 2018—we sold 37 million of 9-liter cases (M9LC), to make it simple. And in 2025, we sold 33 M9LC. To make it simple 4 M9LC were lost. But where were those 4 M9LC lost? One may ask. And if you look at the figures, they were lost in "Others," which is what the company wanted. Because it was not what the company was aiming for. In 2017, the company sold nearly 13 M9LC under that segment. In 2025, we sold 6.5 M9LC. We have lost 6.3 M9LC. And it was a deliberate choice to lose those 6.3 M9LC. Obviously, I will not deny it, we would have liked that in the Protect segment we had grown a little more so we wouldn't have had that loss of 1.3 M9LC. And now the focus, along with making the top line grow—and this is what I want to highlight, we grew in this difficult period -a very good period at the beginning, yes, but very challenging afterwards, we grew 46.5% in Principal + Invest, which is the company's focus. We added nearly 4 M9LC of very high value to the company, compared to the 6 M9LC we lost under the "Others" segment. And this growth is what I just explained. I don't want to spend more time on this. The noise that existed in "Others" was very significant from an operational point of view, from a cost point of view, sales management, efficiency, commercial management, and marketing. We wanted to lose that volume. And we focused on Principal + Invest, and consistently across all years we have grown. And that is a very great achievement. And obviously, in Protect we have -because it's a very large base of the company's scale—to address that category, and we are addressing it with great force, and there will be, I believe, very interesting results from here to 2028.

As we continue to see the company's run throughout this entire 2017-2025 period, the company had an accumulated operating result of CLP$845,000 million. And notice that we have carried out investments and have not stopped investing, because we know the strategic investments we are making for the future of the company. And we see how the agricultural investment grew to be a 42% participation of our total investments. Oenology represents 27%, operations 12%, subsidiaries and others 8%, and new businesses 10%. Where the company had growth the most? In the first three areas. How are we preparing the company? With automation, with an agricultural area that is going to be—and believe me—absolutely key for the future of the company and for the future of the industry. And with what I'm seeing starting to happen in the industry, this is going to be a determining factor in the development and profitability of Concha y Toro in the future. And all of this investment amount represented practically 54% of the operating result achieved in the same period.

And here are the agricultural plantations. And if you ask me, what is the main asset, along with the brands and distribution? The main asset is the agricultural area. We have practically 13,000 hectares planted. What winery in the world has this? With top-level plantations, with a research and innovation center that has provided plants with developed clones at the highest level, with rootstocks with impressive yield and productivity, as we hope to communicate at the end of this harvest.

Afterwards, we move to the Wine Center, another new income generation center. A unit we had, but nothing like what we have today. All of our expansion into new businesses with Kross and Odissea, which has been doing excellently well. The beer market is very large, and we are growing our market share in this market, heavily dominated by two players. And the figures we have are very spectacular.

And finally, the brand portfolio is also evolving. The latest acquisition the company made in the first quarter of 2026 was Maison Mirabeau, a French brand that was acquired with very light assets, so to speak, but we invested mainly in the brand. And that will give us growth potential with that French brand, and it aligns with everything I explained: the premiumization, everything the company has done from 2017 onwards. And also new products we continue to work on. Together with the research and innovation center and all areas, we hope to showcase them this year and the next.

I have nothing but optimism. I have nothing but congratulations to the entire Concha y Toro team that has made this possible, and the unconditional support of the board of directors, and also of so many investors who have made this great performance of Concha y Toro possible.

Speaker: Osvaldo Solar

→ Well, after all this explanation about what the company has experienced during the year and also providing this perspective from 2017, because it really justifies a lot of what Concha y Toro is achieving in the context we find ourselves in, we are going to review what we have defined as non-operational and certain elements that play an important role when one analyzes the winery's results.

A first aspect, which we have commented on other times and we want to insist on, particularly due to the volatility of it, is the currency diversification that the company has structured. During 2025, it allowed us to have a basket that moved positively 1.3% against a dollar that was only up 0.1%. Why is that relevant? Because ultimately it allowed the company to capture practically CLP$10,000 million in higher revenue.

Now, when one analyzes that in a perspective like the current one, where the dollar is more appreciative, one sees that the basket also reduces practically by half the effect that could be generated today just by the dollar, considering that there are currencies like the Mexican peso or the Brazilian real that are today depreciated compared to what we had in 2025. So, there is a first factor here that it is always interesting to keep in mind and that the company has played an essential role in, especially since we are a company massively oriented towards foreign markets.

That said, let's go directly into the non-operating result, which has three components, of which I will refer in more detail to one: financial expense, because I think it's the most relevant to explain. And also explain particularly the exchange rate difference between the years 2024 and 2025, where one sees a decrease in revenue from CLP$1,990 million to CLP$168 million, a 91% variation, which responds to an event that could be defined as extraordinary occurred in Argentina: the possibility of liquidating exports with a non-official exchange rate, but rather financial exchange rates (MEP and CCL), which in practice were 20% off the record, and 80% official, which allowed to generate a profit of practically CLP$1,800 million in 2024. That ceased to be like that, and we have a clean year of that factor. It played in favor, but we understood it as extraordinary. And our affiliated companies, especially Almaviva and the cork industry, in Almaviva we see a flat situation, the year 2025 being practically equivalent to 2024. We see that as a relatively predictable result going forward. And then when we look at financial expenses, which had a decrease of CLP$3,372 million in the year, which is 17% lower, it's interesting to look at what perspective we are having in total.

Here is the complete non-operational result. The orange line, which corresponds to 2025, begins to decline, moving away, or starting to move away from 2024, to seek and reach levels closer to 2022.

Why can we talk about positive perspectives? Because on one hand, the company had a policy that we have been explaining and that meant substantial revenues in the past. Today, the issue is flatter. But we still have a rate that is fixed for the coming years at 2.82%, this is calculated in UF to account for inflation, so regarding financial debt it is capped at 2.8%, below the target of 3% recommended by the Central Bank. And that also allows facing potential shocks of price increases, like what could be experienced in oil changes in the coming days. We have it contained, having sold inflation hedges at a value lower than the Central Bank's target. For the year 2025 specifically, this policy meant a profit of CLP$1,084 million.

On the other hand, speaking of the interest rates, although rates have flattened, we have a peso rate that is substantially lower than the rate we had in 2022. We do not intend to reach the rates seen in 2021, which were extraordinarily low, but rates have already eliminated those peaks we had, particularly in 2023, which is also positive for the short-term debt that the company manages. Specifically, debt during the year decreased practically by CLP$10,000 million compared to the debt we had at the end of 2024.

An aspect we consider here is also a strength of the company is the Hedge policy between assets and liabilities, which also allows facing with some tranquility the short-term exchange rate variations, maintaining a healthy and protective policy regarding variations.

Specifically, regarding net financial expenses, we see here how definitively the orange line, or 2025, which as we commented was 17% lower than the previous year, now diverges from the blue line, which would be 2023 and 2024, and goes in search of levels more similar to 2022. There is still a gap, but the policy that has been defined and the perspectives we have allow us to walk towards numbers more like those of 2022 in the future.
With this, we move to net financial debt, the evolution it has had, the peak we had in 2023, how it has been coming down substantially compared to that figure and we are getting closer to the figures the company maintained in 2022. Today we are a larger company, and therefore we will also look at it in its capital context and its context in terms of EBITDA generation.

Finally, speaking of the net profit, after what Eduardo has commented, we see that compared to 2024, there was a decrease of CLP$10,000 million, which includes these extraordinary write-offs of almost CLP$8,200 million. If you look at it from a net profit perspective, practically 80% of that decrease is directly explained by this cleanup done to face the future in a much more powerful way.

A topic we have always kept in mind is return on invested capital, where the write-off also plays a role, and it is why we cleared this. For 2025 we are at 7.8%. Let's remember that the cost of capital, which we, the board and general management have always put on the table for all projects is that the company targets a minimum return of 8.5%, which is the cost of capital. Therefore, this is an issue that is still evolving.

And when we talk about this CAPEX, that Eduardo mentioned before, it's interesting to see that all that investment is part of what is allowing the company to grow in very profitable terms going forward. Everything that has been done, particularly in the agricultural area, has very direct effects. On one hand, direct efficiency in terms of annual expenses, but on the other hand, increased productivity. We have to remember that we have been tracking yields per hectare. And we see that the company, from an average it had in 2017-2018 of 14,000 kilos per hectare, is moving towards approaching 20,000 kilos, which we have commented on, and that has a very direct effect on cost per kilo, as a basis for the company's efficiency and on the other hand, the sustainability of its quality. On the other hand, oenology, which as we have already commented on, will translate into a decrease in expenses, as Eduardo mentioned, and on the other hand, will increase productivity because of the asset usage in terms of harvests, all of which minimizes future needs.

All this concentrates afterwards on financial solidity that we want to highlight. All of this being undertaken and the measures we will comment on at the end have a basis in maintained financial health that allows us to grow and take opportunities as they present themselves. Here's the first covenant: the debt ratio is at 0,49. We have decreased from 0,54 last year, with a covenant ratio of 1,2 times. The figures speak for themselves.

On the other hand, on the financial expense coverage, we increased from 6,4 times to 7,1 times against the covenant that is 2,5 times.

And on the other hand, this index of financial debt over EBITDA -not a covenant, but a long-term decision the company has made- set by us at 2,5, that is why it is not in the same color. Today we are at 2,3, below that estimated value, as part of the financial solidity we are commenting on.

So, with this reality, we finally find ourselves with two decisions that we believe are very timely and at the same time very favorable, particularly for the company's shareholders. On one hand, considering the financial health we have already discussed, that commitment we could define to profitability also for the shareholder, where we have seen a share price that has been very weak, not reflecting the perspectives that management has. And on the other hand, that today there is practically an opportunity, in the sense that there is a punished market with a price substantially lower than what the various analysts who follow the company suggest. We must remember that analysts today speak of an average consensus of 1,380 pesos per share. And we find ourselves with a share that today is at 905 pesos, more or less. So, in this context, the company has proposed two plans. One is being executed and the other is a proposal to the shareholders' meeting: to increase the dividend this year, up to 50% of profits versus the 40% that is customary, as you know. And on the other hand, a share buyback plan. Let's remember that the company had authorization to buy back shares up to 5%. Of that 5% it was executed only 1.1% four years ago. But now, since we have made the decision, the company already started a plan to buy back up to 3.9% of the shares, which is what is currently permitted, creating value that we believe is quite important for the shareholder. It becomes a kind of tax-free dividend equivalent, where the shareholder comes to have that position of about 3,9% more if they stay in. So this is a repurchase offer that opened on Tuesday the 17th and ends on Monday, April 6th, where the company has set a raised price of 925 pesos, raising the market value by almost 7% compared to what was trading prior to this decision, in such a way as to offer shareholders the possibility to sell, for those who wish, at this price. And for those who stay, the possibility of having a superior price or superior profitability for the shares they currently own.

We end the presentation with these two good decisions: one that will be proposed to the meeting and the other already in execution. Thank you.
(End of the presentation)

Speaker: Daniela Lama

→ We have now reached the end of this earnings presentation. We thank you for your attendance and wish you a good afternoon.