

*Interim Consolidated Financial Statements*

**PLAZA S.A. AND SUBSIDIARIES**

*Santiago, Chile*

*June 30, 2020 (unaudited) and December 31, 2019*



INTERIM CONSOLIDATED FINANCIAL STATEMENTS

# PLAZA S.A. AND SUBSIDIARIES

Corresponding to the periods ended June 30, 2020 and 2019  
(unaudited), and the fiscal year ended December 31, 2019.



## **Independent Auditor's Review Report** (Translation of the report originally issued in Spanish)

To the Shareholders and Directors of  
Plaza S.A.

We have reviewed the interim consolidated statement of financial position of Plaza S.A. and subsidiaries as of June 30, 2020, and the interim consolidated statements of comprehensive income for the six-month and three-month periods ended on June 30, 2020 and 2019, and the corresponding interim consolidated statements of cash flows and changes in equity for the six-month periods then ended.

### **Management's Responsibility for interim consolidated financial statement**

The management of Plaza S.A. is responsible for the preparation and fair presentation of the interim financial statements in conformity with IAS 34 "Interim Financial Reporting" incorporated in the International Financial Reporting Standards (IFRS). This responsibility includes the design, implementation and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in accordance with the applicable financial reporting framework for the preparation and presentation of financial information.

### **Auditor's Responsibility**

Our responsibility is to conduct our review in accordance with auditing standards generally accepted in Chile applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Chile, the objective of which is the expression of an opinion regarding the financial information. Accordingly, we do not express such an opinion.

### **Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim consolidated financial information for it to be in accordance with IAS 34, "Interim Financial Reporting" incorporated in the International Financial Reporting Standards (IFRS).



## **Other matters**

### **Consolidated Statement of financial position as of December 31, 2019.**

On February 25, 2020, we issued an unmodified audit opinion on the financial statements of Plaza S.A. and its subsidiaries as of December 31, 2019 and 2018, prepared in accordance with international Financial Reporting Standards, which include the consolidated statement of financial position as of December 31, 2019, which is presented in the accompanying interim financial statements consolidated, in addition to the related notes.

A handwritten signature in blue ink, appearing to read 'Albert Oppenländer L.', written over a horizontal line.

Albert Oppenländer L.  
EY Audit SpA

Santiago, August 25, 2020

(Translation of interim consolidated financial statements originally issued in Spanish)

Interim Consolidated Financial Statements

**PLAZA S.A. AND SUBSIDIARIES**

Corresponding to the periods ended June 30, 2020 and 2019 (unaudited), and the fiscal year ended December 31, 2019.



**Content:**

- Interim Consolidated Statements of Financial Position
- Interim Consolidated Statements of Comprehensive Income
- Interim Consolidated Statements of Cash Flows
- Interim Consolidated Statements of Changes in Shareholders' Equity
- Notes to Consolidated Financial Statements

Plaza S.A.

Registration in the Securities Registry No. 1.028

Interim Consolidated Financial Statements

**PLAZA S.A. and Subsidiaries**

June 30, 2020 and December 31, 2019

(Translation of interim consolidated financial statements originally issued in Spanish)

**PLAZA S.A. AND SUBSIDIARIES**  
Interim Consolidated Statements of Financial Position

Corresponding to the period ended June 30, 2020 (unaudited), and the fiscal year  
ended December 31, 2019

(In thousands of pesos)

ASSETS	Note	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	280,988,793	35,722,612
Other financial assets, current		583,488	820,621
Other non-financial assets, current	5	18,379,506	12,514,206
Trade receivables and other accounts receivable, current	6	45,741,527	65,826,632
Accounts receivable from related entities, current	7.1	33,551,681	10,170,227
Tax assets, current	8	12,802,831	12,834,315
<b>Total current assets in operation</b>		<b>392,047,826</b>	<b>137,888,613</b>
Non-current assets classified as held for sale and discontinued operations	2.11	16,981,092	16,981,092
<b>Total current assets</b>		<b>409,028,918</b>	<b>154,869,705</b>
<b>Non-current assets</b>			
Other non-financial assets, non-current	5	46,321,789	42,582,543
Accounts receivable, non-current	6	3,163,782	3,093,085
Investments accounted for using the equity method	9	97,166,302	94,786,551
Intangible assets other than goodwill	10	4,601,941	4,665,718
Goodwill	10	357,778	357,778
Properties, plant and equipment	11	3,552,554	3,346,491
Investment Properties	12	3,075,122,824	3,052,309,866
Tax assets, non current	8	10,681,729	13,559,188
Deferred tax assets	14.2	15,554,691	14,344,008
<b>Total non-current assets</b>		<b>3,256,523,390</b>	<b>3,229,045,228</b>
<b>Total assets</b>		<b>3,665,552,308</b>	<b>3,383,914,933</b>
EQUITY AND LIABILITIES	Note	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
<b>Liabilities</b>			
<b>Current liabilities</b>			
Other financial liabilities, current	15	211,962,766	110,428,450
Trade accounts payable and other accounts payable	16	36,542,330	71,489,750
Accounts payable to related entities, current	7.2	506,108	658,806
Lease liability current	17	1,696,518	2,011,801
Other short-term provisions	27	640,412	470,259
Current tax liabilities	18	3,166,528	4,395,915
Employee benefit provisions, current	19	3,261,923	8,254,520
Other non-financial liabilities, current	20	2,016,397	4,728,020
<b>Total current liabilities</b>		<b>259,792,982</b>	<b>202,437,521</b>
<b>Non-current liabilities</b>			
Other financial liabilities, non-current	15	998,945,058	783,324,517
Accounts payable, non-current	16	1,096,819	1,074,495
Lease liability non-current	17	16,561,530	16,825,861
Deferred tax liabilities	14.2	437,459,238	440,007,841
Employee benefit provisions, non-current	19	1,349,736	4,992,047
Other non-financial liabilities, non-current	20	23,459,709	22,681,407
<b>Total non-current liabilities</b>		<b>1,478,872,090</b>	<b>1,268,906,168</b>
<b>Total Liabilities</b>		<b>1,738,665,072</b>	<b>1,471,343,689</b>
<b>Equity</b>			
Share capital	21 b)	175,122,686	175,122,686
Accumulated profit (losses)		1,531,955,205	1,527,046,422
Share premiums		123,573,274	123,573,274
Other reserves	21 d)	(52,353,792)	(59,235,879)
<b>Equity attributable to the owners of the controller</b>		<b>1,778,297,373</b>	<b>1,766,506,503</b>
Non-controlling interests		148,589,863	146,064,741
<b>Total Equity</b>		<b>1,926,887,236</b>	<b>1,912,571,244</b>
<b>Total Equity and Liabilities</b>		<b>3,665,552,308</b>	<b>3,383,914,933</b>

The attached notes 1 to 33 are an integral part of these Interim Consolidated Financial Statements.

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

### Interim Consolidated Statements of Comprehensive Income

Corresponding to the periods ended June 30, 2020 and 2019 (unaudited)

(In thousands of pesos)

Statement of Income	Note	For the 6 months ended June 30		For the 3 months ended June 30	
		2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Revenue	23	96,971,323	157,406,473	22,556,032	80,191,363
Cost of sales	24.1	(40,006,816)	(36,875,372)	(18,806,255)	(18,546,017)
<b>Gross margin</b>		<b>56,964,507</b>	<b>120,531,101</b>	<b>3,749,777</b>	<b>61,645,346</b>
Other revenue, by function	24.2	249,568	442,900	54,047	232
Administrative expenses	24.1	(22,810,052)	(16,557,274)	(15,329,543)	(8,499,112)
Other expenses, by function	24.3	(1,513,845)	(953,900)	(777,266)	(443,573)
<b>Operating income</b>		<b>32,890,178</b>	<b>103,462,827</b>	<b>(12,302,985)</b>	<b>52,702,893</b>
Financial income	24.4	1,273,425	1,391,359	707,413	607,506
Finance costs	24.5	(16,507,764)	(16,130,453)	(8,378,312)	(8,000,542)
Share in the income (losses) of associates and joint ventures accounted for using the equity method	9 a)	(89,659)	1,296,644	(755,501)	636,358
Foreign exchange differences	24.5	(167,883)	(13,497)	(13,036)	(11,166)
Gain (loss) from indexed assets (liabilities)	24.5	(11,661,422)	(10,024,951)	(4,010,070)	(10,076,295)
<b>Income before taxes</b>		<b>5,736,875</b>	<b>79,981,929</b>	<b>(24,752,491)</b>	<b>35,858,754</b>
Income tax expense	14.1 a)	(863,904)	(19,063,651)	5,976,828	(7,203,632)
<b>Income</b>		<b>4,872,971</b>	<b>60,918,278</b>	<b>(18,775,663)</b>	<b>28,655,122</b>
<b>Income (loss) attributable to</b>					
Income (loss) attributable to equity holders of the parent		5,634,903	58,062,392	(16,979,558)	27,313,884
Income (loss) attributable to non-controlling interests		(761,932)	2,855,886	(1,796,105)	1,341,238
<b>Earnings (loss)</b>		<b>4,872,971</b>	<b>60,918,278</b>	<b>(18,775,663)</b>	<b>28,655,122</b>
<b>Earnings per share</b>					
<b>Basic earnings per share</b>					
Basic earnings (loss) per share from continuing operations		\$ 2.87	\$ 29.62	(\$ 8.66)	\$ 13.94
<b>Basic earnings (loss) per share</b>		<b>\$ 2.87</b>	<b>\$ 29.62</b>	<b>(\$ 8.66)</b>	<b>\$ 13.94</b>
<b>Diluted earnings per share</b>					
Diluted earnings (loss) per share from continuing operations		\$ 2.87	\$ 29.62	(\$ 8.66)	\$ 13.94
<b>Diluted earnings (loss) per share</b>		<b>\$ 2.87</b>	<b>\$ 29.62</b>	<b>(\$ 8.66)</b>	<b>\$ 13.94</b>

The attached notes 1 to 33 are an integral part of these Interim Consolidated Financial Statements



(Translation of interim consolidated financial statements originally issued in Spanish)

**PLAZA S.A. AND SUBSIDIARIES**

Interim Consolidated Statements of Comprehensive Income

Corresponding to the periods ended June 30, 2020 and 2019 (unaudited)

(In thousands of pesos)

Comprehensive Income Statement	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Income	4,872,971	60,918,278	(18,775,663)	28,655,122
Components of other comprehensive income that will not be reclassified to income for the period, before tax				
Components of other comprehensive income that will be reclassified to income for the period, before tax				
Exchange conversion difference				
Income (losses) from exchange conversion differences, before taxes	(6,826,584)	(105,874)	(1,844,602)	728,727
Other comprehensive income, before taxes, from foreign exchange conversion	(6,826,584)	(105,874)	(1,844,602)	728,727
Cash flow hedges				
Income (losses) from cash flow hedges, before tax	17,104,800	(6,289,179)	716,959	(2,728,124)
Other comprehensive income, before tax, on cash flow hedges	17,104,800	(6,289,179)	716,959	(2,728,124)
Other components of other comprehensive income, which will be reclassified to income for the period, before taxes	10,278,216	(6,395,053)	(1,127,643)	(1,999,397)
Income taxes related to components of other comprehensive income				
Income tax related to cash flow hedges in other comprehensive income	(4,528,932)	1,698,078	(193,579)	736,593
Income taxes related to components of other comprehensive income	(4,528,932)	1,698,078	(193,579)	736,593
Other comprehensive Income	5,749,284	(4,696,975)	(1,321,222)	(1,262,804)
<b>Total Comprehensive Income</b>	<b>10,622,255</b>	<b>56,221,303</b>	<b>(20,096,885)</b>	<b>27,392,318</b>
Comprehensive income attributable to				
Comprehensive income attributable to equity holders of the parent	12,050,430	54,403,771	(17,791,873)	26,499,174
Comprehensive income attributable to non-controlling interests	(1,428,175)	1,817,532	(2,305,012)	893,144
<b>Total Comprehensive Income</b>	<b>10,622,255</b>	<b>56,221,303</b>	<b>(20,096,885)</b>	<b>27,392,318</b>

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## PLAZA S.A. AND SUBSIDIARIES

### Consolidated Statements of Cash Flows

Corresponding to the fiscal periods ended June 30, 2020 and 2019 (unaudited)

(In thousands of pesos)

Direct Cash Flow Statement	For the 6 months ended June 30	
	2020 ThCh\$	2019 ThCh\$
<b>Cash flows from (used in) operating activities</b>		
<b>Classes of collections from operating activities:</b>		
Collections from the sale of goods and provision of services	126,034,664	204,092,004
<b>Payment types:</b>		
Payments to suppliers for the supply of goods and services	(33,683,820)	(32,394,922)
Payments to and on behalf of employees	(21,713,014)	(15,493,883)
Other payments for operating activities	(14,394,692)	(23,613,607)
Income taxes reimbursed (paid)	(6,955,445)	(20,341,143)
Other cash inflow s (outflow s)	32,505	669,727
<b>Net Cash Flows from (used in) operating activities</b>	<b>49,320,198</b>	<b>112,918,176</b>
<b>Cash flows from (used in) investing activities</b>		
Amounts from other long-term assets	-	4,841,966
Payments for purchases of intangible assets	(767,852)	(454,495)
Payments for purchases of property, plant and equipment	(124,146)	(189,225)
Payments for purchases of other long-term assets - Investment Properties	(60,311,512)	(49,726,849)
Loans granted to related parties	(22,090,000)	6,440,000
Interest received	981,603	693,250
Other cash inflow s (outflow s)	475,992	1,864,208
<b>Net cash flows from (used in) investing activities</b>	<b>(81,835,915)</b>	<b>(36,531,145)</b>
<b>Net cash flows from (used in) financing activities</b>		
Importes procedentes de obligaciones con el público	175,908,759	-
Proceeds from loans	258,730,071	5,598,000
<b>Total proceeds from loans</b>	<b>434,638,830</b>	<b>5,598,000</b>
Loan payments	(99,818,029)	(34,160,276)
Payments of Lease liability	(1,286,990)	(1,344,161)
Payments of public bonds obligations	(9,237,662)	(5,164,522)
Dividends paid	(31,681,035)	(49,579,677)
Interest paid	(17,560,404)	(16,732,546)
Other cash inflow s (outflow s)	3,977,348	1,617,760
<b>Net cash flows from (used in) financing activities</b>	<b>279,032,058</b>	<b>(99,765,422)</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>246,516,341</b>	<b>(23,378,391)</b>
Effects of variation in the exchange rate on cash and cash equivalents	(1,250,160)	(172,234)
Cash and Cash Equivalents, Statement of Cash Flow , Initial Balance	35,722,612	51,555,592
<b>Cash and Cash Equivalents, Statement of Cash Flow , Final Balance</b>	<b>280,988,793</b>	<b>28,004,967</b>

The attached notes 1 to 33 are an integral part of these Interim Consolidated Financial Statements

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

### Interim Consolidated Statements of Changes in Shareholders' Equity

Corresponding to the fiscal periods ended June 30, 2020 and 2019 (unaudited)  
(In thousands of pesos)

As of June 30, 2020	Capital in shares	Issuance premium				Total Other Reserves	Retained earnings (losses)	Net equity attributable to owners of the parent	Non-controlling interests	Changes in Equity, Total
			Conversion Reserves	Cash flow hedge reserves	Other Reserves					
<b>Equity previously reported</b>	175,122,686	123,573,274	12,498,839	(10,877,303)	(60,857,415)	(59,235,879)	1,527,046,422	1,766,506,503	146,064,741	1,912,571,244
<b>Changes in Equity</b>										
Comprehensive Income										
Income (loss)	-	-	-	-	-	-	5,634,903	5,634,903	(761,932)	4,872,971
Other comprehensive income	-	-	(3,330,771)	9,746,298	-	6,415,527	-	6,415,527	(666,243)	5,749,284
<b>Comprehensive Income</b>	-	-	<b>(3,330,771)</b>	<b>9,746,298</b>	-	<b>6,415,527</b>	<b>5,634,903</b>	<b>12,050,430</b>	<b>(1,428,175)</b>	<b>10,622,255</b>
Equity issuance	-	-	-	-	-	-	-	-	3,977,348	3,977,348
Dividends	-	-	-	-	-	-	(259,560)	(259,560)	(24,051)	(283,611)
Increase (decrease) from transfers and other exchanges	-	-	-	-	466,560	466,560	(466,560)	-	-	-
<b>Total increase (decrease) in equity</b>	-	-	<b>(3,330,771)</b>	<b>9,746,298</b>	<b>466,560</b>	<b>6,882,087</b>	<b>4,908,783</b>	<b>11,790,870</b>	<b>2,525,122</b>	<b>14,315,992</b>
<b>Final Balance Current Fiscal Period</b>	<b>175,122,686</b>	<b>123,573,274</b>	<b>9,168,068</b>	<b>(1,131,005)</b>	<b>(60,390,855)</b>	<b>(52,353,792)</b>	<b>1,531,955,205</b>	<b>1,778,297,373</b>	<b>148,589,863</b>	<b>1,926,887,236</b>
<b>As of June 30, 2019</b>										
<b>Equity previously reported</b>	175,122,686	123,573,274	(7,291,784)	(3,326,489)	(62,145,636)	(72,763,909)	1,473,698,466	1,699,630,517	128,792,168	1,828,422,685
Decrease in equity due to changes in accounting policies	-	-	-	-	-	-	(3,583,771)	(3,583,771)	(100,335)	(3,684,106)
<b>Equity at the beginning of the period</b>	<b>175,122,686</b>	<b>123,573,274</b>	<b>(7,291,784)</b>	<b>(3,326,489)</b>	<b>(62,145,636)</b>	<b>(72,763,909)</b>	<b>1,470,114,695</b>	<b>1,696,046,746</b>	<b>128,691,833</b>	<b>1,824,738,579</b>
<b>Changes in Equity</b>										
Comprehensive Income										
Income (loss)	-	-	-	-	-	-	58,062,392	58,062,392	2,855,886	60,918,278
Other comprehensive income	-	-	(100,517)	(3,558,104)	-	(3,658,621)	-	(3,658,621)	(1,038,354)	(4,696,975)
<b>Comprehensive Income</b>	-	-	<b>(100,517)</b>	<b>(3,558,104)</b>	-	<b>(3,658,621)</b>	<b>58,062,392</b>	<b>54,403,771</b>	<b>1,817,532</b>	<b>56,221,303</b>
Equity issuance	-	-	-	-	-	-	-	-	1,617,757	1,617,757
Dividends	-	-	-	-	-	-	(11,832,413)	(11,832,413)	(1,916)	(11,834,329)
Increase (decrease) from transfers and other exchanges	-	-	-	-	1,288,221	1,288,221	(1,288,221)	-	-	-
<b>Total increase (decrease) in equity</b>	-	-	<b>(100,517)</b>	<b>(3,558,104)</b>	<b>1,288,221</b>	<b>(2,370,400)</b>	<b>44,941,758</b>	<b>42,571,358</b>	<b>3,433,373</b>	<b>46,004,731</b>
<b>Final Balance Previous Fiscal Period</b>	<b>175,122,686</b>	<b>123,573,274</b>	<b>(7,392,301)</b>	<b>(6,884,593)</b>	<b>(60,857,415)</b>	<b>(75,134,309)</b>	<b>1,515,056,453</b>	<b>1,738,618,104</b>	<b>132,125,206</b>	<b>1,870,743,310</b>

The attached notes 1 to 33 are an integral part of these Interim Consolidated Financial Statements

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

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(Translation of interim consolidated financial statements originally issued in Spanish)

## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **1. ACTIVITY AND FINANCIAL STATEMENTS OF THE PLAZA AND SUBSIDIARIES**

The Consolidated Financial Statements of Plaza S.A. and Subsidiaries for the ending years ended December 31, 2019, were authorized for issuance by the Board of Directors on August 25, 2020.

Plaza S.A. ("Plaza" or "the Company" or "the Group") was incorporated in Chile as a stock Corporation on April 16, 2008, and was registered in the Securities Registry of the Commission for the Financial Market on April 30, 2009 under No. 1,028 and is consequently subject to its regulations.

Plaza S.A. is the holding company that groups all the companies that own the shopping centers that operate under the mallplaza brand in Chile, Colombia and the businesses that operate under the Autoplaza and Motorplaza brands, in Chile and Peru (1), respectively. Currently Plaza S.A. operates 23 shopping centers totaling a leasable area of 1,701,000 m<sup>2</sup>, (more than 4,000 premises), distributed in its subsidiaries in Chile with 1,374,000 m<sup>2</sup>, Colombia with 122,000 m<sup>2</sup>, and with its interests in Peru through an associate, Mall Plaza Perú S.A., with 205,000 m<sup>2</sup> that also operates under Mall Plaza brand name.

Plaza S.A. develops, builds, administers, manages, exploits, leases and sublets premises and spaces in shopping centers of the "mall" type.

The business model of Plaza S.A. is characterized by delivering a comprehensive offering of goods and services in world-class malls designed as modern, welcoming and attractive public spaces, making them important shopping and socialization centers for the inhabitants of their areas of influence.

The main commercial operators present in each country, leaders in their categories, participate in Mall Plaza shopping centers with sizes and formats that optimize their commercial management, generating a portfolio of highly diversified real estate income.

The company address and the main offices of the Company are located in the city of Santiago at Avenida Américo Vespucio No. 1737, 9th floor, commune of Huechuraba.

Plaza S.A. is controlled by Falabella S.A. through its subsidiary Desarrollos Inmobiliarios S.A., which directly owns 59.28% of the shares of the Company.

[1] In Peru, Plaza S.A. operates at Mall Plaza Perú S.A., associate where it owns 33.33% of its property. Mall Plaza Peru S.A. owns three shopping centers.

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 1. ACTIVITY AND FINANCIAL STATEMENTS OF THE PLAZA AND SUBSIDIARIES (continued)

The Consolidated financial statements include the following subsidiaries:

Subsidiary	Unique Tax Identification Number	Country	Functional Currency	Ownership Interest					
				As of June 30, 2020			As of December 31, 2019		
				Direct %	Indirect %	Total %	Direct %	Indirect %	Total %
Plaza SpA.	76.034.238-6	Chile	Chilean peso	100	-	100	100	-	100
Plaza Vespucio SpA.	96.538.230-5	Chile	Chilean peso	-	100	100	-	100	100
Administradora Plaza Vespucio S.A.	79.990.670-8	Chile	Chilean peso	-	99.95676	99.95676	-	99.95676	99.95676
Plaza La Serena SpA.	96.795.700-3	Chile	Chilean peso	-	100	100	-	100	100
Plaza Oeste SpA.	96.653.650-0	Chile	Chilean peso	99.99999	0.00001	100	99.99999	0.00001	100
Plaza Antofagasta S.A.	99.555.550-6	Chile	Chilean peso	-	100	100	-	100	100
Desarrollos e Inversiones Internacionales SpA.	76.883.720-1	Chile	Chilean peso	-	100	100	-	100	100
Salón Motorplaza Perú S.A.	0-E	Perú	Peruvian Nuevo Sol	-	100	100	-	100	100
Autoplaza SpA.	76.044.159-7	Chile	Chilean peso	-	100	100	-	100	100
Inmobiliaria Mall Calama SpA.	96.951.230-0	Chile	Chilean peso	-	100	100	-	100	100
Nuevos Desarrollos S.A.	76.882.330-8	Chile	Chilean peso	-	77.50	77.50	-	77.50	77.50
Plaza Valparaíso S.A.	76.677.940-9	Chile	Chilean peso	-	77.50	77.50	-	77.50	77.50
Desarrollos Urbanos SpA.	99.564.380-4	Chile	Chilean peso	-	77.50	77.50	-	77.50	77.50
Plaza Cordillera SpA.	76.882.090-2	Chile	Chilean peso	-	77.50	77.50	-	77.50	77.50
Plaza del Trébol SpA.	96.653.660-8	Chile	Chilean peso	99.99999	0.00001	100	99.99999	0.00001	100
Plaza Tobaraba SpA.	96.791.560-2	Chile	Chilean peso	-	100	100	-	100	100
Mall Plaza Colombia S.A.S.	0-E	Colombia	Colombian peso	-	100	100	-	100	100
Patrimonio Autónomo Mallplaza Cali.	0-E	Colombia	Colombian peso	-	100	100	-	100	100
Patrimonio Autónomo Centro Comercial Cartagena.	0-E	Colombia	Colombian peso	-	100	100	-	100	100
Patrimonio Autónomo Centro Comercial Manizales Dos.	0-E	Colombia	Colombian peso	-	80	80	-	80	80
Patrimonio Autónomo Centro Comercial Barranquilla.	0-E	Colombia	Colombian peso	-	65	65	-	65	65
Mall Plaza Servicios S.A.S.	0-E	Colombia	Colombian peso	-	100	100	-	100	100
Fondo de Capital Privado Mallplaza de Colombia.	0-E	Colombia	Colombian peso	-	100	100	-	100	100
Inmobiliaria Mall Las Américas S.A.	96.824.450-7	Chile	Chilean peso	-	76.15417	76.15417	-	76.15417	76.15417



(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 1. ACTIVITY AND FINANCIAL STATEMENTS OF THE PLAZA AND SUBSIDIARIES (continued)

As of June, 30 2020, and December 2019, Plaza S.A. and subsidiaries presents the following number of collaborators:

	As of June 30 2020	As of December 31 2019
Chile	507	529
Colombia	77	79
<b>Total Collaborators</b>	<b>584</b>	<b>608</b>
Executives	29	33

### 2. PRINCIPAL ACCOUNTING POLICIES

#### 2.1 Basis of preparation and presentation

These Interim Consolidated Financial Statements of Plaza S.A. and subsidiaries includes the Consolidated Financial Statements, for interim periods ended June 30,2020 and the fiscal year ended December 31,2019 the Interim Consolidated Statements of Comprehensive Income, the Consolidated Statements of Changes in Shareholders' Equity and the Consolidated Statements of Cash Flows prepared using the direct method for Interim periods ended June 30, 2020 and 2019, and their corresponding notes, which have been prepared and presented in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), being financial statements, have been based in accordance with IAS 34, considering additional information requirements of the Commission for the Financial Market (CMF), which does not contradict IFRS standards.

These Consolidated Financial Statements have been prepared based on the accounting records maintained by Plaza S.A. and its subsidiaries.

The preparation of the Interim Consolidated Financial Statements in accordance with IFRS and additional information requirements of the Commission for the Financial Market (CMF) require the use of certain critical accounting estimates and also requires the Administration to exercise its judgment in the application process of the accounting policies in the Company. Note 3 discloses the areas that imply a higher degree of judgment or complexity or the areas where the assumptions and estimates are significant for the Interim Consolidated Financial Statements.

For the convenience of the reader, these financial statements and their accompanying notes have been translated from Spanish into English.

(Translation of interim consolidated financial statements originally issued in Spanish)

## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.2. New standards, interpretations and amendments adopted by Plaza and Subsidiaries**

The accounting policies adopted in order to prepare the Interim Consolidated Financial Statements for interim period ended June 30, 2020 are consistent with those applied in preparing the Consolidated Financial Statements of Plaza and Subsidiaries for the year ended December 31, 2019.

#### **2.3 Basis of consolidation**

The Interim Consolidated Financial Statements comprise the Financial Statements of Plaza S.A. and its subsidiaries as of June 30, 2020 and 2019, and December 2019.

Subsidiaries are all the Companies of which Plaza S.A. has control in accordance with IFRS 10. To comply with the definition of control in IFRS 10 "Consolidated Financial Statements," three criteria must be met: (a) an investor has power over the relevant activities of an investee, (b) the investor has an exposure, or rights, or variable returns from its involvement in the investee, and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns.

The subsidiaries are fully Consolidated from the date of acquisition, which is the date on which the Plaza and Subsidiaries obtains control and continue to be Consolidated until the date on which said control ceases.

The Financial Statements of the subsidiaries are prepared for the same reporting ending year as the controlling company, and the accounting policies have been applied consistently. All inter-company balances, transactions, revenues and expenses, profits and losses resulting from intra-group transactions have been eliminated.

The non-controlling interest represents the portion of profits or losses and net assets that are not owned by the Plaza and Subsidiaries and are presented separately in the Statements of Comprehensive Income and within the equity in the Consolidated Statements of Financial Position, separate from the equity of the controlling company.

Acquisitions of controlling interests are accounted for using the acquisition method of the controlling entity, where the excess of the acquisition cost over the fair value of the Company's share of the identifiable net assets acquired is recognized as goodwill.

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.4 Presentation and functional currency

The Interim Consolidated Financial Statements are presented in thousands of Chilean pesos ("ThCh\$"), unless otherwise indicated, which is the functional currency of the primary economic environment in which Plaza S.A. operates and it is the presentation currency of Plaza and Subsidiaries. Chilean pesos are rounded to the nearest thousand pesos.

Each entity of Plaza and Subsidiaries has determined its own functional currency in accordance with the requirements of IAS 21 "Effects of changes in Foreign Currency Exchange Rates" and the items included in the Financial Statements of each entity are measured, using that functional currency. The functional currency of each of the companies is described in Note 1.

#### 2.5 Translation of foreign currency

Transactions in foreign currencies are initially recorded at the exchange rate of the functional currency at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the observed exchange rate of the functional currency at the closing date of the Statement of Financial Position. All translation differences are recognized in profit or loss for the period.

Non-monetary items that are measured at historical cost in foreign currency are translated using the exchange rates at the transaction date, and the monetary items that are measured at fair value in foreign currency are translated using the exchange rates on the date of the Consolidated financial statement.

The exchange rates of the foreign currencies and the *Unidad de Fomento* (UF, Chilean monetary unit indexed to the inflation index) with respect to the Chilean peso as of June 30, 2020 and December 2019, are as follows:

	As of June 30 2020	As of December 31 2019	As of June 30 2019
U.S. Dollar (US \$)	821.23	748.74	679.15
Euro (EUR)	922.73	839.58	772.11
Peruvian nuevo sol (PEN)	231.99	226.14	206.24
Colombian peso (COP)	0.22	0.23	0.21
Unidad de Fomento (UF)	28,696.42	28,309.94	27,903.30

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.5 Translation of foreign currency (continued)

In the case of subsidiaries abroad, for the purpose of translating a presentation currency, in the Financial Statements that differ from the functional currency of the parent company, the assets and liabilities are presented in Chilean pesos converted at the exchange rate observed at the closing date of the Statement of Financial Position, while the Income Statement is converted at the average exchange rate of each month, in accordance with the provisions of IAS 21.

The exchange rate differences that arise from the translation to presentation currency are recorded to a separate component of equity. At the time of disposal of foreign entity, the accumulated deferred amount recognized in equity in relation to that particular foreign operation is recognized in the Statement of Income.

Any goodwill arising from the acquisition of a foreign operation and any adjustment to fair value in the carrying values of assets and liabilities arising from acquisitions, are treated as assets and liabilities of the foreign operation and are translated at the closing date.

#### 2.6 Classification of current and non-current balances

In the Consolidated Statement of Financial Position, the balances are classified according to their maturities; i.e., as current, those with expiration equal to or less than twelve months and as non-current, those with maturities greater than twelve months.

If there are obligations whose maturity is less than twelve months, but whose long-term refinancing is insured at the discretion of the Company, through unconditionally available credit agreements with a long-term maturity, they may be classified as non-current liabilities.

#### 2.7 Statement of Cash Flows

The Statement of Cash Flows considers the cash movements made during the year. In these Statements of Cash Flow, the following concepts are used as described below:

**Cash Flows:** inflows and outflows of cash or other equivalent means, these being understood as investments with an original maturity of three months or less and of high liquidity, and which are subject to an insignificant risk of changes in their value.

**Operating Activities:** these are the activities that constitute the main source of ordinary revenue and expenses of the Plaza and Subsidiaries, as well as the activities that cannot be classified as investment or financing.

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.7 Statement of Cash Flows (continued)

**Investing Activities:** the acquisition, sale or disposal by other means of non-current assets and other investments not included in cash and cash equivalents.

**Financing Activities:** activities that produce changes in the size and composition of equity and borrowings.

The Company considers cash and cash equivalents as cash balances held in cash and in current bank accounts, time deposits and other financial transactions that are set to be settled in less than 3 months, plus accrued interest at the end of each ending period.

#### 2.8 Financial assets

##### a) Recognition, measurement and derecognition of financial assets

IFRS 9 “Financial Instruments, which brings together the three aspects of accounting for financial instruments: classification and measurement; impairment; and hedge accounting. Financial assets are classified in their initial recognition as financial assets at fair value through the results, loans and accounts receivable, investments held to maturity or investments available for sale. Where it is permitted and appropriate, this designation is re-evaluated at the close of each financial ending year. When financial instruments are initially recognized, they are measured at fair value and the costs or income directly attributable to the transaction are recognized in income.

Subsequently, financial assets are measured at fair value, except for loans and accounts receivable and investments classified as held-to-maturity, which are measured at the amortized cost using the effective rate method.

The adjustment of assets recorded at fair value is charged to income, except for investments available for sale whose market adjustment is recognized in a separate component of equity, net of deferred taxes applied to it.

Financial assets are derecognized when the rights to receive cash flows derived from them have expired or have been transferred, and the Plaza and Subsidiaries has substantially transferred all the risks and benefits derived from their ownership.

##### b) Impairment of financial assets

IFRS 9 requires the Plaza and Subsidiaries to record the expected credit losses of all its financial assets, either on a 12-month or lifetime basis. Plaza and Subsidiaries applied the simplified model.

Translation of Interim Consolidated financial statements originally issued in Spanish)

## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.8 Financial assets (continued)**

##### **b) Impairment of financial assets (continued)**

The Plaza and subsidiaries has established a provision matrix that is based on the historical experience of the Group's credit losses, adjusted by specific prospective factors for the debtors and the economic environment in accordance with the established IFRS 9.

The Plaza and Subsidiaries evaluates whether there is objective evidence of impairment for financial assets that are individually significant or collectively significant for financial assets that are not individually significant. If, in a subsequent ending year, the amount of the impairment loss decreases and the decrease can be objectively related to an event that occurs after recognition of the impairment, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the profit or loss, to the extent that the carrying value of the asset does not exceed its amortized cost on the reversal date.

#### **2.9 Financial liabilities**

##### **Recognition, measurement and derecognition of financial liabilities**

All public bond and financial institution obligations are initially recognized at fair value, net of the costs incurred in the transaction. After the initial recognition, the obligations and loans that accrue interest are subsequently measured at amortized cost, recognizing in income any greater or lesser value in the placement on the amount of the respective debt through the effective interest rate method, unless designated as a fair value hedge.

Public bond obligations are presented at their nominal value plus interest, calculated in accordance with the effective interest rate method and the accrued readjustments.

Financial liabilities are classified as current liabilities unless the Controlling Company and its subsidiaries have an unconditional right to defer their settlement for at least 12 months after the date of the Consolidated Statement of Financial Position.

Financial liabilities are derecognized when the obligations specified in the contracts are canceled, expired or are forgiven.

#### **2.10 Derivative contracts**

Derivative instruments are recorded at the fair value on the date that the contract was executed and are subsequently revalued at the fair value at the closing date of the Financial Statements. The changes that are generated in the fair value are recorded to profit or loss, unless they qualify as hedging derivatives.

(Translation of interim consolidated financial statements originally issued in Spanish)

## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.10 Derivative contracts (continued)**

If the derivative instruments qualify as hedging derivatives, they are initially recognized at the contract value and subsequently revalued at their fair value at the closing date of the Financial Statements. Profits or losses resulting from the measurement of fair value are recognized within other comprehensive income for the effective portion, such as profits or losses for cash flow hedges of financial instruments. Once the derivative contract has been settled, the balances accumulated in other comprehensive income are reclassified to the statement of income.

The instruments currently utilized correspond to cross currency swaps. The Company uses valuation models that are applied to determine the market value of the derivatives. The valuation methodology used includes price models using present value calculations. These models require financial market data for their calculation and are obtained through public and private access information platforms. The information required for the calculation mainly includes spot and forward exchange rates and interest rate curves.

#### **Offsetting of financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the Consolidated Statement of Financial Position if, and only if, there is a legal right to receive or cancel the net value at the closing date of the Statement of Financial Position, in addition, if there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

#### **2.11 Assets held for sale and discontinued operations**

Non-current assets whose carrying value will be recovered through a sale transaction and not through their continuous use are classified as held for sale and discontinued operations. This condition is considered fulfilled only when the sale is highly probable, and the asset is available for immediate sale in its current state. As of June 30, 2020 and December 31, 2019 the company has classified assets held for sale for Thch\$16,981,092.

Plaza and Subsidiaries has made active arrangements for the sale of said assets.

These assets are valued at the lower of their carrying amount and fair value less costs to sell.

#### **2.12 Property, plant and equipment**

Property, plant and equipment are recorded at cost and are presented net of accumulated depreciation and accumulated impairment, except for land, which is not subject to depreciation.

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.12 Property, plant and equipment (continued)

The cost includes the purchase price and all costs directly related to placing the asset at the location and in the conditions necessary for it to operate as intended by Management, in addition to the initial estimate of the costs of dismantling, removal or partial or total removal of the asset, as well as the rehabilitation of the place where it is located, which constitute an obligation for the Company. For construction works, the cost includes directly related personnel expenses and others of an operational nature attributable to the construction, as well as financial expenses related to external financing accrued during the construction year. The interest rate used to capitalize financial expenses is that corresponding to the specific financing or, as the case may be, the average financing rate of the Company.

The costs of expansion, modernization or improvement that represent an increase in productivity, capacity or efficiency, and therefore an extension of the useful life of the assets, are capitalized as additional cost of the corresponding assets. Ending year maintenance, conservation and repair expenditures are recognized as an expense during the year in which they are incurred. An element of property, plant and equipment is derecognized at the time of its disposal or when future economic benefits of its use or disposal are not expected. Any gain or loss arising from the disposal of the asset (calculated as the difference between the net disposal value and the carrying value of the asset) is included in the Statement of Income in the fiscal year the asset is derecognized.

In addition, this category includes right of use assets derived from the application of IFRS 16, which are depreciated over the terms of the relevant lease agreements.

Depreciation begins when the goods are available for use, that is, when they are in the location and under the conditions necessary to be able to operate in the manner intended by Management. Depreciation is calculated on a straight-line basis over the economic useful life of the assets, up to the amount of their residual value. The economic useful lives estimated by category are the following:

Category	Range (years)
Buildings	80
Facilities	5 a 25
Plant, equipment and accessories	3 a 8
Motor vehicles	7
Right of use asset offices	5

The residual values of the asset, useful lives and depreciation methods are reviewed at each closing date and adjusted if appropriate as a change in the estimates prospectively.



(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.13 Investment properties

In accordance with the provisions of IFRS 1, Plaza S.A. elected to value the investment properties at their fair value and use that value as the cost attributed to the re-convergence date as of January 1, 2015. The cost model has been applied since the conversion to IFRS.

Investment properties are immovable property held by the Plaza and Subsidiaries to obtain economic benefits derived from their lease, or to obtain capital appreciation for the fact of maintaining them, and are presented net of accumulated depreciation and accumulated impairment of value, except for land, which is not subject to depreciation. Investment property in the construction stage is recorded at cost that includes both disbursements directly attributable to the acquisition or construction of the asset, as well as financing interests directly related to certain qualified assets.

The carrying amount of the investment property is derecognized when the accounts have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected due to their disposition. Any profit or loss when withdrawing or disposing of an investment property is recognized in the Statement of Income in the fiscal year in which it is withdrawn or disposed of.

In addition, this category includes right of use assets derived from the application of IFRS 16, which are depreciated over the terms of the relevant lease agreements.

The economic useful lives estimated for the main elements of the investment property are the following:

Category	Range (years)
Buildings (*)	80
Exteriors	8 a 30
Terminations	30
Facilities	5 a 25
Machinery and equipment	5 a 25
Furniture	8
Right of use asset lands	15 a 62
Right of use asset others	1 a 10

\* The Building of the Company Plaza Antofagasta S.A. is depreciated in 30 years according to the concession contract.

Residual values of assets, useful lives and depreciation methods are reviewed as of each closing date and adjusted prospectively, if appropriate, as a change in estimates.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.14 Intangible assets and goodwill**

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is their fair value at the acquisition date.

After initial recognition, intangible assets are recorded at cost, less any accumulated amortization and any accumulated impairment loss. Intangible assets generated internally are capitalized as long as they meet the conditions of an identifiable asset, control over the resource in question, existence of future economic benefits and are carried out during the development phase in accordance with the provisions of IAS 38 "Intangible Assets." If the aforementioned conditions are not met, the expense is reflected in the comprehensive income statement in the fiscal year the expense is incurred.

The useful lives of intangible assets are evaluated as finite or indefinite.

Intangible assets with finite useful lives are amortized on a straight-line basis over the economic useful life and their value is evaluated each time there is an indication that the intangible asset may be impaired. The exercise of amortization and the method of amortization of an intangible asset with a finite useful life is reviewed, at least, at the close of each financial year. Expected changes in useful life or future economic benefits included in the asset are treated as changes in accounting estimates. The amortization expense of intangible assets with finite lives is recognized in the Statement of Income as administrative expenses.

Intangible assets with indefinite useful lives are not amortized, but an annual impairment test is carried out individually or by cash-generating unit. The useful life of an intangible asset with an indefinite life is reviewed annually to determine if the indefinite life evaluation continues to be sustainable. If not, the change in the evaluation of useful life from indefinite to definite is made on a prospective basis.

Profits or losses when derecognizing an intangible asset are measured as the difference between the net disposal proceeds and the carrying value of the asset and are recognized in the Statement of Income in the fiscal year in which the item is derecognized.

The intangibles identified by Plaza S.A. and its subsidiaries correspond to goodwill, commercial brands, IT projects and other, and licenses of acquired software.

#### **a) Goodwill**

At the date of the transition to IFRS, the Company took the option not to reissue the business combinations prior to that date, in line with the provisions of IFRS 1.

(Translation of interim consolidated financial statements originally issued in Spanish)

## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.14 Intangible assets and goodwill (continued)**

##### **a) Goodwill (continued)**

After adoption, goodwill represents the excess of the cost of an investment in a subsidiary or an associate over the Company's share of the fair value of the identifiable net assets on the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment loss if appropriate.

Goodwill related to acquisitions of subsidiaries is subject to annual impairment tests. For purposes of impairment testing, goodwill is allocated to the cash-generating units (or groups of cash-generating units, or "CGUs") that are expected to benefit from the synergies of a business combination.

The Company has carried out the annual impairment test required by accounting regulations, and has not identified any impairment.

##### **b) Trademarks**

Currently, given that trademarks do not have an expiration date and can be, and are intended to be used indefinitely, the Company has determined to assign trademarks acquired in business combinations an indefinite useful life. If appropriate, the change in the evaluation of useful life from indefinite to definite is made on a prospective basis.

Brands are presented at their historical cost, less any impairment loss. These assets are subject to impairment tests annually or when there are factors that indicate a possible loss of value.

##### **c) IT projects and others**

The implementation of computer and other projects are capitalized at the value of the costs incurred in their execution which are amortized during the ending year in it is estimated that they will produce future economic benefits (5 years).

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.14 Intangible assets and goodwill (continued)

##### d) Licenses IT programs

Computer program licenses acquired are capitalized at the value of the costs incurred in acquiring them and preparing them to use the specific programs. These costs are amortized over their estimated useful lives (3 to 5 years). Software maintenance costs are recognized as an expense in the ending year in which they are incurred.

The following is a summary of the policies applied to the Group's intangible assets:

Category	Goodwill	Trademarks	IT Projects and others	Licenses IT Programs
Useful Life	Indefinite	Indefinite	5 years	3 to 10 years
Amortization Method	-	-	Linear	Linear
Internally Generated or Acquired	Acquired	Acquired	Generated-Acquired	Acquired

Residual values of assets, useful lives and amortization methods are reviewed as of each closing date and adjusted prospectively, if appropriate, as a change in estimates.

#### 2.15 Impairment of assets

Throughout the year, and principally at the end of each reporting ending year, it is evaluated if there is any indication that an asset could have suffered an impairment loss. If there is any indication, an estimate of the recoverable amount of said asset is made to determine, if applicable, the amount of the impairment. In the case of identifiable assets that do not generate cash flows independently, the recoverability of the cash-generating unit to which the asset belongs is estimated, understanding as such, the smallest identifiable assets group that generates independent cash inflows. In the case of cash-generating units to which purchased goodwill or intangible assets with an indefinite useful life have been assigned, the analysis of their recoverability is carried out systematically at the end of each period.

The recoverable amount is the greater of the fair value less the costs necessary for its sale and the value in use, understood as the present value of the estimated future cash flows. For the calculation of the recovery value of the investment property and the intangible asset, the value in use is the criterion used by Plaza and Subsidiaries in practically all cases.

In the case of the investment, the impairment is determined for the goodwill by evaluating the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the investment relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying value of the cash-generating unit (or group of cash-generating units) to which goodwill has been assigned, an impairment loss is recognized. An

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.15 Impairment of assets (continued)**

impairment loss is first allocated to goodwill to reduce its carrying value and then to the other assets of the cash-generating unit.

Impairment losses related to goodwill cannot be reversed in future ending years. Plaza and Subsidiaries performed its impairment test as of June 30, 2020.

#### **2.16 Investments in associates**

The Group's investment in its associate companies is accounted for using the equity method. An associate is an entity in which Plaza S.A. has a significant influence.

The equity method consists of recording the participation in the Statement of Financial Position for the proportion of its equity that the participation of Plaza S.A. represents in its capital, once the effect of the transactions carried out with Plaza and Subsidiaries are adjusted, as the case may be, plus goodwill generated in the acquisition of the Company.

After applying the equity method, Plaza and Subsidiaries determines whether it is necessary to recognize a loss of additional impairment in the investment in the Group's associate. Plaza and Subsidiaries determines in each accounting year whether there is any objective evidence that the investment in the associate has deteriorated. If this is the case, Plaza and Subsidiaries calculates the impairment amounts as the difference between the recoverable amount of the associate and the carrying value and recognizes the amount in the comprehensive income statement.

#### **2.17 Business combinations and goodwill**

At the date of transition to IFRS, the Company took the option not to re-issue the business combinations prior to that date, in line with the provisions of IFRS 1. After adoption, goodwill represents the excess of the sum of the value of the consideration transferred for the acquisition of an investment in a subsidiary or an associate, on the fair value of the net identifiable assets on the date of acquisition.

Business combinations are accounted for using the accounting method of acquisitions. The cost of an acquisition is measured as the fair value of the assets, equity instruments issued and liabilities incurred or assumed on the date of exchange. The assets and liabilities acquired and contingent liabilities assumed in a business combination are initially measured at fair value on the acquisition date, regardless of the scope of any non-controlling interest.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.17 Business combinations and goodwill (continued)**

Goodwill is initially measured at cost, this being the excess of the cost of the business combination over the Group's share in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquisition. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiaries, the difference is recognized directly in the Statement of Income.

After initial recognition, goodwill is measured at cost less any accumulated impairment loss.

Where goodwill is part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying value of the transaction to determine the profits or losses due to the disposition of the operation. The surplus value transferred in this circumstance is measured based on the relative values of the transferred transaction and the retained portion of the cash-generating unit.

#### **2.18 Deferred income**

The income received at the beginning of an lease contract is deferred within the term of the respective contract, in accordance with the provisions of IFRS 16 "Leases."

#### **2.19 Leases**

As of January 1, 2019, IFRS 16 introduces a single lease accounting model and requires a lessee to recognize the assets and liabilities of all leases with a duration greater than 12 months. A lessee is required to recognize a "right of use asset" that represents its right to use the underlying leased asset and a "lease liability" that represents its obligation to make lease payments.

A lease is a contract or part of a contract that conveys the right to use an asset for a ending year in exchange for a consideration, in which all the risks inherent in the ownership of the underlying asset may or may not be transferred substantially.

The right of use assets are exposed in the item Property, Plant and Equipment or Investment Property, as appropriate, and the liabilities are exposed as "lease liability" in the statement of financial position.

Income of a contingent nature is recognized as an expense for the ending year in which its payment is probable.

#### **2.20 Recognition of revenue and expenses**

Ordinary income is recognized for an amount that reflects the consideration received or to receive that the entity has the right to transfer services to a customer. The entity has analyzed and taken

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.20 Recognition of revenue and expenses (continued)**

into consideration all relevant facts and circumstances when applying each step of the model established by IFRS 15 to contracts with its customers (identification of the contract, identifying performance obligations, determining the price of the transaction, assigning the price, recognize the income).

Revenue and expenses are charged based on the accrual criterion, except for the minimum revenue arising from the lease of investment property, which is recognized linearly during the term of the lease contract, in accordance with IFRS 16 "Leases."

Operating revenues correspond mainly to the leasing and administration of the malls and they are recognized whenever the benefits cause an increase in the net equity that is not related to the contributions of the owners of that equity and these benefits can be valued with reliability. Revenues are valued at the fair value of the consideration received, or receivable, deriving from them. Only revenues derived from the rendering of services are recognized when they can be reliably estimated based on the degree of completion of the provision of the service at the date of the Statement of Financial Position.

The expenses associated with the operation of the "malls" are billed and recovered from the lessees, mainly as a concept of other obligations arising from the contract (or "common expenses"), a lower percentage of which is assumed as a cost by the Company. Since this concept does not generate margin for the Company, only the unrecovered part of the expenses is recorded as operating cost. The recovered part will not be recorded as revenue, operating costs or administrative expenses.

#### **2.21 Financial income**

Financial income is recognized to the extent that the interest is accrued (using the effective interest rate method). Interest income is included in financial income in the Statement of Income.

#### **2.22 Provision for bad debts**

Plaza S.A and Subsidiaries use the guidelines of IFRS9 for the provision of their bad debts, which establishes that expected credit losses should also be considered.

The accounts receivable, corresponding to trade and documents receivable, are presented net of provisions for bad debts, which were determined based on the balances of trade receivables and documents receivable at the close of each ending year, whose collection is estimated unlikely.

Management estimates that these provisions are sufficient and that the net balances are recoverable.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.22 Provision for bad debts (continued)**

The Company's policy is to provide a provision for those balances of doubtful recoverability determined on the basis of the age of the accounts receivable and an individual analysis of the delinquent debtors, which also include financial records, protests, historical payment behavior, guarantees received and estimate of expected credit losses.

Once all the extrajudicial instances have been exhausted, or the termination of the trial has been declared, the account receivable is written off against the provision for uncollectible debtors constituted.

#### **2.23 Provisions**

The obligations existing at the date of the Financial Statements, arising as a result of past events which may result in probable losses for Plaza and Subsidiaries, and whose amount or time of cancellation are uncertain, are recorded in the Statement of Financial Position as provisions for the present value of the most probable amount that is estimated that will have to be disbursed to cancel the obligation.

Provisions are quantified on the consequences of the event, taking into consideration the best information available at the date of the issuance of the Financial Statements, and are re-estimated at each subsequent accounting close.

#### **2.24 Income tax**

Tax assets and liabilities are measured at the amount that is expected to be recovered or paid to the tax authorities of each country. The tax rates and tax laws used to compute the amount are those promulgated as of the date of the Statement of Financial Position.

Deferred tax is presented using the liability method over temporary differences at the date of the Statement of Financial Position between the tax base of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax assets are recognized for all deductible temporary differences, including tax losses, to the extent that it is probable that there will be taxable profits against which deductible temporary differences and carry forward of unused tax credits and unused tax losses may be recovered. Deferred tax related to items recognized directly in equity is recognized in equity and not in the statement of income.

The carrying value of deferred tax assets is reviewed at the date of the Statement of Financial Position and reduced to the extent that it is no longer probable that there will be sufficient taxable profits available to allow all or part of the deferred tax asset to be used.



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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.25 Dividends

Article No. 79 of the Chilean Corporations Law establishes that, unless the bylaws determine otherwise, corporations must distribute annually to their shareholders as a dividend in cash, pro rata of their shares or in the proportion they establish in the bylaws if there are preferred shares, at least 30% of the net profits of each year, except when appropriate to absorb accumulated losses from previous years. At the end of each year, the Company records a liability for 30% of the net distributable profits, which is recorded against the Retained Earnings (Losses) account in the Statement of Changes in Shareholders' Equity.

Interim and final dividends are recorded as a reduction to equity at the time of approval by the competent body, which, for dividends, is normally the Board of Directors of the Company, while, for final dividends, is the Ordinary Shareholders' Meeting.

#### 2.26 Financial information by operating segments

Segment information is reported in accordance with the provisions of IFRS 8 "Operating Segments," in a manner consistent with the internal reports that are regularly reviewed by the Group's Management and have been determined according to the main business activities that Plaza and Subsidiaries develops and which are regularly reviewed by senior management, in order to measure performance, evaluate risks and allocate resources, and for which available information exists. In the process of determining reportable segments, certain segments have been grouped because they have similar economic characteristics. In note 26 segments information is presented.

#### 2.27 New accounting pronouncements (IFRS and Interpretations of the IFRS Interpretation Committee)

As of the date of issuance of these Consolidated Financial Statements, new standards, amendments, improvements and interpretations have been published to the existing standards, which have not entered into force, these are detailed below:

Improvements and amendments		Mandatory application date
IAS 1	Classification of Liabilities as current or non-current	Jan 1, 2020
IFRS 3	IFRS 3: Definition of a Business	Jan 1, 2022
IFRS 37	Onerous Contracts - cost of fulfilling contract	Jan 1, 2022
IFRS 10 and IAS 28	Consolidated Financial Statements - sale or contribution of assets between an investor and its associate or joint venture	To be determined

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.27 New accounting pronouncements (IFRS and Interpretations of the IFRS Interpretation Committee) (continued)**

##### **IAS 1 “Presentation of financial statements” – Classification of liabilities as current or non-current**

The Board issued amendment to paragraphs 69 to 76 of IAS 1 presentation of financial statements to specify the requirements for classifying liabilities as current or non-current.

The amendments are effective for annual beginning on or after January 1, 2022, they must be applied retrospectively. The amendments clarify that the classification of liabilities as current or non-current is based on the rights that exist at the end of the reporting period and specify that the classification is not affected by expectations about whether the entity will exercise its right to defer settlement of a liability.

The Company is evaluating the impact that the aforementioned standard could generate.

##### **IFRS 3 “Business Combination” – Reference to the Conceptual Framework.**

In May 2020, the IASB issued amendments to IFRS 3 “Business Combinations” - Reference to the Conceptual Framework. These amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework (1989 Framework) with a reference to the current version issued in March 2018 the conceptual framework without significantly changing its requirements.

The amendments are effective for annual beginning on or after January 1, 2022 and must be applied retrospectively. Early application is permitted if, at the same time or earlier, an entity also applies all the amendments contained in the Amendments to the References to the Conceptual Framework of IFRS Standards issued in March 2018.

The amendments will provide consistency in financial reporting and avoid potential confusion from having more than one version of the Conceptual Framework in use.

##### **IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” - Onerous contracts - Cost of fulfilling contract.**

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets to specify the costs that an entity needs to include when assessing if a contract is onerous or loss-making.

The amendment are effective for annual beginning on or after January 1, 2022.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.27 New accounting pronouncements (IFRS and Interpretations of the IFRS Interpretation Committee) (continued)**

##### **IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” - Onerous contracts - Cost of fulfilling contract. (continued)**

The amendments must be applied retrospectively to contracts for which an entity not yet fulfilled all of its obligations At the beginning of annual reporting period in which it first applies the amendments (the date of initial application. Early application is permitted and must be disclosed.

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs directly related to contract activities, whilst entities that previously recognized contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect costs from their provisions.

##### **IFRS 10 and IAS 28 “Consolidated Financial Statements” - sale or contribution of assets between an investor and its associate or joint venture**

The amendments IFRS10 “Consolidated Financial Statements” and IAS 28 Investments in associates and Joint Ventures (2011) address an inconsistency recognized between the requirements of IFRS 10 and those of IAS 28 (2011) in the treatment of the sale or contribution of assets between an investor and its associate or joint venture.

Amendments issued in September 2014 establish that when the transaction involves a business (found in a subsidiary or not), a complete profit or loss is recognized. A partial profit or loss is recognized when the transaction involves assets that do not constitute a business, even when the assets are found in a subsidiary.

The date of obligation application of these modifications is yet to be determined, because the IASB is waiting for the results of its investigation project on the accounting according to the equity method. The amendments must be applied retrospectively, and early adoption is allowed, and must be disclosed.

The Company is evaluating the impact that the aforementioned standard could generate.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.27 New accounting pronouncements (IFRS and Interpretations of the IFRS Interpretation Committee) (continued)**

##### **New Standards, interpretations and amendments adopted by the Plaza and Subsidiaries.**

##### **Conceptual Framework (revised)**

The IASB issued the Conceptual Framework (revised) in March 2018. This incorporates some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

Changes to the conceptual framework may affect the application of IFRS when no standard applies to a particular transaction or event.

##### **IAS 1 “Presentation of Financial Statements” and IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” - Definition of Material**

In October 2018, the IASB issued amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, to align the definition of “material” in all standards and clarify certain aspects of the definition. The new definition establishes that information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.

The Company has adopted this interpretation, which had no significant impact on the Financial Statements as of 01.01.2020.

##### **IFRS 16 “Leases” – Covid-19 Related Rent Concessions**

In May 2020, the IASB amended IFRS 16 Leases to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment does not apply to lessors.

As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 2. PRINCIPAL ACCOUNTING POLICIES (continued)

#### 2.27 New accounting pronouncements (IFRS and Interpretations of the IFRS Interpretation Committee) (continued)

##### New Standards, interpretations and amendments adopted by the Plaza and Subsidiaries. (continued)

##### IFRS 16 "Leases" – Covid-19 Related Rent Concessions (continued)

A lessee will apply the amendment for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in financial statements not yet authorised for issue at 28 May 2020.

The Company is evaluating the impact that the aforementioned standard could generate.

##### IFRS 16 "Leases"

In January 2016, the IASB issued IFRS 16 "Leases". IFRS 16 establishes the definition of a lease contract and specifies the accounting treatment of assets and liabilities arising from these contracts from the point of view of the lessor and the lessee. The standard does not differ significantly from the norm that precedes it, IAS 17 "Leases", with respect to the accounting treatment from the point of view of the lessor. However, from the lessee's point of view, the standard requires the recognition of assets and liabilities for most lease contracts.

In January 2019, Plaza and subsidiaries adopted the new standard on the required application date and has opted not to restate the comparative information as permitted by IFRS 16, and recorded the effects of the application of this standard on the initial balance of the item "Gains (losses) accumulated" of the Net Worth.

The application of the described approach is summarized below:

Aplicación Inicial IFRS 16	As of January 1 of 2019 ThCh\$
Right of use asset	10,599,640
Lease liability	(13,974,225)
Investment effect on associates (Note 9 b)	(314,800)
Conversion effect in associated	5,279
<b>Total Equity</b>	<b>(14,283,746)</b>
Minority interest	100,335
<b>Equity attributable to the owners of the parent</b>	<b>(14,183,411)</b>

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **2. PRINCIPAL ACCOUNTING POLICIES (continued)**

#### **2.27 New accounting pronouncements (IFRS and Interpretations of the IFRS Interpretation Committee) (continued)**

##### **New Standards, interpretations and amendments adopted by the Plaza and Subsidiaries. (continued)**

##### **IFRIC 23 “Treatment of uncertain tax positions”**

In June 2017, the IASB issued IFRIC Interpretation 23, which clarifies the application of the recognition and measurement criteria required by IAS 12 Income Taxes when there is uncertainty about tax treatments.

The aforementioned amendment did not significantly affect the Financial Statements.

### **3. ESTIMATES AND APPLICATION OF THE PROFESSIONAL CRITERIA**

In the preparation of the Interim Consolidated Financial Statements, certain estimates and assumptions made by the Management of Plaza S.A. have been used to quantify certain assets, liabilities, revenue, expenses and commitments recorded in them. The Standards also require Management to exercise its judgment in the process of applying the Company's accounting policies.

Below are the areas that imply a higher degree of judgment or complexity or the areas where the assumptions and estimates are significant for the Consolidated Financial Statements:

- Useful life of the investment property.
- Estimation of doubtful accounts of trade and other receivables.
- Estimation of recoverable and deferred taxes.
- Estimation of impairment of non-current assets.
- Calculation of executive bonuses.
- Hypotheses used to calculate the fair value of financial instruments and derivatives.
- Calculation of linearization of minimum income in lease agreements.

These estimates have been made, based on the information available as of the date of issuance of these Consolidated Financial Statements, so it is possible that events that may take place in the future, not detected as of this date, will force them to be modified in the next fiscal ending years, which would be done prospectively, recognizing the effects of the change of estimate in the corresponding future Consolidated Financial Statements.

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## PLAZA S.A. AND SUBSIDIARIES

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### 4. CASH AND CASH EQUIVALENTS

The composition of cash and cash equivalents is as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Cash	11,937	12,341
Bank balances	21,407,081	32,960,816
Time deposits	204,307,613	-
Mutual funds	55,262,162	2,749,455
<b>Total cash and cash equivalents</b>	<b>280,988,793</b>	<b>35,722,612</b>

Cash and cash equivalents by currency:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Chilean pesos - unindexed	262,824,509	4,955,381
American dollars	404,209	877,584
Colombian pesos	16,360,996	29,227,880
Peruvian nuevo soles	1,399,079	661,767
<b>Total cash and cash equivalents</b>	<b>280,988,793</b>	<b>35,722,612</b>

### Significant cash balance unavailable

As of June 30, 2020, and December 2019, the Company does not present cash and cash equivalent restrictions.

### 5) OTHER NON-FINANCIAL ASSETS

The composition of other current and non-current non-financial assets is as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
VAT tax credit	11,428,396	7,988,322
Straight-line leasing asset (1)	5,274,556	4,302,480
Insurance policies	1,676,554	213,684
Others	-	9,720
<b>Total</b>	<b>18,379,506</b>	<b>12,514,206</b>
Linearization of lease contract minimum income (1)	24,673,789	19,950,543
Prepayment option (2)	21,648,000	22,632,000
<b>Total</b>	<b>46,321,789</b>	<b>42,582,543</b>

(1) Corresponding to the straight-line recognition of income derived from leases, as established by IFRS 16 "leases"

(2) Corresponds to a purchase option contract in a project of a subsidiary, of which have been delivered advances for future business.

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## PLAZA S.A. AND SUBSIDIARIES

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### 6. TRADE AND OTHER ACCOUNTS RECEIVABLE

These balances correspond mainly to leases and guarantees of leases receivable from lessees.

a) The composition of debtors is as follows:

Trade and other accounts receivable	As of June 30, 2020			As of December 31, 2019		
	Assets before allowances	Trade receivables allowances	Net assets for trade receivables	Assets before allowances	Trade receivables allowances	Net assets for trade receivables
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Debtors for credit transactions	46,252,315	(9,725,134)	36,527,181	61,346,981	(4,264,323)	57,082,658
Notes receivable	12,164,275	(4,149,148)	8,015,127	9,737,909	(2,198,003)	7,539,906
Misc. Debtors	1,199,219	-	1,199,219	1,204,068	-	1,204,068
<b>Total Current</b>	<b>59,615,809</b>	<b>(13,874,282)</b>	<b>45,741,527</b>	<b>72,288,958</b>	<b>(6,462,326)</b>	<b>65,826,632</b>
Refundable contributions	2,739,946	-	2,739,946	2,632,602	-	2,632,602
Notes receivable	474,105	(50,269)	423,836	476,831	(16,348)	460,483
<b>Total Non-current</b>	<b>3,214,051</b>	<b>(50,269)</b>	<b>3,163,782</b>	<b>3,109,433</b>	<b>(16,348)</b>	<b>3,093,085</b>

Promissory notes in UF corresponding to the long-term portion of lease guarantees receivable from operators and other rights receivable are included in non-current accounts receivable.

There is no risk associated with accounts receivable other than uncollectibility (UF variation or interest rate).

b) The movements in the allowance for bad debts were as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
<b>Beginning balance</b>	<b>6,478,674</b>	<b>3,895,669</b>
Allowance portfolio not renegotiated	7,951,872	3,711,018
Allowance portfolio renegotiated	1,346,607	825,423
Fiscal period/year write-offs	(458,035)	(1,152,153)
Recoveries for the period/ fiscal year	(1,405,732)	(824,548)
Conversion adjustment	11,165	23,265
<b>Subtotal</b>	<b>7,445,877</b>	<b>2,583,005</b>
<b>Total Allowance</b>	<b>13,924,551</b>	<b>6,478,674</b>

c) The protested and judicial collection portfolio is as follows:

Portfolio protested and in judicial collection	As of June 30, 2020			As of December 31, 2019		
	Notes receivable protested	Notes receivable in judicial collection	Total receivables protested and in judicial collection	Notes receivable protested	Notes receivable in judicial collection	Total receivables protested and in judicial collection
Number of Clients, portfolio protested or in judicial collection	27	78	105	15	87	102
Portfolio protested or in judicial collection (ThCh\$)	234,847	2,178,758	2,413,605	76,917	2,119,402	2,196,319



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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 6. TRADE AND OTHER ACCOUNTS RECEIVABLE (continued)

d) Stratification of the portfolio:

Stratification of the portfolio	Number of clients portfolio not repaired	Gross non-renegotiated portfolio	Number of clients repaired portfolio	Gross repaired portfolio	Total gross portfolio
Not expired and not impaired	1,113	26,633,784	54	3,288,483	29,922,267
Betw een 1 and 30 days	796	5,909,116	27	383,276	6,292,392
Betw een 31 and 60 days	729	4,386,355	20	329,109	4,715,464
Betw een 61 and 90 days	748	7,762,171	27	331,144	8,093,315
Betw een 91 and 120 days	588	5,015,478	26	275,309	5,290,787
Betw een 121 and 150 days	494	1,773,358	11	514,908	2,288,266
Betw een 151 and 180 days	398	1,901,313	6	76,916	1,978,229
Betw een 181 and 210 days	328	539,895	4	11,441	551,336
Betw een 211 and 250 days	260	473,866	3	4,935	478,801
More than 250 days	945	2,833,300	15	385,703	3,219,003
<b>Total as of June 30, 2020</b>	<b>6,399</b>	<b>57,228,636</b>	<b>193</b>	<b>5,601,224</b>	<b>62,829,860</b>

Stratification of the portfolio	Number of clients portfolio not repaired	Gross non-renegotiated portfolio	Number of clients repaired portfolio	Gross repaired portfolio	Total gross portfolio
Not expired and not impaired	1,181	55,470,843	33	1,427,904	56,898,747
Betw een 1 and 30 days	928	7,874,167	10	162,744	8,036,911
Betw een 31 and 60 days	690	3,181,485	7	122,236	3,303,721
Betw een 61 and 90 days	475	2,358,198	8	130,414	2,488,612
Betw een 91 and 120 days	335	1,209,287	10	119,460	1,328,747
Betw een 121 and 150 days	287	498,655	7	464,821	963,476
Betw een 151 and 180 days	208	210,753	3	54,200	264,953
Betw een 181 and 210 days	167	142,697	5	30,188	172,885
Betw een 211 and 250 days	178	103,013	2	4,325	107,338
More than 250 days	900	1,489,291	16	343,710	1,833,001
<b>Total as of December 31, 2019</b>	<b>5,349</b>	<b>72,538,389</b>	<b>101</b>	<b>2,860,002</b>	<b>75,398,391</b>

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

### 7. RELATED PARTY DISCLOSURES

#### 7.1 Current accounts receivable from related parties

The balances for this concept as of June 30, 2020 and December 2019 are as follows:

Company	Unique Tax Identification Number	Country	Nature of the relationship	Currency type	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Falabella S.A.(b)(4)	90.749.000-9	Chile	Parent head office	Chilean peso	30,192,141	7,855,577
Sodimac S.A. (1)	96.792.430-K	Chile	Common Parent	Chilean peso	1,019,415	259,978
Hipermercados Tottus S.A. (1)	78.627.210-6	Chile	Common Parent	Chilean peso	903,863	938
Falabella Retail S.A. (1)	77.261.280-K	Chile	Common Parent	Chilean peso	325,677	292,003
Banco Falabella S.A.(1)	96.509.660-4	Chile	Common Parent	Chilean peso	303,745	313,446
Deportes Sparta Ltda. (1)	76.074.938-9	Chile	Other related parties	Chilean peso	209,230	603,189
Dercocenter S.A. (1)	82.995.700-0	Chile	Other related parties	Chilean peso	104,427	128,456
Derco S.A. (1)	94.141.000-6	Chile	Other related parties	Chilean peso	18,720	48,413
Falabella Tecnología Corporativa Limitada (a)(1)	77.612.410-9	Chile	Common Parent	Chilean peso	3,065	9,946
Promotora Chilena de Café Colombia S.A. (1)	76.000.935-0	Chile	Common Parent	Chilean peso	7,264	25,950
Administradora CMR Falabella Ltda. (1)	79.598.260-4	Chile	Common Parent	Chilean peso	-	3,030
Sociedad Comercial de Vehículos S.A. (1)	76.762.660-6	Chile	Other related parties	Chilean peso	-	2,789
Falabella de Colombia S.A. (1)	0-E	Colombia	Common Parent	Colombian peso	22,538	45,268
Banco Falabella S.A. (Colombia) (1)	0-E	Colombia	Common Parent	Colombian peso	8,948	6,591
Sodimac Colombia S.A. (1)	0-E	Colombia	Common Parent	Colombian peso	9,251	97,589
Mall Plaza Perú S.A. (2)	0-E	Perú	Associate	American dollar	382,682	471,039
Mall Plaza Inmobiliaria S.A. (2)	0-E	Perú	Associate	American dollar	37,005	4,993
Gemma Negocios SAC (2)	0-E	Perú	Associate	American dollar	3,710	1,032
<b>Total</b>					<b>33,551,681</b>	<b>10,170,227</b>

(a) On April 26, 2019, Adessa Ltda, changed its legal name to Falabella Tecnología Corporativa Limitada.

(b) On May 10, 2019, S.A.C.I. Falabella changed its legal name to Falabella S.A.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 7. RELATED PARTY DISCLOSURES (continued)

#### 7.2 Current accounts payable to related parties

The balances for this concept as of June 30, 2020 and December 2019, are as follows:

Company	Unique Tax Identification Number	Country	Nature of the relationship	Currency type	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Falabella Retail S.A. (3)	77.261.280-K	Chile	Common Parent	Chilean peso	14,967	158,485
Mall Plaza Perú S.A. (2)	0-E	Perú	Associate	American dollar	1,948	36,285
Mall Plaza Perú S.A. (2)	0-E	Perú	Associate	Peruvian nuevo sol	-	986
Administradora CMR Falabella Ltda. (3)	79.598.260-4	Chile	Common Parent	Chilean peso	9,089	8,431
Radio Carolina S.A. (3)	96.773.200-1	Chile	Other related parties	Chilean peso	-	16,180
Falabella S.A.(b)(3)	90.749.000-9	Chile	Parent head office	American dollar	19,345	11,231
Promotora Chilena de Café Colombia S.A. (1)	76.000.935-0	Perú	Common Parent	Chilean peso	1,587	2,304
Falabella de Colombia S.A. (3)	0-E	Colombia	Common Parent	Colombian peso	233	205,809
Falabella Tecnología Corporativa Limitada (a)(3)	77.612.410-9	Chile	Common Parent	Chilean peso	323,960	126,035
Sodimac S.A. (3)	96.792.430-K	Chile	Common Parent	Chilean peso	56,448	-
Falabella Inversiones Financieras S.A. (3)	76.046.433-3	Chile	Common Parent	Chilean peso	1,505	1,505
Servicios Falabella SpA. (1)	77.070.342-5	Chile	Common Parent	Chilean peso	75,548	-
Megamedia Radio S.A.(3)	78.794.060-9	Chile	Other related parties	Chilean peso	-	4,292
Red Televisiva Megavisión S.A. (3)	79.952.350-7	Chile	Other related parties	Chilean peso	-	61,644
Trasciende Gestión Integral de Capacitación Ltda.	78.745.900-5	Chile	Other related parties	Chilean peso	1,478	-
Sodimac Colombia S.A. (3)	0-E	Colombia	Common Parent	Colombian peso	-	25,619
<b>Total</b>					<b>506,108</b>	<b>658,806</b>

The conditions of the balances receivable and payable with related companies are detailed below:

(1) They correspond to leases, common expenses, services, miscellaneous expenses and / or consultancy provided between related parties. These transactions do not generate interest and their condition of payment is generally 30 days.

(2) They correspond to transactions of the business line agreed in foreign currency, covered by a service contract. These transactions are presented at the closing exchange rate.

(3) They correspond to advertising services, software maintenance, purchase of assets and others. These operations do not generate interest and their payment condition is generally 30 days.

(4) They correspond to commercial current account contract with Falabella S.A. according to the contract, at a spread rate of 0.4% plus nominal daily TAB.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 7. RELATED PARTY DISCLOSURES (continued)

#### 7.3 Transactions

The effects on the statement of income of transactions with related entities that have not been Consolidated in the ending years ended June 30, 2020 and 2019 are as follows:

Company	Unique tax Identification Number	Nature of the relationship	Country	Description of the transaction	Currency type	As of June 30, 2020		As of June 30, 2019	
						Amount ThCh\$	Income effect ThCh\$	Amount ThCh\$	Income effect ThCh\$
Administradora CMR Falabella Ltda.	79.598.260-4	Common Parent	Chile	Leases and others	Chilean peso	-	-	12,979	10,800
Administradora CMR Falabella Ltda.	79.598.260-4	Common Parent	Chile	Miscellaneous expenses	Chilean peso	20,291	(17,075)	17,107	(15,672)
Alto S.A.	99.594.430-8	Other related parties	Chile	Miscellaneous expenses	Chilean peso	-	-	71,967	(71,967)
Banco Falabella S.A.	96.509.660-4	Common Parent	Chile	Leases and others	Chilean peso	1,748,629	1,636,488	1,899,834	1,750,865
Banco Falabella S.A.S.	0-E	Common Parent	Colombia	Leases and others	Colombian peso	60,378	52,141	57,118	48,326
Deportes Sparta Ltda.	76.074.938-9	Other related parties	Chile	Leases and others	Chilean peso	896,891	754,218	1,437,964	1,209,237
Deportes Sparta Ltda.	76.074.938-9	Other related parties	Chile	Miscellaneous expenses	Chilean peso	-	-	5,664	(4,760)
Derco S.A.	94.141.000-6	Other related parties	Chile	Leases and others	Chilean peso	81,046	68,124	169,732	142,668
Dercocenter S.A.	82.995.700-0	Other related parties	Chile	Leases and others	Chilean peso	551,758	463,770	965,518	800,175
Falabella de Colombia S.A	0-E	Common Parent	Colombia	Leases and others	Colombian peso	575,848	488,106	609,985	513,109
Falabella de Colombia S.A	0-E	Common Parent	Colombia	Miscellaneous expenses	Colombian peso	15,825	(15,298)	3,023	(2,541)
Falabella de Colombia S.A	0-E	Common Parent	Colombia	Miscellaneous expenses	Chilean peso	648,188	-	-	-
Falabella Retail S.A.	77.261.280-K	Common Parent	Chile	Leases and others	Chilean peso	12,934,886	10,870,780	18,926,685	15,905,541
Falabella Retail S.A.	77.261.280-K	Common Parent	Chile	Miscellaneous expenses	Chilean peso	310	(310)	5,615	(4,664)
Falabella Retail S.A.	77.261.280-K	Common Parent	Chile	Advertising	Chilean peso	363,011	(305,051)	598,486	(507,133)
Falabella S.A.(b)	90.749.000-9	Parent head office	Chile	Current account renew able	Chilean peso	22,336,558	246,558	5,785,659	654,341
Falabella Tecnología Corporativa Limitada (a)	77.612.410-9	Common Parent	Chile	Miscellaneous expenses	Chilean peso	206,319	(199,714)	52,517	(48,204)
Falabella Tecnología Corporativa Limitada (a)	77.612.410-9	Common Parent	Chile	Services collected	Chilean peso	16,614	12,373	18,946	18,946

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 7. RELATED PARTY DISCLOSURES (continued)

#### 7.3 Transactions (continued)

The effects on the statement of income of transactions with related entities that have not been Consolidated in the ending years ended June 30, 2020 and 2019, are as follows:

Company	Unique tax Identification Number	Nature of the relationship	Country	Description of the transaction	Currency type	As of June 30, 2020		As of June 30, 2019	
						Amount ThCh\$	Income effect ThCh\$	Amount ThCh\$	Income effect ThCh\$
Gemma Negocios SAC	0-E	Associate	Perú	Services collected	Peruvian nuevo sol	3,709	3,709	7,122	7,122
Globe Consulting SpA	76.214.336-4	Other related parties	Chile	Miscellaneous expenses	Chilean peso	-	-	13,103	(11,011)
Hipermercados Tottus S.A.	78.627.210-6	Common Parent	Chile	Leases and others	Chilean peso	4,115,392	3,458,313	3,679,631	3,048,420
Hipermercados Tottus S.A.	78.627.210-6	Common Parent	Chile	Advertising	Chilean peso	-	-	23,800	(20,000)
Inversiones Bazaya Chile Ltda.	76.212.492-0	Associate	Chile	Services collected	Chilean peso	34,884	(29,315)	-	-
Mall Plaza Inmobiliaria S.A.	0-E	Associate	Perú	Services collected	American dollar	36,878	36,878	43,319	43,319
Mall Plaza Inmobiliaria S.A.	0-E	Associate	Perú	Services collected	American dollar	14,949	(12,668)	-	-
Mall Plaza Perú S.A.	0-E	Associate	Perú	Services collected	American dollar	311,998	310,591	482,327	482,327
Mall Plaza Perú S.A.	0-E	Associate	Perú	Miscellaneous expenses	American dollar	329,336	(281,973)	401,966	(331,258)
Megamedia Radio S.A.	78.794.060-9	Other related parties	Chile	Advertising	Chilean peso	12,595	(10,584)	8,098	(7,866)
Promotora Chilena de Café Colombia S.A.	76.000.935-0	Common Parent	Chile	Leases and others	Chilean peso	115,201	97,035	193,532	162,712
Radio Carolina S.A.	96.773.200-1	Other related parties	Chile	Advertising	Chilean peso	16,636	(13,980)	9,284	(8,640)
Red Televisiva Megavisión S.A.	79.952.350-7	Other related parties	Chile	Advertising	Chilean peso	2,380	(2,000)	-	-
Servicios Falabella SpA.	77.070.342-5	Common Parent	Chile	Expenses reimbursements	Chilean peso	2,955	-	-	-
Servicios Falabella SpA.	77.070.342-5	Common Parent	Chile	Hred services	Chilean peso	301,861	(301,861)	-	-
Sodimac Colombia S.A.	0-E	Common Parent	Colombia	Leases and others	Colombian peso	401,585	346,098	505,260	424,588
Sodimac Colombia S.A.	0-E	Common Parent	Colombia	Miscellaneous expenses	Colombian peso	702	(629)	35,490	(35,490)
Sodimac S.A.	96.792.430-K	Common Parent	Chile	Leases and others	Chilean peso	7,111,451	5,973,486	7,972,223	6,740,394
Sodimac S.A.	96.792.430-K	Common Parent	Chile	Miscellaneous expenses	Chilean peso	30,989	(26,235)	2,929	(2,867)
Voxline Serigrafía Digital Ltda.	78.034.110-6	Other related parties	Chile	Miscellaneous expenses	Chilean peso	2,553	(2,146)	-	-

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 7. DISCLOSURES OF RELATED PARTIES (continued)

#### 7.4 Compensation of key personnel of the Group

Key personnel is defined as those persons who possess the authority and responsibility with respect to the planning, direction and control of the Group's activities. The composition of expenses remunerations and benefits received by key personnel of the Company corresponds to the following:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Remunerations received by management	2,376,542	4,143,132	1,285,095	2,209,891
Directors' allowances	213,724	202,088	97,581	116,112
<b>Total compensation paid to key personnel</b>	<b>2,590,266</b>	<b>4,345,220</b>	<b>1,382,676</b>	<b>2,326,003</b>

### 8. CURRENT TAXES ASSETS

The composition of current tax assets is as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Income tax to be recovered	5,792,358	4,039,227
Obligatory M.P.Fs (net balance of income tax)	4,058,982	8,015,805
Credit for donations	529,487	672,405
Credit for training	-	104,802
Other taxes to be recovered (*)	13,103,733	13,561,264
<b>Total</b>	<b>23,484,560</b>	<b>26,393,503</b>
Total current assets	12,802,831	12,834,315
Total non-current assets	10,681,729	13,559,188
<b>Balance at closing</b>	<b>23,484,560</b>	<b>26,393,503</b>

(\*) It includes benefits provided by Law No. 19420, Incentives for the development of Arica and Parinacota Provinces.

### 9. INVESTMENT IN ASSOCIATES

As of June 30, 2020, and December 2019, Plaza S.A. maintains an indirect investment in Mall Plaza Perú S.A., where it owns 33.33%. Mall Plaza Peru S.A. is a private entity, dedicated to the administration of malls domiciled in the Republic of Peru.

The functional currency of the investment is the Peruvian Nuevo sol.

The following table illustrates the summarized financial information of the investment in Mall Plaza Perú S.A.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 9. INVESTMENT IN ASSOCIATES (continued)

a) Investment detail in associate companies:

	As of June 30 of 2020	As of December 31 of 2019
	ThCh\$	ThCh\$
Participation Value	74,961,645	73,141,820
Lower value generated for implicit sale of 20.00% stake	22,204,657	21,644,731
<b>Book value of the investment</b>	<b>97,166,302</b>	<b>94,786,551</b>

	As of June 30 of 2020	As of December 31 of 2019
	ThCh\$	ThCh\$
<b>Summary information of the Statement of Financial Position of the associate company:</b>		
Current assets	29,616,234	11,171,033
Non-current assets	337,048,494	326,454,266
Current liabilities	(34,769,649)	(16,753,273)
Non-current liabilities	(106,987,654)	(101,424,620)
<b>Net assets</b>	<b>224,907,425</b>	<b>219,447,406</b>

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 M\$	2019 M\$
<b>Summary information of the income of the associate company:</b>	<b>ThCh\$</b>	<b>ThCh\$</b>	<b>M\$</b>	<b>M\$</b>
Ordinary revenue	8,472,802	12,562,122	1,339,660	6,337,236
Period's income	(269,003)	3,890,322	(2,266,729)	1,909,266
<b>Participation in result</b>	<b>(89,659)</b>	<b>1,296,644</b>	<b>(755,501)</b>	<b>636,358</b>

b) Movements of investment participation:

The movement of participation in associated companies during the ending period / year is as follows:

	As of June 30 of 2020	As of December 31 of 2019
	ThCh\$	ThCh\$
<b>Movements:</b>		
Beginning balance	94,786,551	83,819,824
Share in ordinary income	(89,659)	2,996,955
IFRS 16 application	-	(314,800)
Conversion difference	2,469,410	8,284,572
<b>Period Movements:</b>	<b>2,379,751</b>	<b>10,966,727</b>
<b>Balance at closing</b>	<b>97,166,302</b>	<b>94,786,551</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 10. INTANGIBLE ASSETS AND GOODWILL

The movements of the ending year of intangible assets and goodwill are the following:

Cost	Trademarks ThCh\$	Licenses IT Programs ThCh\$	IT Programs and others ThCh\$	Total Intangibles ThCh\$	Goodwill ThCh\$
<b>As of June 30, 2020</b>					
<b>Initial Balance</b>					
Cost	891,578	4,171,315	6,771,158	11,834,051	357,778
<b>Total starting balance</b>	<b>891,578</b>	<b>4,171,315</b>	<b>6,771,158</b>	<b>11,834,051</b>	<b>357,778</b>
<b>Movements from the period</b>					
Additions	-	-	343,364	343,364	-
Transfer (to) / from other items	-	953,102	(738,764)	214,338	-
Effect of conversion differences of the period	-	(8,447)	(17,761)	(26,208)	-
<b>Total movements from the period</b>	<b>-</b>	<b>944,655</b>	<b>(413,161)</b>	<b>531,494</b>	<b>-</b>
<b>Total as of June 30, 2020</b>	<b>891,578</b>	<b>5,115,970</b>	<b>6,357,997</b>	<b>12,365,545</b>	<b>357,778</b>
Amortization	Trademarks ThCh\$	Licenses IT Programs ThCh\$	IT Programs and others ThCh\$	Total Intangibles ThCh\$	Goodwill ThCh\$
<b>As of June 30, 2020</b>					
<b>Initial Balance</b>					
Cost	-	(2,445,563)	(4,722,770)	(7,168,333)	-
<b>Total starting balance</b>	<b>-</b>	<b>(2,445,563)</b>	<b>(4,722,770)</b>	<b>(7,168,333)</b>	<b>-</b>
<b>Movements from the period</b>					
Amortization of the period	-	(462,531)	(141,078)	(603,609)	-
Transfer (to) / from other items	-	13,274	(13,274)	-	-
Effect of conversion differences of the period	-	543	7,795	8,338	-
<b>Total movements from the period</b>	<b>-</b>	<b>(448,714)</b>	<b>(146,557)</b>	<b>(595,271)</b>	<b>-</b>
<b>Total as of June 30, 2020</b>	<b>-</b>	<b>(2,894,277)</b>	<b>(4,869,327)</b>	<b>(7,763,604)</b>	<b>-</b>
<b>Net balance as of June 30, 2020</b>	<b>891,578</b>	<b>2,221,693</b>	<b>1,488,670</b>	<b>4,601,941</b>	<b>357,778</b>
Cost	Trademarks ThCh\$	Licenses IT Programs ThCh\$	IT Programs and others ThCh\$	Total Intangibles ThCh\$	Goodwill ThCh\$
<b>As of December 31, 2019</b>					
<b>Initial Balance</b>					
Cost	891,578	3,658,117	6,117,665	10,667,360	357,778
<b>Total starting balance</b>	<b>891,578</b>	<b>3,658,117</b>	<b>6,117,665</b>	<b>10,667,360</b>	<b>357,778</b>
<b>Movements from the fiscal year</b>					
Additions	-	-	1,379,425	1,379,425	-
Low	-	(434,348)	(48,042)	(482,390)	-
Transfer (to) / from other items	-	926,547	(713,974)	212,573	-
Effect of conversion differences of the year	-	20,999	36,084	57,083	-
<b>Total movements from the year</b>	<b>-</b>	<b>513,198</b>	<b>653,493</b>	<b>1,166,691</b>	<b>-</b>
<b>Total as of December 31, 2019</b>	<b>891,578</b>	<b>4,171,315</b>	<b>6,771,158</b>	<b>11,834,051</b>	<b>357,778</b>
Amortization	Trademarks ThCh\$	Licenses IT Programs ThCh\$	IT Programs and others ThCh\$	Total Intangibles ThCh\$	Goodwill ThCh\$
<b>As of December 31, 2019</b>					
<b>Initial Balance</b>					
Cost	-	(1,931,121)	(4,423,584)	(6,354,705)	-
<b>Total starting balance</b>	<b>-</b>	<b>(1,931,121)</b>	<b>(4,423,584)</b>	<b>(6,354,705)</b>	<b>-</b>
<b>Movements from the fiscal year</b>					
Amortization of the period	-	(703,520)	(357,410)	(1,060,930)	-
Transfer (to) / from other items	-	20,765	36,583	57,348	-
Low	-	169,919	38,697	208,616	-
Amortization of the year	-	(1,606)	(17,056)	(18,662)	-
<b>Total movements from the year</b>	<b>-</b>	<b>(514,442)</b>	<b>(299,186)</b>	<b>(813,628)</b>	<b>-</b>
<b>Total as of December 31, 2019</b>	<b>-</b>	<b>(2,445,563)</b>	<b>(4,722,770)</b>	<b>(7,168,333)</b>	<b>-</b>
<b>Net balance as of December 31, 2019</b>	<b>891,578</b>	<b>1,725,752</b>	<b>2,048,388</b>	<b>4,665,718</b>	<b>357,778</b>



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## PLAZA S.A. AND SUBSIDIARIES

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### 11. PROPERTY, PLANT AND EQUIPMENT

a) The movements of property, plant and equipment are the following:

Cost	Ongoing projects	Buildings	Plant, equipment and accessories	Facilities	Motor Vehicles	Right of use asset	Total property, plant and equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>As of June 30, 2020</b>							
Beginning balance	420,374	2,349,286	1,379,097	643,883	41,751	321,260	5,155,651
<b>Total starting balance</b>	<b>420,374</b>	<b>2,349,286</b>	<b>1,379,097</b>	<b>643,883</b>	<b>41,751</b>	<b>321,260</b>	<b>5,155,651</b>
<b>Movements from the period</b>							
Additions	399,510	-	-	-	-	-	399,510
Transfer (to) / from other items	(170,581)	14,451	116,251	37,065	-	-	(2,814)
Effect of conversion difference of the fiscal period	(8,427)	(1,442)	(5,163)	(2,581)	-	(13,968)	(31,581)
<b>Total movements from the period</b>	<b>220,502</b>	<b>13,009</b>	<b>111,088</b>	<b>34,484</b>	<b>-</b>	<b>(13,968)</b>	<b>365,115</b>
<b>Total as of June 30, 2020</b>	<b>640,876</b>	<b>2,362,295</b>	<b>1,490,185</b>	<b>678,367</b>	<b>41,751</b>	<b>307,292</b>	<b>5,520,766</b>

Depreciation	Ongoing projects	Buildings	Plant, equipment and accessories	Facilities	Motor Vehicles	Right of use asset	Total property, plant and equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>As of June 30, 2020</b>							
Beginning balance	-	(314,636)	(917,821)	(494,144)	(18,307)	(64,252)	(1,809,160)
<b>Total starting balance</b>	<b>-</b>	<b>(314,636)</b>	<b>(917,821)</b>	<b>(494,144)</b>	<b>(18,307)</b>	<b>(64,252)</b>	<b>(1,809,160)</b>
<b>Movements from the period</b>							
Depreciation from the period	-	(37,619)	(84,180)	(60,876)	(2,293)	(30,799)	(215,767)
Effect of conversion difference of the fiscal period	-	629	2,597	50,626	-	2,863	56,715
<b>Total movements from the period</b>	<b>-</b>	<b>(36,990)</b>	<b>(81,583)</b>	<b>(10,250)</b>	<b>(2,293)</b>	<b>(27,936)</b>	<b>(159,052)</b>
<b>As of June 30, 2020</b>	<b>-</b>	<b>(351,626)</b>	<b>(999,404)</b>	<b>(504,394)</b>	<b>(20,600)</b>	<b>(92,188)</b>	<b>(1,968,212)</b>
<b>Net balance as of June 30, 2020</b>	<b>640,876</b>	<b>2,010,669</b>	<b>490,781</b>	<b>173,973</b>	<b>21,151</b>	<b>215,104</b>	<b>3,552,554</b>

Cost	Ongoing projects	Buildings	Plant, equipment and accessories	Facilities	Motor Vehicles	Right of use asset	Total property, plant and equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>As of December 31, 2019</b>							
Beginning balance	297,159	2,322,234	1,216,200	630,250	80,067	-	4,545,910
<b>Total starting balance</b>	<b>297,159</b>	<b>2,322,234</b>	<b>1,216,200</b>	<b>630,250</b>	<b>80,067</b>	<b>-</b>	<b>4,545,910</b>
<b>Movements from the fiscal year</b>							
Increase (decrease) by application of new accounting standards (1)	-	-	-	-	-	293,325	293,325
Additions	325,037	-	-	-	-	-	325,037
Low	-	-	(411)	-	-	-	(411)
Transfer (to) / from other items	(206,528)	24,148	152,295	8,637	(39,013)	-	(60,461)
Effect of conversion difference of the fiscal year	4,706	2,904	11,013	4,996	697	27,935	52,251
<b>Total movements from the year</b>	<b>123,215</b>	<b>27,052</b>	<b>162,897</b>	<b>13,633</b>	<b>(38,316)</b>	<b>321,260</b>	<b>609,741</b>
<b>Total as of December 31, 2019</b>	<b>420,374</b>	<b>2,349,286</b>	<b>1,379,097</b>	<b>643,883</b>	<b>41,751</b>	<b>321,260</b>	<b>5,155,651</b>

Depreciation	Ongoing projects	Buildings	Plant, equipment and accessories	Facilities	Motor Vehicles	Right of use asset	Total property, plant and equipment
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>As of December 31, 2019</b>							
Beginning balance	-	(239,843)	(764,830)	(478,967)	(52,037)	-	(1,535,677)
<b>Total starting balance</b>	<b>-</b>	<b>(239,843)</b>	<b>(764,830)</b>	<b>(478,967)</b>	<b>(52,037)</b>	<b>-</b>	<b>(1,535,677)</b>
<b>Movements from the fiscal year</b>							
Depreciation from the year	-	(74,924)	(162,258)	(15,714)	(4,586)	(59,784)	(317,266)
Low	-	-	237	-	-	-	237
Transfer (to) / from other items	-	999	15,321	1,424	39,013	-	56,757
Effect of conversion difference of the fiscal year	-	(868)	(6,291)	(887)	(697)	(4,468)	(13,211)
<b>Total movements from the year</b>	<b>-</b>	<b>(74,793)</b>	<b>(152,991)</b>	<b>(15,177)</b>	<b>33,730</b>	<b>(64,252)</b>	<b>(273,483)</b>
<b>As of December 31, 2019</b>	<b>-</b>	<b>(314,636)</b>	<b>(917,821)</b>	<b>(494,144)</b>	<b>(18,307)</b>	<b>(64,252)</b>	<b>(1,809,160)</b>
<b>Net balance as of December 31, 2019</b>	<b>420,374</b>	<b>2,034,650</b>	<b>461,276</b>	<b>149,739</b>	<b>23,444</b>	<b>257,008</b>	<b>3,346,491</b>

(1) Corresponds to the effect of applying IFRS16 (See note.2.27)

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 11. PROPERTY, PLANT AND EQUIPMENT (continued)

Property, plant and equipment are depreciated on a straight-line basis based on estimated useful lives, defined in Note 2.12.

As of June 30, 2020, the amount of property, plant and equipment that is in use and fully depreciated is not significant.

b) Right of use asset are recorded as details in note 2.19 and correspond to the following:

Right of use asset	Ofices
	ThCh\$
Balance as of January 1, 2020	257,008
Conversion adjustment	(11,105)
Depreciation from the period	(30,799)
<b>Balance as of June 30, 2020</b>	<b>215,104</b>

Right of use asset	Ofices
	ThCh\$
Increase by application of new accounting standards (1)	293,325
<b>Modified initial balance</b>	<b>293,325</b>
Conversion adjustment	23,467
Depreciation from the year	(59,784)
<b>Balance as of December 31, 2019</b>	<b>257,008</b>

(1) Correspond to the effect by application of IFRS16 (see note 2.27)

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 12. INVESTMENT PROPERTIES

The evolution of the items that make up the group is as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
<b>Cost</b>		
<b>Beginning balance</b>	<b>3,271,368,804</b>	<b>3,121,172,574</b>
<b>Movements of the period / fiscal year</b>		
Increase by application of new accounting standards (1)	-	10,306,315
Additions	58,407,669	125,970,543
Withdrawals and derecognitions	(1,776,115)	(4,156,380)
Transfer (to) / from other items	(4,347,473)	(262,097)
Effect of conversion difference	(9,220,018)	18,337,849
<b>Total cost</b>	<b>3,314,432,867</b>	<b>3,271,368,804</b>
<b>Depreciation</b>		
<b>Beginning balance</b>	<b>(219,058,938)</b>	<b>(170,902,375)</b>
<b>Movements of the period / fiscal year</b>		
Depreciation	(25,113,764)	(48,707,995)
Accumulated depreciation of withdrawals and derecognitions	486,843	1,238,228
Accumulated depreciation Transfer	4,135,949	(4,120)
Effect of conversion difference	239,867	(682,676)
<b>Total Depreciation</b>	<b>(239,310,043)</b>	<b>(219,058,938)</b>
<b>Final balance at the close of the period / fiscal year</b>	<b>3,075,122,824</b>	<b>3,052,309,866</b>

(1) Correspond to the effect by application of IFRS16 (see note 2.27)

Investment Properties includes shopping centers, works in progress and land available that will be destined to future shopping centers.

The approximate fair value of the Investment Properties as of June 30, 2020, is UF 129,654,000 (UF 152,969,000 as of December 31, 2019). Market value hierarchy pursuant to IFRS 13 is level 2.

Investment properties are depreciated on a straight-line basis over their estimated useful lives, defined in Note 2.13.

Interest costs capitalized in Investment Property as of June 30, 2020, were ThCh\$ 2,684,253 (ThCh\$ 5,361,994 as of December 31, 2019), with an average capitalization rate of UF + 2.93% (UF + 3.84% as of December 2019).

The land without use and in which construction of malls is not being carried out as of June 30, 2020 amounts to ThCh\$ 51,374,819. There are no relevant maintenance expenses associated with these, As well as there are not restrictions on making investment on real estate, the collection of income derived from them, or the resources obtained through their sale or disposal by other means.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 12. INVESTMENT PROPERTIES (continued)

As of June 30, 2020, the contractual obligations to purchase, construct, repair, maintain and develop Investment Properties amount to ThCh\$ 56,172,097 (ThCh\$ 27,693,820 as of December 31, 2019).

As of June 30, 2020, the Company carried out impairment tests for its Investment Properties and did not determine any impairment thereof.

Right of use asset are recorded as details in note 2.19 and correspond to the following:

Right of use asset	Lands	Facilities	Others	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of January 1, 2020	10,199,133	3,667,882	3,049,322	16,916,337
Additions	216,513	35,553	-	252,066
Conversion adjustment	-	-	151,151	151,151
Depreciation of the period	(232,452)	(178,513)	(227,023)	(637,988)
<b>Balance as of June 30, 2020</b>	<b>10,183,194</b>	<b>3,524,922</b>	<b>2,973,450</b>	<b>16,681,566</b>

Right of use asset	Lands	Facilities	Others	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Balance as of January 1, 2019	-	3,945,428	-	3,945,428
Increase by application of new accounting standards (1)	9,687,254	-	619,061	10,306,315
<b>Modified initial balance</b>	<b>9,687,254</b>	<b>3,945,428</b>	<b>619,061</b>	<b>14,251,743</b>
Additions	968,798	76,363	2,787,810	3,832,971
Conversion adjustment	-	-	34,711	34,711
Depreciation of the year	(456,919)	(353,909)	(392,260)	(1,203,088)
<b>Balance as of december 31, 2019</b>	<b>10,199,133</b>	<b>3,667,882</b>	<b>3,049,322</b>	<b>16,916,337</b>

(1) Correspond to the effect by application of IFRS16 (see note 2.27).

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 13. LEASES

#### Plaza and Subsidiaries as lessor

The subsidiaries of Plaza S.A. lease to third parties under leasing contracts, premises that are part of their Investment Properties. The lease contracts establish the term of the leases, the lease fee and the calculation method, the characteristics of the leased property and other obligations related to the promotion, services and the proper functioning of the various locations.

The rights receivable for minimum leases under non-cancelable lease contracts as of June 30, 2020 and December 2019, are as follows:

Minimum payments	As of June 30	As of December 31
	of 2020	of 2019
	ThCh\$	ThCh\$
Until one year	216,189,847	212,214,277
From one year to five years	557,033,455	552,433,111
More than five years	717,027,908	722,236,609
<b>Total</b>	<b>1,490,251,210</b>	<b>1,486,883,997</b>

Variable income from leases for the period June 30, 2020, recognized as revenue from ordinary activities, amounted to ThCh\$ 3,469,861 (ThCh\$ 5,782,221 as of June 30, 2019). The variable incomes are generally related to percentages of sales of the lessees linked to the leased spaces.

The fees for leases and subleases recognized as expenses in the ending period are as follows:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020	2019	2020	2019
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Variable lease expenses	346,290	491,374	94,622	225,568
<b>Total charged to income</b>	<b>346,290</b>	<b>491,374</b>	<b>94,622</b>	<b>225,568</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 14. INCOME TAXES AND DEFERRED TAXES

#### 14.1 Income taxes

a) The main components of the income tax expense are the following:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
<b>Income tax:</b>				
Income tax charge	(4,547,442)	(19,051,918)	1,313,102	(9,425,759)
Other charges or credits	(126,574)	55,326	(129,384)	82,599
<b>Deferred tax:</b>				
Associated with origin and reversal of temporary differences	203,366	(1,336,706)	1,850,360	1,311,132
Result from tax losses	3,606,746	1,269,647	2,942,750	828,396
<b>Total expense for income tax</b>	<b>(863,904)</b>	<b>(19,063,651)</b>	<b>5,976,828</b>	<b>(7,203,632)</b>

b) The reconciliation of the expense (benefit) for income taxes at the statutory rate with respect to the effective rate as of June 30, 2020 and 2019 are composed as follows:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Profit / (loss) before tax from continuing operations	5,736,875	79,981,929	(24,752,491)	35,858,754
<b>Profit before income tax</b>	<b>5,736,875</b>	<b>79,981,929</b>	<b>(24,752,491)</b>	<b>35,858,754</b>
At the statutory income tax rate of Plaza S.A. of 27%	(1,548,956)	(21,595,121)	6,683,173	(9,681,864)
Effect on the tax rate of other jurisdictions	(212,062)	(67,796)	(280,796)	7,700
Non-taxable income	(24,208)	350,094	(203,985)	171,817
Non-deductible expenses	(73,165)	(27,704)	(61,356)	(12,505)
Prior year tax expense	(126,574)	55,326	(129,384)	82,599
Other increases (decreases)	1,121,061	2,221,550	(30,824)	2,228,621
<b>At the effective income tax rate of 15,06% (23.83% as of June 30, 2019)</b>	<b>(863,904)</b>	<b>(19,063,651)</b>	<b>5,976,828</b>	<b>(7,203,632)</b>
Income tax expense reported in the Statement of income	(863,904)	(19,063,651)	5,976,828	(7,203,632)
<b>Income tax</b>	<b>(863,904)</b>	<b>(19,063,651)</b>	<b>5,976,828</b>	<b>(7,203,632)</b>

In accordance with the provisions of IAS 12 "Income taxes," deferred tax assets and liabilities must be measured using the tax rates expected to be applied in the period in which the asset is realized or the liability is settled, based on the rates (and Tax Laws) that at the end of the ending year, have been approved or practically finished the approval process.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 14. INCOME TAXES AND DEFERRED TAXES (continued)

#### 14.2 Deferred taxes

a) Deferred tax balances by category are presented below:

Concepts - Statement of Financial Position	As of June 30, 2020		As of December 31, 2019	
	Asset deferred tax	Liability deferred tax	Asset deferred tax	Liability deferred tax
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Intangible assets	-	923,551	-	905,577
Valuation and depreciation of investment properties	-	439,355,382	-	438,827,703
Prepayments	-	485,434	-	98,874
Deferred income	1,933,112	-	2,006,786	-
Tax loss carryforward	20,253,516	-	16,646,770	-
Provision for uncollectibility	3,550,685	-	1,698,948	-
Staff vacations	351,496	-	371,746	-
Linear income to be amortized	-	8,005,703	-	6,518,186
Losses to be recovered	-	51,635	-	60,729
Others	828,349	-	22,986	-
<b>Totals</b>	<b>26,917,158</b>	<b>448,821,705</b>	<b>20,747,236</b>	<b>446,411,069</b>
<b>Net balance</b>		<b>421,904,547</b>		<b>425,663,833</b>

Deferred taxes are reflected in the Financial Statements as follows:

	As of June 30 of 2020 M\$	As of December 31 of 2019 M\$
Deferred tax assets	15,554,691	14,344,008
Deferred tax liabilities	(437,459,238)	(440,007,841)
<b>Deferred income net balance</b>	<b>(421,904,547)</b>	<b>(425,663,833)</b>

b) Deferred taxes related to items charged or paid directly to equity accounts are the following:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Foreign exchange conversion effect Foreign Companies	50,825	5,986	152,895	7,428
<b>Total (charge) credit to equity</b>	<b>50,825</b>	<b>5,986</b>	<b>152,895</b>	<b>7,428</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 15. OTHER FINANCIAL LIABILITIES

The balances of other current and non-current financial liabilities classified by type of obligation are the following:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Obligations with banks	194,495,202	88,441,462
Obligations with the public	17,286,600	21,816,025
Hedging derivatives	180,964	170,963
<b>Total current</b>	<b>211,962,766</b>	<b>110,428,450</b>
Obligations with banks	313,458,403	255,671,744
Obligations with the public	627,192,530	448,713,760
Hedging derivatives	58,294,125	78,939,013
<b>Total non-current</b>	<b>998,945,058</b>	<b>783,324,517</b>



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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 15. OTHER FINANCIAL LIABILITIES (continued)

The following are the obligations with banks and public bonds as of June 30, 2020 and December 2019:

As of December 31, 2019 (in ThCh\$):

Unique Tax Identificati on Number of debtor entity	Debtor entity name	Debtor company country	Unique Tax Identificati on Number of creditor entity	Name of creditor entity	Creditor entity country	Currency type	Amortizati on type	Nominal rate	effective rate	1 to 90 days	more than 90 days to 1 year	Total Current	From 1 to 5 years	More than 5 years	Total Non-Current	Amount of the Nominal Value of the Obligation to Pay in accordance with the Conditions of the Contract	
<b>Obligations with banks</b>																	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	CLP	At maturity	0.59%	1.38%	11,508,661	-	11,508,661	-	-	-	11,511,900	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.006.000-6	Banco de Crédito e Inversiones	Chile	CLP	At maturity	1.93%	3.34%	2,829,806	-	2,829,806	-	-	-	2,831,237	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.018.000-1	Scotiabank Chile	Chile	CLP	At maturity	2.26%	2.26%	-	16,351	16,351	32,556,428	-	32,556,428	32,572,782	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	CLP	At maturity	2.60%	2.60%	-	27,138,889	27,138,889	-	-	-	27,138,889	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.030.000-7	Banco Estado	Chile	CLP	At maturity	2.40%	2.40%	-	3,171	3,171	11,890,038	-	11,890,038	11,893,346	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	CLP	At maturity	2.42%	2.46%	570,904	-	570,904	56,551,754	-	56,551,754	57,83,185	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	At maturity	2.25%	2.25%	51,286	-	51,286	5,543,878	-	5,543,878	5,595,189	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	At maturity	2.25%	2.28%	52,291	-	52,291	5,579,692	-	5,579,692	5,635,391	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	At maturity	2.25%	2.28%	26,303	-	26,303	2,806,666	-	2,806,666	2,834,684	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	At maturity	2.25%	2.34%	27,092	-	27,092	2,822,076	-	2,822,076	2,854,131	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	At maturity	2.25%	2.36%	27,409	-	27,409	2,821,520	-	2,821,520	2,855,514	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	At maturity	2.25%	2.38%	41,922	-	41,922	4,290,187	-	4,290,187	4,343,357	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.006.000-6	Banco de Crédito e Inversiones	Chile	UF	At maturity	2.25%	2.39%	27,757	-	27,757	2,823,974	-	2,823,974	2,859,950	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.023.000-9	Itaú Corpbanca	Chile	UF	At maturity	2.37%	2.37%	-	5,640	5,640	10,710,530	-	10,710,530	10,716,171	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.030.000-7	Banco Estado	Chile	UF	At maturity	2.58%	2.61%	-	45,087	45,087	28,277,829	-	28,277,829	28,354,575	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.030.000-7	Banco Estado	Chile	UF	At maturity	5.13%	5.23%	-	2,087,484	2,087,484	1,033,200	-	1,033,200	3,123,197	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	7.05%	7.9%	7,798,473	-	7,798,473	-	-	-	7,800,117	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.004.000-5	Banco de Chile	Chile	UF	Biannual	4.03%	4.04%	4,450,312	-	4,450,312	-	-	-	4,450,357	
76.882.330-8	Nuevos Desarrollos S.A.	Chile	97.023.000-9	Itaú Corpbanca	Chile	UF	Biannual	4.30%	4.30%	28,592,129	-	28,592,129	-	-	-	28,592,134	
0-E	Patrimonio Autónomo Centro Comer	Colombia	0-E	Itaú CorpBanca Colombia S.A.	Colombia	COP	At maturity	9.32%	9.68%	714,864	2,147,085	2,861,949	11,525,207	3,632,470	15,157,677	18,208,332	
0-E	Patrimonio Autónomo Centro Comercial Manzales Dos	Colombia	0-E	Itaú CorpBanca Colombia S.A.	Colombia	COP	Biannual	8.84%	8.84%	7,718	-	7,718	6,385,212	-	6,385,212	6,385,212	
0-E	Patrimonio Autónomo Centro Comercial Barranquilla	Colombia	0-E	Banco Davivienda SA	Colombia	COP	At maturity	10.8%	10.8%	187,358	-	187,358	-	-	-	-	
0-E	Fondo de Capital Privado MallPlaza	Colombia	0-E	Scotiabank Colpatria SA	Colombia	COP	At maturity	6.64%	6.81%	83,470	-	83,470	66,421,083	-	66,421,083	66,700,000	
										<b>Subtotal</b>	<b>56,997,755</b>	<b>31,443,707</b>	<b>88,441,462</b>	<b>252,039,274</b>	<b>3,632,470</b>	<b>255,671,744</b>	<b>344,438,940</b>
<b>Obligations with the public</b>																	
76.07.09-4	Plaza S.A.	Chile	-	Bono - Reg. SVS 584 (Serie C)	Chile	UF	Biannual	4.50%	4.72%	-	8,171,380	8,171,380	30,345,486	42,151,158	72,496,644	81,667,262	
76.07.09-4	Plaza S.A.	Chile	-	Bono - Reg. SVS 583 (Serie D)	Chile	UF	At maturity	3.85%	4.00%	-	62,160	62,160	-	83,472,669	83,472,669	85,538,386	
76.07.09-4	Plaza S.A.	Chile	-	Bono - Reg. SVS 584 (Serie E)	Chile	UF	At maturity	3.85%	3.99%	-	413,808	413,808	-	55,694,779	55,694,779	57,025,577	
76.07.09-4	Plaza S.A.	Chile	-	Bono - Reg. SVS 670 (Serie H)	Chile	UF	At maturity	3.50%	3.90%	-	337,339	337,339	-	67,694,112	67,694,112	71,091,371	
76.07.09-4	Plaza S.A.	Chile	-	Bono - Reg. SVS 670 (Serie K)	Chile	UF	At maturity	3.90%	3.92%	-	285,019	285,019	-	84,362,887	84,362,887	85,216,043	
76.07.09-4	Plaza S.A.	Chile	-	Bono - Reg. SVS 766 (Serie M)	Chile	UF	Biannual	3.50%	3.34%	5,450,877	5,311,484	10,762,361	-	-	-	10,758,662	
76.07.09-4	Plaza S.A.	Chile	-	Bono - Reg. SVS 767 (Serie N)	Chile	UF	At maturity	3.80%	3.76%	1224,508	-	1,224,508	-	84,992,669	84,992,669	86,166,963	
										<b>Subtotal</b>	<b>6,675,385</b>	<b>15,140,640</b>	<b>21,816,025</b>	<b>30,345,486</b>	<b>418,368,274</b>	<b>448,713,760</b>	<b>477,463,244</b>
										<b>Total</b>	<b>63,673,140</b>	<b>46,584,347</b>	<b>110,257,487</b>	<b>282,384,760</b>	<b>422,000,744</b>	<b>704,385,504</b>	<b>821,902,184</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 15. OTHER FINANCIAL LIABILITIES (continued)

On June 19, 2020, the Company placed dematerialized and bearer bonds in the local market with a charge to bond line N° 980 dated November 15, 2019. Said bonds correspond to Series S for an amount total of UF 4,000,000, maturing on December 1, 2029, with an annual placement rate of 1.30%.

On February 5, 2020, the Company made the third placement of dematerialized and bearded bonds in the local market with charge to bond line N°669 dated May 30, 2011, said bonds correspond to Serie P for an amount total of UF 2,000,000 maturing on January 15, 2045 with a placement rate of 2.08% per year.

On October 3, 2013, the Company placed two Series of bonds in the domestic market. Series M for UF 1,500,000 at a placement rate of 3.50% annual interest for a term of 7 years, with eight equal semi-annual capital repayments as of 2017, and Series N for UF 3,000,000 at a placement rate of 3.80% annual interest for a term of 22 years with a single principal payment at the maturity of said term.

On June 7, 2012, the Company placed two series of bonds in the domestic market. Series I for UF 1,000,000 at a rate of 3.5% annual interest for a term of 6 years, with three equal annual payments of principal from 2016, and Series K for UF 3,000,000 at a rate of 3.9% annually for a term of 22 years with a single payment of principal at the maturity of said term.

On June 7, 2011, the Company placed a series of bonds in the domestic market. Series H for UF 2,500,000 at a rate of 3.5 % of annual interest and a term of 22 years, with principal payments beginning in 2032.

On October 26, 2010, the Company placed two series of bonds for a term of 21 years in the domestic market: Series D for an amount of UF 3,000,000, and Series E for an amount of UF 2,000,000, both series at a rate of 3.85% annual interest, with equal principal payments in the years 2030 and 2031.

On May 19, 2009, the Company placed the Series C for UF 3,000,000 at a 4.5% annual rate and a term of 21 years, with principal payments beginning in 2019.

The movement of the ending year of the other current and non-current financial liabilities is as follows:

	As of December 31, 2019	Cash Flow	Interest	Other non- monetary movements	As of June 30, 2020
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Bank obligations	344,113,206	151,876,429	6,502,470	5,461,500	507,953,605
Public bond obligations	470,529,785	156,146,306	9,894,472	7,908,567	644,479,130
Hedging derivatives	79,109,976	-	-	(20,634,887)	58,475,089
<b>Total</b>	<b>893,752,967</b>	<b>308,022,735</b>	<b>16,396,942</b>	<b>(7,264,820)</b>	<b>1,210,907,824</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 16. TRADE AND OTHER ACCOUNTS PAYABLE

The balance corresponds mainly to obligations with providers as a result of the normal activity of the operations of the malls, the construction of new malls and the expansion of some malls.

#### a) Trade and other current accounts payable

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Accounts payable	36,102,800	39,799,485
Notes payable	279,086	213,596
Misc. current creditors	151,838	68,174
Dividends payable	8,606	31,408,495
<b>Total</b>	<b>36,542,330</b>	<b>71,489,750</b>

Terms and conditions of these liabilities:

- I. Accounts payable do not accrue interest and are normally settled within 30 days from the date of receipt of the invoice.
- II. Documents payable correspond mainly to expired checks from providers.

#### b) Non-current accounts payable

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Notes payable	1,096,819	1,074,495
<b>Total</b>	<b>1,096,819</b>	<b>1,074,495</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 16. TRADE AND OTHER ACCOUNTS PAYABLE (continued)

#### c) Stratification of suppliers and accounts payable

##### c.1) Suppliers with daily payments

As of June 30, 2020:

Supplier type	Amounts according to terms of payment						Total ThCh\$
	Up to 30 days ThCh\$	31-60 days ThCh\$	61-90 days ThCh\$	91-120 days ThCh\$	121-365 days ThCh\$	366 or more days ThCh\$	
Goods	6,147,465	-	-	-	-	-	6,147,465
Services	29,906,354	-	-	-	-	-	29,906,354
<b>Total</b>	<b>36,053,819</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>36,053,819</b>

As of December 31, 2019:

Supplier type	Amounts according to terms of payment						Total ThCh\$
	Up to 30 days ThCh\$	31-60 days ThCh\$	61-90 days ThCh\$	91-120 days ThCh\$	121-365 days ThCh\$	366 or more days ThCh\$	
Goods	7,871,651	-	-	-	-	-	7,871,651
Services	31,783,717	-	-	-	-	-	31,783,717
<b>Total</b>	<b>39,655,368</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,655,368</b>

##### c.2) Suppliers with expired deadlines

Given the conservative financial policy of Plaza and Subsidiaries, the Company has a solid liquidity position that enables it to meet its obligations with several suppliers without facing major inconveniences. Therefore, the amounts shown as past due receivables as of June 30, 2020 and December 2019, correspond mainly to certain cases where invoices show documentary reconciliation differences; however, most differences are corrected in the short term due to the continuous management of our suppliers' debts.

As of June 30, 2020:

Supplier type	Amounts according to terms of payment						Total ThCh\$
	Up to 30 days ThCh\$	31-60 days ThCh\$	61-90 days ThCh\$	91-120 days ThCh\$	121-180 days ThCh\$	181 or more days ThCh\$	
Goods	-	-	-	-	-	-	-
Services	-	11,126	37,855	-	-	-	48,981
<b>Total</b>	<b>-</b>	<b>11,126</b>	<b>37,855</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>48,981</b>

As of December 31, 2019:

Supplier type	Amounts according to terms of payment						Total ThCh\$
	Up to 30 days ThCh\$	31-60 days ThCh\$	61-90 days ThCh\$	91-120 days ThCh\$	121-180 days ThCh\$	181 or more days ThCh\$	
Goods	-	-	-	-	-	-	-
Services	-	32,398	111,719	-	-	-	144,117
<b>Total</b>	<b>-</b>	<b>32,398</b>	<b>111,719</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144,117</b>

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 16. TRADE AND OTHER ACCOUNTS PAYABLE (continued)

#### d) Main suppliers

Here are the top 10 suppliers in terms of the amount of purchases made during the ending year ended June 30, 2020:

Supplier name	Percentage of purchases
Enel Distribucion Chile S.A.	7.9%
Constructora De Vicente S.A.	6.9%
Constructora Sigro S.A.	6.2%
Termika Servicios Multitecnicos S.A.	6.2%
Constructora Inarco S.A.	6.1%
Chubb Seguros Chile S.A.	5.5%
Securitas S.A.	3.1%
Inversiones Constanza Limitada	2.2%
Est. Cen. Parking System Chile S.A.	1.9%
Claro Servicios S.A.	1.8%

The average term of payment to suppliers from the date of receipt of the invoice is as follows:

Concept / days	As of June 30 2020	As of December 31 2019
Goods	22	21
Services	21	22

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 17. LEASE LIABILITIES

The composition of lease liabilities is as follows:

Rental associated with	Currents			Non-currents			Total
	1 to 3 Months	3 to 12 Months	Total	1 to 5 Years	5 or more years	Total	
Contract for Land	158,152	479,187	637,339	2,157,944	9,604,461	11,762,405	12,399,744
Contract for Facilities	244,431	406,330	650,761	1,241,437	449,641	1,691,078	2,341,839
Other Contract	125,048	283,370	408,418	1,389,833	1,718,214	3,108,047	3,516,465
<b>Total</b>	<b>527,631</b>	<b>1,168,887</b>	<b>1,696,518</b>	<b>4,789,214</b>	<b>11,772,316</b>	<b>16,561,530</b>	<b>18,258,048</b>

Rental associated with	Currents			Non-currents			Total
	1 to 3 Months	3 to 12 Months	Total	1 to 5 Years	5 or more years	Total	
Contract for Land	107,939	328,414	436,353	2,122,531	9,996,663	12,119,194	12,555,547
Contract for Facilities	234,531	653,192	887,723	1,307,953	540,972	1,848,925	2,736,648
Other Contract	171,117	516,608	687,725	2,857,742	-	2,857,742	3,545,467
<b>Total</b>	<b>513,587</b>	<b>1,498,214</b>	<b>2,011,801</b>	<b>6,288,226</b>	<b>10,537,635</b>	<b>16,825,861</b>	<b>18,837,662</b>

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Balance as of January 1, 2020	18,837,662	3,542,931
Increase by application of new accounting standards (1)	-	13,974,225
<b>Initial balance</b>	<b>18,837,662</b>	<b>17,517,156</b>
Lease liabilities	-	3,036,572
Interest expenses	276,072	583,813
Payments made	(1,286,990)	(2,316,715)
Foreign currency exchange difference	203,025	-
Conversion difference	228,279	16,836
<b>Total</b>	<b>18,258,048</b>	<b>18,837,662</b>

(1) Correspond to the effect by application of IFRS16 (see note 2.27).

### 18. CURRENT TAX LIABILITIES

The composition of current tax liabilities is as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Current income tax provision	9,130,113	32,106,380
Obligatory M.P.P.s paid (Less)	(5,963,585)	(27,710,465)
<b>Total</b>	<b>3,166,528</b>	<b>4,395,915</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 19. EMPLOYEE BENEFIT PROVISIONS

a) The balances that make up the employee benefit provisions correspond to:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Vacation provision	1,393,345	1,461,822
Profit sharing and bonuses	1,342,059	6,179,133
Withholdings	468,408	613,565
Remunerations	58,111	-
<b>Total current</b>	<b>3,261,923</b>	<b>8,254,520</b>
Profit sharing and bonuses	1,349,736	4,992,047
<b>Total non-current</b>	<b>1,349,736</b>	<b>4,992,047</b>

b) The following is the detail of the expenses for employee benefits included in the Statement of Comprehensive Income:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Remuneration and other benefits	(10,121,363)	(9,911,099)	(4,848,965)	(5,056,833)
Bonuses and incentives	(795,127)	(2,885,811)	(416,963)	(1,492,611)
Severance provisions	(616,062)	(376,790)	(207,462)	(199,645)
Provision for staff vacations	40,559	99,122	(176,802)	(69,642)
<b>Total expenses for benefits to employees</b>	<b>(11,491,993)</b>	<b>(13,074,578)</b>	<b>(5,650,192)</b>	<b>(6,818,731)</b>

### 20. OTHER NON-FINANCIAL LIABILITIES

The composition of the other current and non-current non-financial liabilities is as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
VAT tax debit	949,682	3,548,624
Deferred income (see letter a)	679,051	761,608
Others	387,664	417,788
<b>Total current</b>	<b>2,016,397</b>	<b>4,728,020</b>
Guarantees received	16,979,085	16,010,476
Deferred income (see letter a)	6,480,624	6,670,931
<b>Total non-current</b>	<b>23,459,709</b>	<b>22,681,407</b>



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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 20. OTHER NON-FINANCIAL LIABILITIES (continued)

a) The composition of the deferred income balances is as follows:

	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
At the beginning of the year	7,432,539	5,278,466
Received during the fiscal period/ year	592,610	2,623,796
Recognized in the Income Statement	(865,474)	(469,723)
<b>Total</b>	<b>7,159,675</b>	<b>7,432,539</b>

### 21. CAPITAL ISSUED

a) Shares

The Company has issued a single series of ordinary shares, which enjoys the same voting rights, without any preference.

	As of June 30 of 2020	As of December 31 of 2019
Ordinary shares without par value	1,960,000,000	1,960,000,000
<b>Total Shares</b>	<b>1,960,000,000</b>	<b>1,960,000,000</b>

b) Common shares issued and fully paid

	Shares	ThCh\$
As of January 1, 2020	1,960,000,000	175,122,686
Movements made between 01-01-2020 and 06-30-2020	-	-
<b>As of June 30, 2020</b>	<b>1,960,000,000</b>	<b>175,122,686</b>
As of January 1, 2019	1,960,000,000	175,122,686
Movements made between 01-01-2019 and 12-31-2019	-	-
<b>As of December 31, 2019</b>	<b>1,960,000,000</b>	<b>175,122,686</b>

Basic earnings per share is calculated by dividing net income for the ending year attributable to ordinary equity holders of the controlling company by the weighted average number of ordinary shares outstanding during the ending period.

The Company has not carried out any type of operation with a potential dilutive effect that results in diluted earnings per share, different from the basic earnings per share.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 21. CAPITAL ISSUED (continued)

c) Summary financial information of the subsidiary with non-controlling interests:

The following is the financial information of the subsidiary that has relevant non-controlling interests for Plaza S.A., before eliminations and other consolidation adjustments:

Nuevos Desarrollos S.A. Consolidated	As of June 30	As of December 31
	of 2020 ThCh\$	of 2019 ThCh\$
Non-controlling percentage	22.50%	22.50%
Current assets	143,995,542	52,433,916
Non-current assets	914,528,432	918,427,616
Current liabilities	(136,319,626)	(106,149,202)
Non-current liabilities	(395,492,223)	(349,583,144)
<b>Net assets</b>	<b>526,712,125</b>	<b>515,129,186</b>
<b>Carrying value of non-controlling interests</b>	<b>118,510,228</b>	<b>115,904,067</b>

Nuevos Desarrollos S.A. Consolidated	For the 6 months ended June 30	
	2020 ThCh\$	2019 ThCh\$
Revenue	27,376,299	43,926,413
Profit (loss)	(878,435)	13,142,585
Total comprehensive income	11,174,053	8,551,484
<b>Profit (loss) attributable to non-controlling interests</b>	<b>(197,648)</b>	<b>2,957,082</b>
Cash flow from operating activities	18,536,611	34,767,547
Cash flow from investing activities	(5,185,198)	469,901
Cash flow from financing activities, before dividends paid to non-controllers	84,830,433	(44,403,962)
Cash flow from financing activities, cash dividends to non-controllers	(1,390,787)	(2,541,065)

d) Other reserves:

The movement of the other reserves is detailed below:

Other reserves	As of June 30, 2020 ThCh\$	As of December 31, 2019 ThCh\$
Reserves for investment differences (1)	(65,262,934)	(65,262,934)
Conversion reserves	9,168,068	12,498,839
Capital adjustment for price-level restatement (2)	3,973,339	3,973,339
Cash flow hedge reserves	(1,131,005)	(10,877,303)
Decrease due to changes in the participation of subsidiaries (3)	(2,619,633)	(2,619,633)
Constitution of legal reserve in associates	3,320,732	2,854,172
Other reserves	197,641	197,641
<b>Total movements from the year / period</b>	<b>(52,353,792)</b>	<b>(59,235,879)</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 21. CAPITAL ISSUED (continued)

d) Other reserves (continued)

(1) Correspond to the difference between the value of the investment and carrying value of the investment at moment of the initial adoption of IFRS.

(2) Effect generated by the conversion to IFRS only once as a result of the obligation to apply CPI for local purposes.

(3) Effect generated by acquisition of additional participation in a subsidiary

e) Dividend policy

The dividend policy of Plaza S.A. consists of annually distributing, at least 40% of the company's profits for each ending year.

On January 25, 2017, the Board of Directors of the Company agreed that, based on the results of 2016, the Liquid and Distributable Profit will be that appearing in the Annual Financial Statements in the "Income attributable to equity holders of the parent" excluding:

i. The income that is the result of valuations at fair value, both of assets and liabilities, that have not been monetized or realized, and that arise as a result of business combinations, including affiliates (subsidiaries) and associates; those that will be reinstated at the time of their monetization or realization; and,

ii. The income not monetized or realized by revaluation at fair value of investment properties; those that will be reintegrated into the net income at the time of their monetization or realization.

The effects of deferred taxes associated with the concepts indicated in paragraphs i and ii above will follow the same fate as the items that originate them.

As of June 01, 2020, and December 2019, no results have been generated that imply adjustments to the results obtained as of said dates.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 22. DIVIDENDS PAID AND PROPOSED

The following is the detail of the dividends paid and proposed as of June 30, 2020 and December 2019:

	As of June 30 2020 ThCh\$	As of December 2019 ThCh\$
<b>Provisioned, declared and paid during the year:</b>		
Definitive Dividend 2019 paid on 05-04-2020	30,282,000	-
Interim dividend No.1 paid on 01-17-2019	-	11,760,000
Definitive Dividend 2018 paid on 04-27-2019	-	35,280,360
<b>Total</b>	<b>30,282,000</b>	<b>35,280,360</b>
<b>Dividend per share</b>	<b>15.45</b>	<b>24.00</b>
<b>Minimum dividend reserve</b>	<b>-</b>	<b>30,022,440</b>

### 23. REVENUE

The composition of revenue for ordinary activities for each year is as follows:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Lease revenue (premises, advertising space)	89,585,063	148,577,240	19,219,801	75,749,600
Other revenue (commissions, fines, commercial indemnities and others)	7,386,260	8,829,233	3,336,231	4,441,763
<b>Total</b>	<b>96,971,323</b>	<b>157,406,473</b>	<b>22,556,032</b>	<b>80,191,363</b>

(Translation of interim consolidated financial statements originally issued in Spanish)

## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 24. OTHER INCOME AND EXPENSES

#### 24.1 Costs and expenses

The sale costs and administration expenses grouped according to their nature are included below:

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Depreciation	(25,329,531)	(23,753,349)	(12,939,069)	(11,918,732)
Amortization	(603,609)	(445,449)	(329,039)	(217,314)
Salaries (see note 19.b)	(11,491,993)	(13,074,578)	(5,650,192)	(6,818,731)
Provision for uncollectible receivables (see note 6.b)	(7,892,747)	(803,140)	(7,802,398)	(303,581)
Service Contracts	(7,186,581)	(9,011,686)	(2,864,229)	(4,682,762)
Patents and taxes	(6,350,958)	(2,707,943)	(3,001,692)	(1,242,597)
Leases and concessions	(704,267)	(390,669)	(274,071)	(146,607)
Others	(3,257,182)	(3,245,832)	(1,275,108)	(1,714,805)
<b>Total costs and expenses</b>	<b>(62,816,868)</b>	<b>(53,432,646)</b>	<b>(34,135,798)</b>	<b>(27,045,129)</b>

Includes net income, costs and expenses related to "common expenses" according to what is mentioned in Note 2.20.

#### 24.2 Other income, by function

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Profit for sale land	-	404,435	-	-
Recovery of write-offs	209,295	112	29,526	112
Other income	40,273	38,353	24,521	120
<b>Total income, by function</b>	<b>249,568</b>	<b>442,900</b>	<b>54,047</b>	<b>232</b>

#### 24.3 Other expenses, by function

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Loss on investment property and intangible assets disposals	(1,289,272)	(755,430)	(616,367)	(348,517)
Taxes, fines and interest	(199,813)	(100,758)	(148,664)	(9,980)
Others	(24,760)	(97,712)	(12,235)	(85,076)
<b>Total Other expenses, by function</b>	<b>(1,513,845)</b>	<b>(953,900)</b>	<b>(777,266)</b>	<b>(443,573)</b>

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 24. OTHER REVENUE AND EXPENSES (continued)

#### 24.4 Financial income

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Financial income obtained in financial investments	988,913	693,250	616,417	293,155
Related company interest (see note 7.3)	246,558	654,341	71,828	296,373
Others	37,954	43,768	19,168	17,978
<b>Total financial income</b>	<b>1,273,425</b>	<b>1,391,359</b>	<b>707,413</b>	<b>607,506</b>

#### 24.5 Financial costs

	For the 6 months ended June 30		For the 3 months ended June 30	
	2020 ThCh\$	2019 ThCh\$	2020 ThCh\$	2019 ThCh\$
Interest on debts and loans	(16,442,060)	(16,067,578)	(8,341,622)	(7,969,442)
Bank charges and fees	(65,704)	(62,875)	(36,690)	(31,100)
<b>Subtotal</b>	<b>(16,507,764)</b>	<b>(16,130,453)</b>	<b>(8,378,312)</b>	<b>(8,000,542)</b>
Result for indexation units	(11,661,422)	(10,024,951)	(4,010,070)	(10,076,295)
Exchange differences	(167,883)	(13,497)	(13,036)	(11,166)
<b>Total financial costs</b>	<b>(28,337,069)</b>	<b>(26,168,901)</b>	<b>(12,401,418)</b>	<b>(18,088,003)</b>

#### 24.6 Research and development costs

The Company has not made significant disbursements related to research and development activities during the ending period ended June 30, 2020 and December 2019.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 25. TRANSACTIONS IN FOREIGN CURRENCY

The composition of the assets and liabilities in foreign currency is as follows:

As of June, 30 2020

ASSETS	As of June 30 of 2020 ThCh\$	As of June 30 of 2020 \$ adjustable	As of June 30 of 2020 \$ non- adjustable	As of June 30 of 2020 U.S. Dollar	As of June 30 of 2020 Peruvian nuevo so	As of June 30 of 2020 Colombian peso
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	280,988,793	-	262,824,509	404,209	1,399,079	16,360,996
Other financial assets, current	583,488	-	583,488	-	-	-
Other non-financial assets, current	18,379,506	13,079,695	4,842,317	2,227	11,942	443,325
Trade receivables and other accounts receivable, current	45,741,527	1,487,665	41,545,993	-	270,077	2,437,792
Accounts receivable from related entities, current	33,551,681	-	33,087,547	419,710	3,688	40,736
Tax assets, current	12,802,831	4,103,343	8,046,292	-	27,160	626,036
<b>Total current assets in operation</b>	<b>392,047,826</b>	<b>18,670,703</b>	<b>350,930,146</b>	<b>826,146</b>	<b>1,711,946</b>	<b>19,908,885</b>
Non-current assets classified as held for sale and discontinued operations	16,981,092	-	16,981,092	-	-	-
<b>Total current assets</b>	<b>409,028,918</b>	<b>18,670,703</b>	<b>367,911,238</b>	<b>826,146</b>	<b>1,711,946</b>	<b>19,908,885</b>
<b>Non-current assets</b>						
Other non-financial assets, non-current	46,321,789	17,819,616	6,644,746	-	3,644	21,853,783
Accounts receivable, non-current	3,163,782	2,932,065	231,717	-	-	-
Investments accounted for using the equity method	97,166,302	-	-	-	97,166,302	-
Intangible assets other than goodwill	4,601,941	-	4,204,484	-	6,702	390,755
Goodwill	357,778	-	357,778	-	-	-
Properties, plant and equipment	3,552,554	-	2,883,386	-	306,695	362,473
Investment Properties	3,075,122,824	-	2,867,462,895	-	3,624,876	204,035,053
Tax assets, non current	10,681,729	-	9,434,745	-	-	1,246,984
Deferred tax assets	15,554,691	-	14,084,455	-	143,698	1,326,538
<b>Total non-current assets</b>	<b>3,256,523,390</b>	<b>20,751,681</b>	<b>2,905,304,206</b>	<b>-</b>	<b>101,251,917</b>	<b>229,215,586</b>
<b>Total assets</b>	<b>3,665,552,308</b>	<b>39,422,384</b>	<b>3,273,215,444</b>	<b>826,146</b>	<b>102,963,863</b>	<b>249,124,471</b>
<b>LIABILITIES</b>						
<b>Liabilities</b>						
<b>Current liabilities</b>						
Other financial liabilities, current	211,962,766	59,557,855	136,742,152	13,787,498	-	1,875,261
Trade accounts payable and other accounts payable	36,542,330	620,910	30,334,340	127,218	83,847	5,376,015
Accounts payable to related entities, current	506,108	-	491,609	14,266	-	233
Lease liability current	1,696,518	1,288,100	-	289,733	45,082	73,603
Other short-term provisions	640,412	-	640,412	-	-	-
Current tax liabilities	3,166,528	-	3,100,885	-	63,714	1,929
Employee benefit provisions, current	3,261,923	854,899	2,080,679	-	-	326,345
Other non-financial liabilities, current	2,016,397	-	1,525,102	-	66	491,229
<b>Total current liabilities</b>	<b>259,792,982</b>	<b>62,321,764</b>	<b>174,915,179</b>	<b>14,218,715</b>	<b>192,709</b>	<b>8,144,615</b>
<b>Non-current liabilities</b>						
Other financial liabilities, non-current	998,945,058	886,024,330	28,716,511	-	-	84,204,217
Accounts payable, non-current	1,096,819	1,085,050	-	-	11,769	-
Lease liability non-current	16,561,530	13,453,483	-	2,871,562	33,755	202,730
Deferred tax liabilities	437,459,238	-	437,459,238	-	-	-
Employee benefit provisions, non-current	1,349,736	1,349,736	-	-	-	-
Other non-financial liabilities, non-current	23,459,709	11,766,096	11,418,605	107,112	23,544	144,352
<b>Total non-current liabilities</b>	<b>1,478,872,090</b>	<b>913,678,695</b>	<b>477,594,354</b>	<b>2,978,674</b>	<b>69,068</b>	<b>84,551,299</b>
<b>Total Liabilities</b>	<b>1,738,665,072</b>	<b>976,000,459</b>	<b>652,509,533</b>	<b>17,197,389</b>	<b>261,777</b>	<b>92,695,914</b>

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### 25. TRANSACTIONS IN FOREIGN CURRENCY (continued)

The composition of the assets and liabilities in foreign currency is as follows:

As of December, 31 2019

ASSETS	As of December of 2019 ThCh\$	As of December of 2019 \$ adjustable	As of December of 2019 \$ non-adjustable	As of December of 2019 Dólares	As of December of 2019 Soles peruanos	As of December of 2019 \$ Colombianos
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	35,722,612	-	4,955,381	877,584	661,767	29,227,880
Other financial assets, current	820,621	-	224,896	-	595,725	-
Other non-financial assets, current	12,514,206	10,677,518	1,731,986	4,067	25,035	75,600
Trade receivables and other accounts receivable, current	65,826,632	1,091,823	62,155,378	253,683	42,592	2,283,156
Accounts receivable from related entities, current	10,170,227	-	9,543,715	477,063	-	149,449
Tax assets, current	12,834,315	4,037,825	8,292,120	-	-	504,370
<b>Total current assets in operation</b>	<b>137,888,613</b>	<b>15,807,166</b>	<b>86,903,476</b>	<b>1,612,397</b>	<b>1,325,119</b>	<b>32,240,455</b>
Non-current assets classified as held for sale and discontinued operations	16,981,092	-	16,981,092	-	-	-
<b>Total current assets</b>	<b>154,869,705</b>	<b>15,807,166</b>	<b>103,884,568</b>	<b>1,612,397</b>	<b>1,325,119</b>	<b>32,240,455</b>
<b>Non-current assets</b>						
Other non-financial assets, non-current	42,582,543	14,451,738	5,442,158	-	6,983	22,681,664
Accounts receivable, non-current	3,093,085	2,869,822	223,263	-	-	-
Investments accounted for using the equity method	94,786,551	-	73,141,820	-	21,644,731	-
Intangible assets other than goodwill	4,665,718	-	4,241,878	-	6,533	417,307
Goodwill	357,778	-	357,778	-	-	-
Properties, plant and equipment	3,346,491	-	2,921,351	-	1,450	423,690
Investment Properties	3,052,309,866	-	2,842,506,064	-	3,854,285	205,949,517
Tax assets, non current	13,559,188	-	12,255,523	-	-	1,303,665
Deferred tax assets	14,344,008	-	13,100,118	-	83,156	1,160,734
<b>Total non-current assets</b>	<b>3,229,045,228</b>	<b>17,321,560</b>	<b>2,954,189,953</b>	<b>-</b>	<b>25,597,138</b>	<b>231,936,577</b>
<b>Total assets</b>	<b>3,383,914,933</b>	<b>33,128,726</b>	<b>3,058,074,521</b>	<b>1,612,397</b>	<b>26,922,257</b>	<b>264,177,032</b>

LIABILITIES	As of December of 2019 ThCh\$	As of December of 2019 \$ reajustables	As of December of 2019 \$ no reajutable	As of December of 2019 Dólares	As of December of 2019 Soles peruanos	As of December of 2019 \$ Colombianos
<b>Liabilities</b>						
<b>Current liabilities</b>						
Other financial liabilities, current	110,428,450	61,529,752	45,758,203	-	-	3,140,495
Trade accounts payable and other accounts payable	71,489,750	990,410	65,233,433	143,660	31,489	5,090,758
Accounts payable to related entities, current	658,806	-	378,877	47,516	986	231,427
Lease liability current	2,011,801	1,204,789	119,286	514,904	98,002	74,820
Other short-term provisions	470,259	-	470,259	-	-	-
Current tax liabilities	4,395,915	-	4,338,355	-	52,407	5,153
Employee benefit provisions, current	8,254,520	1,623,187	5,948,127	-	-	683,206
Other non-financial liabilities, current	4,728,020	-	3,611,645	-	54	1,116,321
<b>Total current liabilities</b>	<b>202,437,521</b>	<b>65,348,138</b>	<b>125,858,185</b>	<b>706,080</b>	<b>182,938</b>	<b>10,342,180</b>
<b>Non-current liabilities</b>						
Other financial liabilities, non-current	783,324,517	694,327,330	1,033,213	-	-	87,963,974
Accounts payable, non-current	1,074,495	1,070,446	-	-	4,049	-
Lease liability non-current	16,825,861	13,968,119	-	2,594,787	11,986	250,969
Deferred tax liabilities	440,007,841	-	440,007,841	-	-	-
Employee benefit provisions, non-current	4,992,047	4,992,047	-	-	-	-
Other non-financial liabilities, non-current	22,681,407	11,199,873	11,222,465	97,656	16,913	144,500
<b>Total non-current liabilities</b>	<b>1,268,906,168</b>	<b>725,557,815</b>	<b>452,263,519</b>	<b>2,692,443</b>	<b>32,948</b>	<b>88,359,443</b>
<b>Total Liabilities</b>	<b>1,471,343,689</b>	<b>790,905,953</b>	<b>578,121,704</b>	<b>3,398,523</b>	<b>215,886</b>	<b>98,701,623</b>



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## PLAZA S.A. AND SUBSIDIARIES

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### 26. FINANCIAL INFORMATION BY OPERATING SEGMENTS

The operating segments of the Company have been determined according to the main business activities that the Plaza and Subsidiaries develops and that are regularly reviewed by the senior management, in order to measure performance, evaluate risks and allocate resources, and for which there is information available. Because the Company develops a single business, the real estate, the Company has made the segmentation by geographical area. The information that the Company's Management regularly examines, corresponds to the results of Chile and the results abroad.

The management reports and those that emanate from the accounting of the Company, use in their preparation the same policies described in the accounting criteria note and there are no differences total level between the measures of the results, the assets and liabilities of the segments, respect of the accounting criteria applied.

Below is the information by segment described above:

	For the 6 months ended June 30							
	2020				2019			
	Chile ThCh\$	Colombia ThCh\$	Perú ThCh\$	Total Negocio ThCh\$	Chile ThCh\$	Colombia ThCh\$	Perú ThCh\$	Total Negocio ThCh\$
Revenue	91,027,448	5,414,265	529,610	96,971,323	151,755,873	4,843,400	807,200	157,406,473
Cost of sales	(35,897,421)	(3,802,947)	(306,448)	(40,006,816)	(34,418,532)	(2,077,276)	(379,564)	(36,875,372)
Administrative expenses	(19,975,396)	(2,516,736)	(317,920)	(22,810,052)	(14,517,733)	(1,964,746)	(74,795)	(16,557,274)

	For the 3 months ended June 30							
	2020				2019			
	Chile ThCh\$	Colombia ThCh\$	Perú ThCh\$	Total Negocio ThCh\$	Chile ThCh\$	Colombia ThCh\$	Perú ThCh\$	Total Negocio ThCh\$
Revenue	20,810,648	1,625,435	119,949	22,556,032	77,471,647	2,310,204	409,512	80,191,363
Cost of sales	(16,982,466)	(1,737,179)	(86,610)	(18,806,255)	(17,301,846)	(1,051,055)	(193,116)	(18,546,017)
Administrative expenses	(13,779,171)	(1,309,163)	(241,209)	(15,329,543)	(7,523,453)	(929,973)	(45,686)	(8,499,112)

	As of June 30, 2020				As of December 31, 2019			
	Chile ThCh\$	Colombia ThCh\$	Perú ThCh\$	Total Negocio ThCh\$	Chile ThCh\$	Colombia ThCh\$	Perú ThCh\$	Total Negocio ThCh\$
Intangible assets other than goodwill	4,204,484	390,755	6,702	4,601,941	4,241,878	417,307	6,533	4,665,718
Property, plant and equipment	2,883,386	362,473	306,695	3,552,554	2,921,351	423,690	1,450	3,346,491
Investment Properties	2,867,462,895	204,035,053	3,624,876	3,075,122,824	2,842,506,064	205,949,517	3,854,285	3,052,309,866
Other financial liabilities	1,124,828,348	86,079,478	-	1,210,907,826	802,648,498	91,104,469	-	893,752,967

There is only one Plaza and Subsidiaries customer that represents more than 10% of the income from ordinary activities, which is detailed by segment below:

	For the 6 months ended June 30						For the 3 months ended June 30					
	2020			2019			2020			2019		
	Chile ThCh\$	Otros ThCh\$	Total Negocio ThCh\$	Chile ThCh\$	Otros ThCh\$	Total Negocio ThCh\$	Chile ThCh\$	Otros ThCh\$	Total Negocio ThCh\$	Chile ThCh\$	Otros ThCh\$	Total Negocio ThCh\$
	Revenue	12,150,046	565,718	12,715,764	17,105,960	748,068	17,854,028	4,164,139	150,437	8,715,455	352,955	9,068,410

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **26. FINANCIAL INFORMATION BY OPERATING SEGMENTS (continued)**

The information disclosed is presented net of the corresponding eliminations to transactions and results among the companies that comprise it. The results and transactions between the different Consolidated entities are eliminated at the aggregate level, forming part of the final Consolidated Plaza and Subsidiaries. This form of presentation is the same used by Management in the processes Ending year review of the performance of the Company.

### **27. COMMITMENTS, RESTRICTIONS AND CONTINGENCIES**

#### a) Direct Guarantees:

The Company does not currently have direct guarantees to secure obligations of third parties.

#### b) Indirect Guarantees:

The Company has not created indirect guarantees to secure obligations of third parties.

#### c) Judgments:

On September 23, 2011, Inversiones Accionarias Limitada filed an action for the recovery of ownership against Plaza Oeste S.A (Plaza Oeste SpA new name), requesting the restitution of an area of approximately 1,005.80 square meters in the south west of the land on which Mallplaza Norte shopping center is built, as well as payment of reciprocal compensations, impairments and proceeds. In the opinion of the first instance court Plaza Oeste S.A (Plaza Oeste SpA) acted in good faith and accepted the plaintiff's claim in part as it ordered the former to return an area of 895.43 square meters –however, reciprocal compensations, impairments and proceeds were not granted by the court and ordered Inversiones Accionarias Limitada to pay the defendant all the improvements made in the land. Against the ruling a cassation appeal was filed in the form and substance, which was rejected as stated in ruling dated June 27, 2019, thus confirming the first instance ruling. Said ruling does not imply changes that may affect the functioning of the mall or the Company's capacity to operate it.

On July 17, 2020, Plaza Oeste SpA complied with the judgment regarding the procedure followed between said company and Inversiones Accionarias Limitada, relating to the restitution of a plot of land with an area of 895.43 square meters.

The Group has various types of lawsuits that are recorded according to the amount of the trial and its probability of adverse judgment, which is estimated by the legal advisors as probable, unlikely or remote. As of June 30, 2020, the detail of the judgments are as follows:

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### 27. COMMITMENTS, RESTRICTIONS AND CONTINGENCIES (continued)

c) Judgments (continued):

Nature of judgments	Number of judgments	Amount from judgments	Amount provisioned as of June 30, 2020	Amount provisioned as of December 31, 2019
		ThCh\$	ThCh\$	ThCh\$
Civil	45	5,222,592	93,138	129,313
Consumer	127	2,675,649	500,680	277,736
Labor	13	113,862	1,343	-
Others	15	331,557	45,251	63,210
		<b>8,343,660</b>	<b>640,412</b>	<b>470,259</b>

The Company and its subsidiaries have established provisions to cover any adverse effects arising from these contingencies. Management considers that they are sufficient, given the current state of the trials.

d) Other Restrictions:

As of June 30, 2020, the Company has financial restrictions established in contracts for the issuance of public bonds and / or financing with financial institutions:

#### 1. Public bonds

The main covenants regarding the D Bond Series, issued with charge to the Line of Bonds No. 583 registered in the Securities Registry dated April 30, 2009; regarding the C and E Bond Series issued with charge to Line of Bonds No. 584 registered in the Securities Registry dated April 30, 2009; with respect to the H and K Bond Series issued with charge to the Line of Bonds No. 670 registered in the Securities Registry dated May 30, 2011; and with respect to the M and N Bond Series issued with charge to Line of Bonds 766 and 767 respectively, both registered in the Securities Registry dated September 23, 2013, with respect to the P Bond Series issued with charge to the Line of Bonds N°669 registered in the Securities Registry date May 30, 2011, and with respect to the S Bonds series issued with charge with the line of bonds N°980 registered in the Securities Registry date November 15, 2019 are the following:

#### I) Level of indebtedness

As of March 31, 2010, to maintain at the close of each quarter of the Financial Statements of the issuer, a Debt Level defined as the sum of the Other Current Financial Liabilities and Other Non-Current Financial Liabilities, divided by the value of the UF at the closing date of the Consolidated Financial Statements of the Issuer less than or equal to the value established by the formula.

The detail of the calculation of the Maximum Indebtedness Level established in Clause Ten, number One, of the Bond Issuance Contracts by Line of Debt Securities at 10 years and 30 years, and their modifications, are presented.

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## PLAZA S.A. AND SUBSIDIARIES

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### 27. COMMITMENTS, RESTRICTIONS AND CONTINGENCIES (continued)

d) Other Restrictions (continued):

#### 1. Public bonds (continued)

#### l) Level of indebtedness (continued)

Maximum Debt According to Bond Covenant Lines 583, 584, 669, 670, 766,767 and 980 As of June 30 2020.

	Currency	As of June 30, 2020	As of March 31, 2020	Information source
Period <sub>i</sub>		30-06-2020	31-03-2020	
Period <sub>i-1</sub>		31-03-2020	31-12-2019	
UF <sub>i</sub>	\$/UF	28,696.42	28,597.46	
UF <sub>i-1</sub>	\$/UF	28,597.46	28,309.94	
Cash and cash equivalents of the Period <sub>i</sub>	ThCh\$	280,988,793	164,983,293	Statement of Financial Position period i
Cash and cash equivalents of the Period <sub>i-1</sub>	ThCh\$	164,983,293	35,722,612	Statement of Financial Position period i-1
Cash Variation <sub>i</sub>	ThCh\$	116,005,500	129,260,681	
<b>Cash Variation <sub>i</sub></b>	<b>MUF</b>	<b>4,043</b>	<b>4,520</b>	
<b>Guarantees to third parties</b>	<b>There is none</b>	<b>-</b>	<b>-</b>	
Total Equity <sub>i</sub>	ThCh\$	1,926,887,236	1,946,265,803	Statement of Financial Position period i
Dividends Payable <sub>i</sub>	ThCh\$	8,606	31,406,031	Note 16 - Financial Statements period i
Total Equity <sub>i-1</sub>	ThCh\$	1,946,265,803	1,912,571,244	Statement of Financial Position period i-1
Dividends Payable <sub>i-1</sub>	ThCh\$	31,406,031	31,408,494	Note 16 - Financial Statements period i-1
Equity Variation <sub>i</sub>	ThCh\$	(50,775,992)	33,692,096	
<b>Equity Variation <sub>i</sub></b>	<b>MUF</b>	<b>(1,769)</b>	<b>1,178</b>	
Investment Properties i-1 a	ThCh\$	2,859,123,634	2,842,506,064	Statement of Financial Position period i-1
Investment Properties Deferred Interest i-1 b	ThCh\$	437,817,362	438,827,703	Note 14.2 - Financial Statements period i-1
Adjustment for initial revaluation of Investment Prop. to IFRS c	ThCh\$	874,483,983	874,483,983	Note 4 - 4.1 - Financial Statements as of 12.31.2010
Deferred taxes for initial revaluation of Inv. Prop. d	ThCh\$	148,662,277	148,662,277	
Adjustment for initial revaluation of Investment Prop. to IFRS e	ThCh\$	454,824,534	454,824,534	
Deferred taxes for initial revaluation of Inv. Prop. f	ThCh\$	122,799,513	122,799,513	
Percentage variation UF e	ThCh\$	0.35%	1.02%	
Monetary Correction Investment Properties Chile i-1	ThCh\$	4,718,180	13,668,468	
<b>Monetary Correction Investment Properties Chile i-1</b>	<b>MUF</b>	<b>165</b>	<b>478</b>	
<b>Adjust for Investment Properties outside of Chile i-1</b>	<b>MUF</b>	<b>(517)</b>	<b>2,024</b>	
Maximum Debt i-1	MUF	123,733	111,852	
<b>Maximum Debt i</b>	<b>MUF</b>	<b>123,532</b>	<b>123,733</b>	

<sup>a</sup> Net accumulated depreciation Investment Properties in Chile

<sup>b</sup> Associated with Investment Properties in Chile

<sup>c</sup> From Investment Property as of December 31, 2009

<sup>d</sup> Associated with the initial revaluation adjustment IFRS Investment Properties as of December 31, 2009. It represents 17% of the initial revaluation adjustment to IFRS

<sup>e</sup> From the Investment Properties as of December 31, 2016 by re-adoption of IFRS

<sup>f</sup> Associated with the revaluation adjustment of the due to the re-adoption of the IFRS of the Investment Properties as of December 31, 2016. It represents 27% of the revaluation adjustment due to the re-adoption of the IFRS

<sup>g</sup> Percentage variation between the values of UF<sub>i</sub> and UF<sub>i-1</sub>

As of June 30, 2020, the Maximum Allowable Debt amounts to ThUF 123,532 according to the contracts of the government bonds in force. The outstanding debt as of June 30, 2020, amounts to MUF 42,197.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **27. COMMITMENTS, RESTRICTIONS AND CONTINGENCIES (continued)**

d) Other Restrictions (continued):

#### **1. Public bonds (continued)**

#### **II) Essential assets**

#### **Essential assets according to bonds charged to lines 583,784,669,670,766 and 767 as of June 30, 2020.**

Assets corresponding to five hundred thousand square meters of leasable area in Chile that are directly owned by the Issuer or through subsidiary or related companies, or in respect of which the Issuer or any of its subsidiaries or related companies are concession holders under concession agreements whose term of validity is equal to or greater than the term of maturity of the current bonds issued with charge to the lines. For these purposes, in order to determine the leasable square meters in Chile that are owned by subsidiaries or related companies of the Issuer, or of which they are concessionaires according to the aforementioned, only the amount resulting from multiplying (i) all the leasable square meters in Chile that are owned by each subsidiary or related company, or that they have in concession, will be considered; by (ii) the percentage of direct or indirect ownership of the Issuer in the respective Subsidiary or Associate.

#### **Essential assets according to bonds charged to line 980 as of June 30, 2020.**

Assets corresponding to three hundred thousand commercial leasable square meters in Chile that are directly owned by the Issuer or through Subsidiaries or Associates, or with respect to which the Issuer or any of its Subsidiaries or Associates are concessionaires under concession contracts whose term is equal to or greater than the maturity term of the current bonds issued against the lines. For these purposes, in order to determine the commercial leasable square meters in Chile that are owned by Subsidiaries or Associates of the Issuer, or of which are concessionaires according to the aforementioned, only the amount that results from multiplying (i) all of the commercial leasable square meters in Chile that are owned by each Subsidiary or Associate or that they have under concession will be considered; by (ii) the percentage of direct or indirect ownership of the Issuer in the respective Subsidiary or Associate.

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## PLAZA S.A. AND SUBSIDIARIES

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### 27. COMMITMENTS, RESTRICTIONS AND CONTINGENCIES (continued)

d) Other Restrictions (continued):

#### 2. Financial institutions

Company	Covenant	Required Level	Level as of 03.31.2020	Observation	Detail
Nuevos Desarrollos S.A.	Consolidated Current Liabilities + Consolidated Non-Current Liabilities / Total Consolidated Equity	$\leq 2.00$ times	1.01 times	In compliance	Quarterly calculation measured on consolidated Financial Statements of the company for each period
Patrimonio Autónomo Centro Comercial Cartagena	(EBITDA + BOX) / Debt Service	$\geq 1.10$ times	1.16 times	In compliance	Semi-annual calculation measured on the Financial Statements of the company of each semester
	Net Financial Debt <Maximum Indebtedness Level	MM COP 377.566	MM COP 73.888	In compliance	Semi-annual calculation measured on the Financial Statements of the company of each semester
Patrimonio Autónomo Centro Comercial Manizales Dos	(EBITDA + BOX) / Debt Service	$\geq 1.00$ times*	2.24 times	In compliance	Annual calculation measured on the Financial Statements of the company year end
	Net Financial Debt / Equity	$\leq 2.30$ times	0.22 times	In compliance	Annual calculation measured on the Financial Statements of the company year end

(\*) $\geq 1$  for years 1 and 2 of the current ending year  
 $\geq 1.1$  for year 3 of operation

As of the date of these Consolidated Financial Statements, all the agreements established in the debt contracts have been complied with.

### 28. ADMINISTRATION OF FINANCIAL RISKS

Plaza S.A. is exposed to certain risks that could impact, to a greater or lesser extent, its businesses and results adversely. Therefore, the Company has developed a series of actions for the identification, evaluation, mitigation and supervision of the risks it faces, under the COSO ERM (Enterprise Risk Management) risk management model and the risk control segmentation methodology known as Three Defense Barriers. This model is applied in the three countries where Mallplaza operates. Periodically, the first and second defense barriers, made up of those responsible for each process and senior management, carry out an assessment of the Company's risks, in line with the business's value and operational chains, in such a way stay updated on the risks that could impact the development or objectives of Plaza S.A. and its subsidiaries. Additionally, the Company recognizes in the Comptroller's Office its third defense barrier, the objective of which is to verify independently from management, the compliance with the policies and procedures, and it has a direct dependency on the Company's Directors Committee.

#### 1. Financial risks

The main risks of this type to which Plaza S.A. is subject are: (i) liquidity risk, (ii) credit risk, and (iii) market risk. The Board of Directors of Plaza S.A. has approved centralized policies and procedures to manage and minimize exposure to these risks. Likewise, procedures have been established to monitor the evolution of said risks, so that internal policies and procedures are

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 28. ADMINISTRATION OF FINANCIAL RISKS (continued)

#### 1. Financial risks (continued)

continually reviewed to adapt to the changing scenario of the businesses and markets where the Company operates.

##### i) Liquidity risk

The Company manages the liquidity risk by maintaining the necessary amount of cash and cash equivalents to meet the disbursements of its usual operations.

Additionally, Plaza S.A. and Subsidiaries have financing alternatives available, such as lines for bank loans, corporate bonds and trade bills.

Plaza S.A. monitors its liquidity risk with proper planning of its future cash flows, considering its main commitments such as operating flows, debt amortizations, interest payments, dividend payments, tax payments, among others, which are financed if necessary with due anticipation and taking into account potential volatilities in the financial markets.

Likewise, the Company manages its exposure to liquidity risk by investing exclusively in products with a liquidity of less than 90 days and equal to or greater than an AA level credit rating, for which it has policies that limit the type of investment instruments and credit quality of their counterparts.

The following table summarizes the maturity profile of the financial liabilities of Plaza S.A. and subsidiaries as of June 30, 2020, and December 31, 2019, based on contractual financial payment obligations.

As of June 30, 2020	Up to one year ThCh\$	More than 1 year and up to 2 years ThCh\$	More than 2 year and up to 3 years ThCh\$	More than 3 year and up to 4 years ThCh\$	More than 4 year and up to 5 years ThCh\$	More than 5 years ThCh\$	Total ThCh\$
Principal	205,892,402	83,101,530	139,484,442	103,448,693	10,952,273	606,945,356	1,149,824,696
Interest	34,786,928	30,803,136	26,790,888	21,474,633	20,409,498	154,055,196	288,320,279
<b>Totales</b>	<b>240,679,330</b>	<b>113,904,666</b>	<b>166,275,330</b>	<b>124,923,326</b>	<b>31,361,771</b>	<b>761,000,552</b>	<b>1,438,144,975</b>

As of December 31, 2019	Up to one year ThCh\$	More than 1 year and up to 2 years ThCh\$	More than 2 year and up to 3 years ThCh\$	More than 3 year and up to 4 years ThCh\$	More than 4 year and up to 5 years ThCh\$	More than 5 years ThCh\$	Total ThCh\$
Principal	104,829,936	11,667,926	85,082,896	147,778,737	38,944,166	428,290,767	816,594,428
Interest	30,000,316	27,118,691	25,667,094	19,119,684	17,009,129	126,955,441	245,870,355
<b>Totales</b>	<b>134,830,252</b>	<b>38,786,617</b>	<b>110,749,990</b>	<b>166,898,421</b>	<b>55,953,295</b>	<b>555,246,208</b>	<b>1,062,464,783</b>

Additionally, Plaza S.A. manages a capital structure necessary to give continuity and stability to its business. It continuously monitors its capital structure and that of its subsidiaries, in order to maintain an optimal structure that allows it to reduce the cost of capital and maximize the

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 28. ADMINISTRATION OF FINANCIAL RISKS (continued)

#### 1. Financial risks (continued)

##### (i) Liquidity risk (continued)

economic value of the Company. Plaza S.A. monitors capital using a consolidated net financial debt to equity ratio. As of June 30, 2020, the aforementioned index was 0.48 times.

The Company maintains a credit rating local in Chile with Humphreys, Fitch Ratings and Feller, which have given it the following rating:

	Humphreys	Fitch Ratings	Feller
Bonds and Lines of Bonds	AA+	AA+	AA+
Commercial papers	Level 1+ / AA+	Nivel 1+ / AA+	Nivel 1+ / AA+

##### (ii) Credit risk

Credit risk is the risk of loss for Plaza S.A. and Subsidiaries in the event that a client or other counterparty does not fulfill its contractual obligations. Plaza S.A. and subsidiaries have a diversified client portfolio, together with guarantees to cover bad debt risks.

Debtors are presented at net value, that is, discounted by the bad debt estimates. These estimates are given through a centralized process, through a model that associates the client by term and type of default of their accounts receivable and the guarantees established in favor of the company.

Through its Credit and Collections area, the Corporate Administration and Finance Management is responsible for minimizing the risk of accounts receivable, by evaluating the risk of the lessees and managing the accounts receivable. Plaza S.A. has a centralized process for evaluating the risk of its clients, and determines a classification for each of them, which is governed by commercial risk policies and the risk analysis procedure. In this process, the financial situation of the client is analyzed in order to determine the level of associated risk, thus, establishing the constitution of guarantees if necessary.

The Company requests the constitution of guarantees from its clients based on the risk analyzes carried out by the Corporate Administration and Finance Management.



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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 28. ADMINISTRATION OF FINANCIAL RISKS (continued)

#### 1. Financial risks (continued)

##### (ii) Credit risk

The guarantees received by the Company are:

Guarantees	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Receipts	43,110,364	46,613,286
Insurance Policies	3,411,013	474,926
Cash	16,979,085	16,010,476
<b>Total</b>	<b>63,500,462</b>	<b>63,098,688</b>

During the period as of June 30, 2020, and December 31, 2019, no material guarantees have been executed as a consequence of late payment of customers.

The credit quality of trade receivables that have not yet matured and that have not suffered impairment losses is evaluated, based on the credit rating given by the financial area through the Company's internal indices.

Internal credit rating	% Maturing debt	As of June 30 of 2020 ThCh\$	As of December 31 of 2019 ThCh\$
Group A	Greater than or equal to 70%	24,898,338	46,171,964
Group B	Less than 70% and greater to 40%	1,971,543	9,084,320
Group C	Less than 40% and greater to 10%	1,997,425	1,450,731
Group D	Less than 10%	1,054,961	191,732
		<b>29,922,267</b>	<b>56,898,747</b>

The unexpired and non-impaired balances include accounts whose conditions have been renegotiated in the short term for the following amounts and that to date they have submitted compliance in their payments:

	ThCh\$
As of June 30, 2020	3,172,460
As of December 31 of 2019	1,341,278

##### (iii) Market risk

The main market risks to which Plaza S.A. is exposed are (a) the exchange rate, (b) interest rates and (c) inflation.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **28. ADMINISTRATION OF FINANCIAL RISKS (continued)**

#### **1. Financial risks (continued)**

##### **(iii) Market risk (continued)**

###### **(a) Exchange rate risk**

The Company is exposed to two sources of risk of adverse movements in the price of currencies. The first corresponds to financial debt issued in currencies other than the functional currency of the business, while the second corresponds to investments abroad. Given the above, the company bases its financing only in the currencies of the business in each country, and if this is not possible, hedging derivatives are used.

As of June 30, 2020, 92.9% of the consolidated financial debt, after hedging, was expressed in UF and 7.1% in Colombian pesos. Thus, as of this date, the Company's consolidated debt does not present material risk due to the exchange rate.

###### **(b) Interest rate risk**

Plaza S.A. owns most of its financial debt at a fixed and long-term interest rate, in order to decrease exposure to fluctuations that may occur in variable interest rates and that may impact financial expenses.

As of June 30, 2020, it has 100% of its financial debt, after currency hedges, and at a fixed interest rate.

###### **(c) Inflation risk**

Most of the Company's income is adjusted due to the respective inflation in Chile, Peru and Colombia. In the case of Chile, these are denominated in Unidades de Fomento (UF) and considering that most of the consolidated financial debt after hedging is indexed to the same indexed unit, it is possible to establish that The Company maintains a natural economic hedge that protects it from the inflation risk present in the consolidated debt after hedges (income indexed to the UF in Chile or CPI in Peru and Colombia).

On the other hand, due to the fact that the accounting standards do not contemplate the accounting for this type of coverage, it is possible to foresee that an increase of 3% in the value of the UF in the horizon of one year would generate a negative impact on the annual results of the Company of approximately ThCh\$ 36,213,640, considering the readjustments of debt instruments indexed by inflation.

The Company uses derivative financial instruments such as forward contracts, swaps and cross currency swaps in order to minimize the risk generated in financing by the volatility of currencies and rates other than Unidades de Fomento in Chile or indexed to the CPI Peru and Colombia.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 28. ADMINISTRATION OF FINANCIAL RISKS (continued)

#### 1. Financial risks (continued)

##### (iii) Market risk (continued)

##### (c) Inflation risk (continued)

The role of these derivatives is that the instruments used cover the flows committed by the Company. As of June 30, 2020 Plaza S.A. and subsidiaries have the following derivative contracts:

Debtor	Unique Tax Identification	Counterparty	Bank pays CLP (Contracted)	Rate CLP (*)	Bank receives UF	Rate UF	Start date	End date
Nuevos Desarrollos S.A.	76.882.330-8	Banco Santander	42,739,560,000	2.72%	1,500,000.00	-0.140%	05-03-2020	01-09-2020
Nuevos Desarrollos S.A.	76.882.330-8	Banco de Chile	14,284,010,000	3.68%	500,000.00	1.390%	23-03-2020	23-03-2021
Nuevos Desarrollos S.A.	76.882.330-8	Banco Estado	49,617,620,000	5.13%	2,000,000.00	2.455%	11-05-2015	11-05-2021
<b>Totals</b>			<b>106,641,190,000</b>		<b>4,000,000</b>			

Plaza S.A. only carries out derivative operations of the hedging type, and with counterparties that have a minimum level of risk classification of level AA, according to local risk classification, which are also subject to a credit analysis, prior to entering into any operation.

#### 2. Damage to people and assets

The Company operates a significant number of physical facilities necessary for the operation of the business, which are subject to the occurrence of events that could harm its operation, such as: fires, natural disasters (floods, earthquakes, excessive rainfall), assaults, looting, violent demonstrations, or other types of incidents with damage, closure of premises and suspension of activities by order of authority in states of constitutional exception or situations of health emergency, and others. These, in addition, present a potential harm to the people who attend the Company's facilities, be they customers, workers, suppliers, contractors or others. This risk is mitigated through compliance with the standards in terms of construction and physical security, such as: anti-seismic and fire protection systems. In addition, the risk of harm to people is mitigated by our occupational health and safety program, and the maintenance of whose compliance and results are continuously monitored. On the other hand, the impact on assets is outsourced through the contracting of insurance policies that cover the operational risks of investment properties (shopping centers in operation and construction) and the income streams associated with these, through first-rate insurance companies.

#### 3. Changes in current laws and regulations

A possible change in the current regulatory framework could affect the income or costs of Plaza S.A. and Subsidiaries. For example, a change in labor regulations could restrict the opening hours of shopping centers on holidays. On the other hand, its profitability could be affected by a negative change in the regulations associated with land or construction. These types of regulatory changes are followed and analyzed by the different areas of the Company involved, in order to anticipate and to ensure compliance in the most efficient way possible.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **28. ADMINISTRATION OF FINANCIAL RISKS (continued)**

#### **4. Environmental risks - climate change**

As real estate owners, the Company could face contamination liabilities within the communities where the shopping malls are located, for which Plaza S.A. has established policies and procedures to ensure compliance with current environmental regulations and also, to ensure sustainable operation of its urban centers, based on best practices.

#### **5. Business cycle**

In general, the sales of our lessees are directly correlated with the development of gross domestic product and consumption. The drop in people's available income, caused by an eventual economic contraction, could affect the occupancy rate and the income of Shopping Centers. However, the commercial policy of Plaza S.A. is focused on mainly fixed collections not associated with the sales of its lessees, so the income of Plaza S.A. is less sensitive to the economic cycle of the income obtained by the commercial premises generated through their sales. Additionally, we have an established collection process with indicators and goals that are continuously monitored. In addition, the Company's lease income comes from different types of operators, of which between the business cycles in some cases there is an inverse correlation, such as: supermarkets, home improvement stores, service establishments, specialized stores, medical and health buildings, offices, centers of education and entertainment (cinemas and restaurants), among others.

#### **6. Computer and technological security risks**

There are potential risks associated with digital security breaches, whether through cyber attacks, malware, computer viruses, email attachments, among others. In this regard, Plaza S.A. manages the security and integrity of its IT networks and related systems to minimize the effect of an eventual interruption of the continuity of the systems, relying on companies specialized in these risks.

#### **7. Retail sales through the internet**

In recent years, retail sales through electronic commerce via the Internet have increased, which could eventually affect the flow of visitors to shopping centers. Plaza S.A. manages this risk by strengthening a high diversification in its proposal to visitors, concentrating a relevant mix of non-retail uses in its shopping centers, such as restaurants, play areas, cinemas, clinical buildings, education centers, service centers, offices and car sales. In turn, the remaining space associated with retail is distributed in department stores, supermarkets, home improvement stores and specialized retail trade. This diversification enables Mallplaza shopping centers to generate multiple reasons for visits, where citizens have the possibility of enjoying multiple interactions, which enhance their visits to the shopping center.

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## PLAZA S.A. AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### 28. ADMINISTRATION OF FINANCIAL RISKS (continued)

#### 8. Risks of talent loss

The Company depends on the experience and knowledge of its executives, collaborators and directors for its daily operation and to execute its investment plans. To attract and retain talent, the flight of which could impact the ability to compete effectively and continue to grow, the Company has established processes talent development and retention, whose results are continuously monitored.

#### 9. Availability of land

An important variable for future growth is the availability of adequate plots of land to develop shopping center projects. In this regard, Plaza S.A. already owns a number of plots of land that will allow it to develop commercial projects in the coming years. These projects will only be developed when the Company considers that there is sufficient associated demand and that they are profitable.

### 29. FINANCIAL INSTRUMENTS

#### a) Composition of financial assets and liabilities

	As of June 30, 2020		As of December 31, 2019	
	Current	Non current	Current	Non current
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Cash and cash equivalents	280,988,793	-	35,722,612	-
Other financial assets	583,488	-	820,621	-
Trade and other receivables	45,741,527	3,163,782	65,826,632	3,093,085
Accounts receivable from related entities	33,551,681	-	10,170,227	-
<b>Total financial assets</b>	<b>360,865,489</b>	<b>3,163,782</b>	<b>112,540,092</b>	<b>3,093,085</b>
Bank obligations	194,495,202	313,458,403	88,441,462	255,671,744
Public bond obligations	17,286,600	627,192,530	21,816,025	448,713,760
Hedging derivatives	180,964	58,294,125	170,963	78,939,013
<b>Total Other financial liabilities</b>	<b>211,962,766</b>	<b>998,945,058</b>	<b>110,428,450</b>	<b>783,324,517</b>
Trade and other accounts payable	36,542,330	1,096,819	71,489,750	1,074,495
Accounts payable to related parties	506,108	-	658,806	-
<b>Total financial liabilities</b>	<b>249,011,204</b>	<b>1,000,041,877</b>	<b>182,577,006</b>	<b>784,399,012</b>

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## PLAZA S.A. AND SUBSIDIARIES

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### 29. FINANCIAL INSTRUMENTS (continued)

#### b) Financial instruments by category

	As of June 30, 2020		As of December 31, 2019	
	Cash and cash equivalents, Loans and accounts receivable	Derivatives from cash flow hedges	Cash and cash equivalents, Loans and accounts receivable	Derivatives from cash flow hedges
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Assets</b>				
Cash and cash equivalents	280,988,793	-	35,722,612	-
Other financial assets	-	583,488	-	820,621
Trade and other receivables	48,905,309	-	68,919,717	-
Accounts receivable from related parties	33,551,681	-	10,170,227	-
<b>Total</b>	<b>363,445,783</b>	<b>583,488</b>	<b>114,812,556</b>	<b>820,621</b>

	As of June 30, 2020		As of December 31, 2019	
	Derivatives from cash flow hedges	Financial liabilities measured at amortized cost	Derivatives from cash flow hedges	Financial liabilities measured at amortized cost
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Liabilities</b>				
Bank obligations	-	507,953,605	-	344,113,206
Public bond obligations	-	644,479,130	-	470,529,785
Hedging derivatives	58,475,089	-	79,109,976	-
<b>Total other financial liabilities</b>	<b>58,475,089</b>	<b>1,152,432,735</b>	<b>79,109,976</b>	<b>814,642,991</b>
Trade and other accounts payable	-	37,639,149	-	72,564,245
Accounts payable to related parties	-	506,108	-	658,806
<b>Total</b>	<b>58,475,089</b>	<b>1,190,577,992</b>	<b>79,109,976</b>	<b>887,866,042</b>

### 30. REASONABLE VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received for selling an asset or paid for transferring a liability in an orderly transaction between market participants on the measurement date.

When a financial instrument is traded in a liquid and active market, its market price stipulated in a real transaction provides the best evidence of its fair value. When the price stipulated in the market is not available or it cannot be an indication of the fair value of the instrument, to determine said fair value, the market value of another substantially similar instrument the analysis of discounted cash flows or other applicable techniques can be used, which are affected significantly by the assumptions used. Although Management has used its best judgment in estimating the fair values of its financial instruments, any technique to make such an estimate entails a certain level of inherent fragility. As a result, the fair value cannot be indicative of the net realization or liquidation value of the financial instruments.

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **30. REASONABLE VALUE OF FINANCIAL INSTRUMENTS (continued)**

The following methods and assumptions were used to estimate the fair values:

a) Financial instruments whose fair value is similar to the carrying value

For financial assets and liabilities that are liquid or have short-term maturities (less than three months), such as cash and cash equivalents, accounts receivable, accounts payable and other current liabilities, the carrying value is considered to be similar at fair value.

b) Fixed rate financial instruments

The fair value of financial assets and liabilities that are at fixed rates and at an amortized cost is determined by comparing the market interest rates at the time of initial recognition with the current market rates related to similar financial instruments. The estimated fair value of interest bearing deposits is determined by discounted cash flows using market interest rates in the prevailing currency with similar maturities and credit risks.

c) Hierarchies of reasonable values

Plaza S.A. classifies the instruments recorded at fair value as follows:

Level 1 Price quoted (not adjusted) in an active market for identical assets and liabilities.

Level 2 Different input from quoted prices that are included in Level 1 and that are observable for assets and liabilities, either directly (that is, as a price) or indirectly (that is, derived from a price).

Level 3 Inputs for assets or liabilities that are not based on observable market information (unobservable inputs).

The following table presents the classes of financial instruments measured at fair value as of June 30, 2020 and December 2019, according to the level of information used in the valuation:

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**30. REASONABLE VALUE OF FINANCIAL INSTRUMENTS (continued)**

Financial instruments measured at fair value	As of June 30, 2020		
	Level 1 ThCh\$	Level 2 ThCh\$	Level 3 ThCh\$
Other financial assets	-	583,488	-
<b>Total financial assets at fair value</b>	-	<b>583,488</b>	-
Other financial liabilities	-	1,407,576,502	-
Hedging derivatives	-	58,475,089	-
<b>Total financial liabilities at fair value</b>	-	<b>1,466,051,591</b>	-

Financial instruments measured at fair value	As of December 31, 2019		
	Level 1 ThCh\$	Level 2 ThCh\$	Level 3 ThCh\$
Other financial assets	-	820,621	-
<b>Total financial assets at fair value</b>	-	<b>820,621</b>	-
Other financial liabilities	-	974,021,295	-
Hedging derivatives	-	79,109,976	-
<b>Total financial liabilities at fair value</b>	-	<b>1,053,131,271</b>	-

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## PLAZA S.A. AND SUBSIDIARIES

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### 31. ENVIRONMENT

In relation to the provisions of Circular No. 1,901 of the Superintendency of Securities and Insurance (now CMF), the following are the disbursements that Plaza S.A. and its subsidiaries as of June 30, 2020, have made or expect to make, linked to the protection of the environment:

Identification of the parent or subsidiary	Name of the project to which the disbursement is associated	Disbursement concept	Asset or Expense	Description of the asset or item of Expense	Amount of the disbursement ThCh\$	Certain or estimated date in which the future disbursements will be made	The project is in process or finished
Nuevos Desarrollos S.A.	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	118,818	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	131,528	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	42,987	Monthly	In process
	Collection Point.	Collection point operation.	Expense	The Operation includes the processing of the material, maintenance and administration of the sector. It includes monthly management report.	8,058	Monthly	In process
Inmobiliaria Mall Calama SpA	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	37,103	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	14,807	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	5,617	Monthly	In process
Inmobiliaria Mall Las Américas S.A.	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	14,642	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	15,324	Monthly	In process
Plaza Antofagasta S.A.	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	30,016	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	30,820	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	6,197	Monthly	In process

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### 31. ENVIRONMENT (continued)

Identification of the parent or subsidiary	Name of the project to which the disbursement is associated	Disbursement concept	Asset or Expense	Description of the asset or item of Expense	Amount of the disbursement ThCh\$	Certain or estimated date in which the future disbursements will be made	The project is in process or finished
Plaza del Trébol SpA	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	32,195	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	61,511	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	13,132	Monthly	In process
Plaza La Serena SpA	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	17,725	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	16,357	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	5,503	Monthly	In process
Plaza Oeste SpA	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	34,598	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	46,833	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	17,710	Monthly	In process
Plaza Tobalaba SpA	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	8,441	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	9,986	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	6,155	Monthly	In process
Plaza Vespucio SpA	Control and treatment of liquid industrial waste (LIW) and sewage.	Sanitary control of the treatment of liquid industrial waste (LIW) and sewage.	Expense	Preventive and corrective service for the industrial treatment of LIW (liquid industrial waste) according to current environmental regulations.	18,996	Monthly	In process
	Comprehensive management of waste.	Integrated management from collection to final disposal.	Expense	Comprehensive management considers disposable - recyclable and organic residential-like waste. Hazardous waste and debris will be treated at the request of Mall Plaza.	110,298	Monthly	In process
	Pest control program.	Prevention and control of pests (ex: mice) and control of flying insects.	Expense	Fumigation, sanitization and rat extermination.	9,903	Monthly	In process

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## **PLAZA S.A. AND SUBSIDIARIES**

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### **32. COVID - 19**

The pandemic caused by the outbreak of the virus known as COVID-19 ("Coronavirus"), which began in early 2020 and is developing as of the date of presentation of these financial statements, has affected and it is expected to continue to significantly affect our activities, operations, sales, margins, revenue, costs and income, as well as the economic, commercial, business and financial activities, among others, of all countries and markets in which our businesses operate, as well as those of our suppliers.

Such effects have been and will continue to be caused either by the direct effects of the Coronavirus pandemic or by the measures that states have adopted to combat it in areas, such as restriction of movement, gathering, proximity, crowding of people, closure of borders, free transit of goods, the establishment of sanitary customs, partial closure of shopping centers, commercial premises, schools, universities and restaurants, total or partial quarantines and curfews, among others. The extent, scope, length and effects of the Coronavirus pandemic, as well as the aforementioned government containment measures, are beyond our control. Such measures could also increase or strengthen as the Coronavirus pandemic develops.

The Company has continued to adopt all the measures that it has considered necessary and convenient for the safeguard of the safety and protection of the health of its collaborators, service company personnel, store personnel and visitors, complying with the measures ordered by the relevant authorities for the control of Coronavirus, together with managing the operational continuity of its businesses.

For this purpose, Plaza S.A. and its subsidiaries have implemented operation and work protocols that aim to reduce the possibilities of contagion for our collaborators, service company personnel, store personnel, and visitors. All measures considered involve, or may involve, despite our efforts, inefficiencies, increased costs or delays in our processes and operation, regarding our activities in the absence of the Coronavirus pandemic. These measures constitute an effort to control the Coronavirus and its impacts, but their effectiveness cannot be guaranteed. In addition, the development of the Coronavirus pandemic could mean that, in the future, we must increase the intensity or extension of our measures or the temporary closure of services in shopping centers.

Plaza S.A. is monitoring the situation and developing complementary actions to minimize the impact on its operation levels, proceeding with a gradual strategy in the reopening of the currently closed areas of the shopping centers, aligned with the protocols of the health, economic and local authorities, with health standards and in coordination with its business partners, incorporating technology and successful experiences of other countries. To date, it is not possible to quantify the financial and operational effects of the Coronavirus pandemic on the Company and its subsidiaries, as these events are still in progress and their effects will depend on many factors that are still unknown. Such factors include some that are under greater control of Plaza S.A., as well as other factors that are farther from our control or outside it, such as the effectiveness and necessary coordination of government measures aimed at containing the outbreak of Coronavirus and the degree of response and collaboration that they find in the population, or possible future

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## **PLAZA S.A. AND SUBSIDIARIES**

Notes to the Interim Consolidated Financial Statements as of June 30, 2020 (unaudited)

### **32. COVID - 19 (continued)**

measures that have a direct impact on the compliance with the financial obligations of our customers, among others.

Regarding the partial closure in March of the shopping centers in the three countries, where the essential services of each shopping center remained in operation, the Company currently has 35% of its consolidated leasable area in operation. In June, it began the gradual reopening process of non-essential services in several of its shopping centers in Chile and Colombia.

The current contingency of the Coronavirus finds Plaza S.A. in an adequate financial and liquidity position for its 2020 disbursement commitments, even under a projected stress scenario. Its financial debt maturities correspond to 82% of long-term debt and the duration of its total debt is more than 6 years.

### **33. SUBSEQUENT EVENTS**

On August 5, 2020, through Compartment One of the Mallplaza Private Equity Fund, the subsidiary Mallplaza in Colombia signed the binding documents required to purchase 66,000 m<sup>2</sup> of the leasable area of the Calima Shopping Center in the city of Bogotá, Colombia, which has a total leasable area of 93,000 m<sup>2</sup>.

This purchase amounts to a total of 485,000 million Colombian pesos, equivalent to approximately MUS\$128. The financing of the operation was structured with 20% equity and 80% long-term debt financing (average duration of 11 years and a 5-year grace period) and did not generate pressure on the current financial position and liquidity of the Company.

Calima Shopping Center is located in the heart of Bogota, an area with high potential for economic and commercial development and connected to the main access roads of the city and public transportation. The addition of this asset, the fourth urban center of Mallplaza in this country, means that Plaza S.A. reached an operation of 190,000 m<sup>2</sup> of leasable area in Colombia, together with its urban centers in operation in the cities of Barranquilla, Cartagena, and Manizales.

The commercial offer for this shopping center includes a Sodimac Homecenter home improvement store, Cinepolis cinema complex and an Éxito hypermarket, leading brands in retail, food and entertainment, and an 11-story office building. Also, the opening of the first store of the Swedish chain IKEA in Colombia is expected in 2023.

There are no other subsequent events that occurred between June 30, 2020, and the date of issue of these interim consolidated financial statements.