

Merger Commitment - Summary

This merger commitment contains the reasons for the planned, cross-border merger by absorption that is intended to be carried out between Grupo de Inversiones Suramericana S.A. ("Grupo Sura" as the absorbing company) and Grupo de Inversiones Suramericana Panamá (as the company to be absorbed, after being spun off) and Gruposura Finance (the other company to be absorbed), as well as the terms and conditions under which it will take place, the information and figures taken from the accounting books of all three companies (at December 31, 2017) that shall serve as the basis for establishing the terms and conditions in which the assets and liabilities of the parties involved shall be merged, discriminated and appraised, together with other information regarding the balance sheets of all three parties.

The following summary covers some of the more relevant aspects of the aforementioned merger commitment:

1. Grupo de Inversiones Suramericana Panamá S.A. and Gruposura Finance shall be wound up without being liquidated with all of their equity to be transferred to Grupo Sura. Once Grupo Sura absorbs these companies they shall cease to exist as legal entities.
2. The financial statements of the parties involved that were used as a basis for establishing the terms and conditions of the proposed merger corresponded to the fiscal year ended December 31, 2017. Grupo de Inversiones Suramericana Panamá S.A. is known to have begun the spin-off process, after this was approved on February 14, 2018, and as a result Sura Ventures S.A. was set up as a vehicle. In keeping with the above, a declaration along these lines from the parties has been included in the merger commitment.
3. The purpose of the proposed merger is to: (i) simplify the current corporate structure of the SURA Business Group, under the control of its parent, Grupo Sura. The Group's current corporate structure, which is made up of several independent companies, can no longer be justified from the legal, administrative and business standpoints. Concentrating the business activities of all parties involved in one single legal entity shall bring about direct benefits such as reducing costs and expense as well as the corresponding administrative burden, which in turn shall make for greater technical, administrative and financial efficiency; and (ii) encourage simpler, more straightforward corporate structures, in keeping with the philosophy underpinning the Financial Conglomerates Act (Law 1870 of 2017), which in turn shall facilitate the oversight and control functions of the regulatory authorities in the different jurisdictions as well as make it more readily understood by all stakeholder groups.
4. With this merger, all of Grupo Sura's shareholders shall continue holding the same stakes in the Company's share capital as before the merger. There

shall be no increase in Grupo Sura's subscribed share capital, nor shall any of its by-laws be amended.

5. Notwithstanding that provided by current legislation with regard to the shareholders' right of withdrawal, given the nature of this merger, as stipulated in the merger commitment, there shall be no shareholder right of withdrawal since no greater liability shall be imposed on the shareholders, nor shall it imply any impairment to their economic rights, since (i) the percentage stakes held by the shareholders in Grupo Sura's share capital shall not be in any way diminished, (ii) the equity value of the share shall not be reduced, nor shall the nominal value of the share be reduced and (iii) trades shall not in any way be limited or reduced, and the Grupo Sura share shall continue to be registered with the Colombian National Registry of Securities and Issuers as well as listed with the Colombian Stock Exchange.
6. The proposed merger shall take the form of a reorganizational merger pursuant to that stipulated in Article 319-5 of the Colombian Tax Code given the fact that it would be a merger between related companies, in accordance with paragraph 5 (a) of Article 260-1 of the Colombian Tax Code. Therefore, the assets and liabilities to be transferred as a result of this merger being carried out shall not qualify as taxable income, neither shall they qualify as a transfer for tax purposes for the parties involved in said merger.
7. The assets and liabilities of the participants in this merger shall be appraised based on their book values, in accordance with that provided in Section 2.1.(13) of the External Circular Letter 005 of 2005.
8. In the event of a merger between a parent company and its subsidiary, as in the present case, whereby Grupo Sura is the sole shareholder of its subsidiaries Gruposura Finance and Grupo de Inversiones Suramericana Panamá S.A, as established by the Colombian Superintendency of Companies, there is no basis for setting any terms of trade, inasmuch as the shareholder of the absorbed companies is the same absorbing company (Grupo Sura), so that when the merger is carried out, the only thing that would remain is to eliminate any cross-shareholdings held, and consequently, Grupo Sura's subscribed and paid-in capital would remain the same once the merger has been formally completed. As a result of there being no terms of trade, no technical study is required in order to appraise the shares of each of the companies participating in this merger.
9. The proposed merger must be approved by Grupo Sura's General Assembly of Shareholders as well as the competent corporate bodies of the companies to be absorbed (who shall meet on March 23, 2018), as well as by Grupo Sura's General Assembly of Bondholders (who shall meet in April 2018).

10. The proposed merger must also be authorized by the Colombian Superintendency of Finance since Grupo Sura is an issuer of shares and securities that are registered with the Colombian National Registry of Securities and Issuers.
11. In accordance with that provided by Law 1340 of 2009, specifically Article 9, Paragraph 3, regarding the control of company integrations, this merger would not require prior notice to be given to the Colombian Superintendency of Industry and Commerce given the fact that it would consist of integrating companies that form the same Business Group, this based on the terms contained in Article 28 of Law 222 of 1995, as stated in Grupo Sura's Certificate of Existence and Legal Representation.
12. The annexes attached to the merger commitment include the following: (i) Grupo Sura's duly certified and audited financial statements, together with their corresponding notes; (ii) the duly certified financial statements of Grupo de Inversiones Suramericana Panamá S.A. and of Gruposura Finance; (iii) the consolidated financial statements of Grupo Sura and of the absorbed companies for the year ended December 31, 2017, based on the assumption that the proposed merger shall have been completed by then; (iv) the non-certified financial statements of Grupo de Inversiones Suramericana Panamá S.A. subsequent to its spin-off; and (iv) an exhibit showing the discriminated and appraised assets and liabilities belonging to the companies involved.
13. The proposed merger shall be completed no later than thirty (30) business days following the date the Colombian Superintendency of Finance issues due authorization.