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PROJECT OF PARTIAL SPIN-OFF ENTERED BETWEEN GRUPO AVAL ACCIONES Y VALORES S.A. AND SOCIEDAD BENEFICIARIA AVAL S.A.S.

By means of this Spin-Off Project, Grupo Aval Acciones y Valores S.A. (the "Demerging Company" or "Grupo Aval"), will carry out a partial spin-off (the "Spin-Off") in favor of Sociedad Beneficiaria Aval S.A.S. (the "Beneficiary Company" or "Sociedad Beneficiaria Aval") and jointly with the Demerging Company, the "Participating Companies") in the event this Spin-Off Project (hereinafter "the Project") is approved. It is important to recall that this Spin-Off Project is subject to the approval by the General Shareholders' Meeting of the Participating Companies.

1. COMPANIES PARTICIPATING IN THE SPIN-OFF.

For the purposes of this Spin-Off Project, the Participating Companies will be the following:

A. Corporate Name of the Demerging Company.

Grupo Aval Acciones y Valores S.A., the Demerging Company, is a corporation, duly incorporated under the laws of the Republic of Colombia, by means of Public Deed Number 0043, dated January 7, 1994, issued at the 23rd Notary Office of Bogota.

Its legal representatives are:

- President: Mr. Luis Carlos Sarmiento Gutiérrez, identified with Colombian ID No. 19.463.398 of Bogotá.
- First Alternate: Mr. Diego Fernando Solano Saravia, identified with Colombian ID No. 79.356.022 of Bogotá.
- Second Alternate: Mr. Jorge Adrián Rincón Plata, identified with Colombian ID No. 13.718.828 of Bucaramanga.

B. Company name of the Beneficiary Company.

The Beneficiary Company's corporate name is "Sociedad Beneficiaria Aval S.A.S.", a simplified joint stock company, based in Bogota D.C., Colombia. identified with Tax ID 901.542.402-1, duly incorporated in accordance with the laws of the Republic of Colombia, by means of a private document dated November 19, 2021, registered in the Chamber of Commerce of Bogotá on November 22, 2021 under No. 02764749 of Book IX, all of which is evidenced by the Certificate of Incorporation and Incumbency.

Its legal representatives are:

- Principal Legal Representative: Mr. Jorge Adrián Rincón Plata identified with Colombian ID No. 13.718.828 of Bucaramanga.

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- Alternate Legal Representative: Mr. Diego Fernando Solano Saravia, identified with Colombian ID No. 79.356.022 of Bogotá.

2. REASONS FOR AND CONDITIONS OF THE SPIN-OFF.

A. Reasons:

- (i) In a different and separate procedure, Banco de Bogotá S.A. (herein after "Banco de Bogota" or "BdB"), filed before the Superintendence of Finance of Colombia ("SFC") a request for approval for the spin-off of Banco de Bogotá in which this Bank will spin off a 75.00000032281765% stake of the total shares issued by BAC Holding International Corp. ("BHI" or "BAC Holding") in favor of Sociedad Beneficiaria Bogotá S.A.S., this procedure was approved by the SFC through Resolution 1538 dated December 20, 2021.
- (ii) As the SFC has been informed in accordance with the procedures ongoing, and the market has been duly informed through the Relevant Information mechanism, a transaction is underway with the following characteristics, which will allow Grupo Aval's shareholders to receive shares of BAC Holding International Corp. that will be traded in both the Colombian Stock Exchange -BVC- and in the Panama Stock Exchange – Latinex-:

Spin-off of BAC Holding at Grupo Aval's level: Once BdB completes the spin-off of 75.00000032281765% of its shareholding in BAC Holding International Corp. (as explained below), Grupo Aval, as the holder of 68.7% of BdB's shares, will spin-off its interest that, through Sociedad Beneficiaria Bogotá S.A.S. (as explained below), is received from BAC Holding (approximately 51.5%) in favor of its own shareholders.

By virtue of this corporate reorganization, Grupo Aval and BdB intend to carry out the following transactions, which are summarized as follows:

1. As of November 30, 2021, BdB has a 100% stake in BAC Holding. At the same time, Grupo Aval has a 68.7% stake in BdB.
2. BdB will carry out a spin-off by virtue of which it will transfer the business unit represented by the ownership of shares issued by BAC Holding, representing 75.00000032281765% of the total capital of BHI (the "Business Unit"). The Business Unit consists of the financial and banking services provided by the conglomerate of companies that act as subsidiaries and affiliates of BHI and is known as "BAC Credomatic".

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3. The objective of the corporate reorganization is that the stake in the stocks of BAC Holding will be held by BdB, the shareholders of BdB and the shareholders of Grupo Aval. Likewise, with this change in its capital structure, BAC Holding will continue to be the holding company from which all the companies that make up the BAC Credomatic conglomerate will remain. This final objective will be achieved through the spin-off of the Business Unit from BdB in favor of Sociedad Beneficiaria Bogotá S.A.S. and the subsequent spin-off by Grupo Aval of its pro rata share in the Business Unit in favor of Sociedad Beneficiaria Aval S.A.S., for reasons of corporate reorganization, as follows (the "Spin-Off Project"):
 - a. By means of the spin-off of BdB, the estate constituted by the control of the Business Unit will be separated from BdB, which will be distributed in favor of Sociedad Beneficiaria Bogotá S.A.S. Because of the spin-off, the shareholders of BdB will become shareholders of Sociedad Beneficiaria Bogotá S.A.S., in the same percentages that they have in BdB immediately before the spin-off of the Business Unit.
 - b. Having received the authorization for the spin-off of BdB from the Superintendence of Finance of Colombia as required by the applicable regulations, the shareholders' meetings of BdB and Sociedad Beneficiaria Bogotá S.A.S. were called for the approval of the spin-off.
 - c. Likewise, Grupo Aval's management called an extraordinary meeting of shareholder's assembly for February 4, 2022 to submit for their approval the Spin-off of Grupo Aval, by virtue of which the stake of shares of Sociedad Beneficiaria Bogota S.A.S. received by Grupo Aval because of the spin-off of BdB will be transferred in favor of Sociedad Beneficiaria Aval S.A.S. Thus, the shareholders of Grupo Aval will become shareholders of Sociedad Beneficiaria Aval S.A.S., in the same percentages that they have in Grupo Aval immediately before the said spin-off.
 - d. Once Grupo Aval's shareholders' meeting is held and this Spin-Off Project is approved, Grupo Aval, in accordance with the applicable regulations, will request the SFC's authorization to complete its Spin-Off.
 - e. Once all the required authorizations have been received, Grupo Aval will proceed with (i) the completion of the spin-off of BdB, and (ii) immediately thereafter, with the completion of the Spin-off of Grupo Aval, as shown in the following charts:

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BdeB Spin-off

BDB SPIN-OFF

Current Structure

BANCO DE BOGOTÁ'S SHAREHOLDERS *



BAC Holding International Corp.



Includes Grupo Aval, Shareholder of 68.7% of BdB

Structure After Spin-off

BANCO DE BOGOTÁ'S SHAREHOLDERS *



Sociedad Beneficiaria Bogotá



BAC Holding International Corp.



Grupo Aval Spin-off

AVAL SPIN-OFF

Structure after BdeB Spin-Off

GRUPO AVAL'S SHAREHOLDERS



BAC Holding International Corp.



Structure after Grupo Aval Spin-Off

GRUPO AVAL'S SHAREHOLDERS

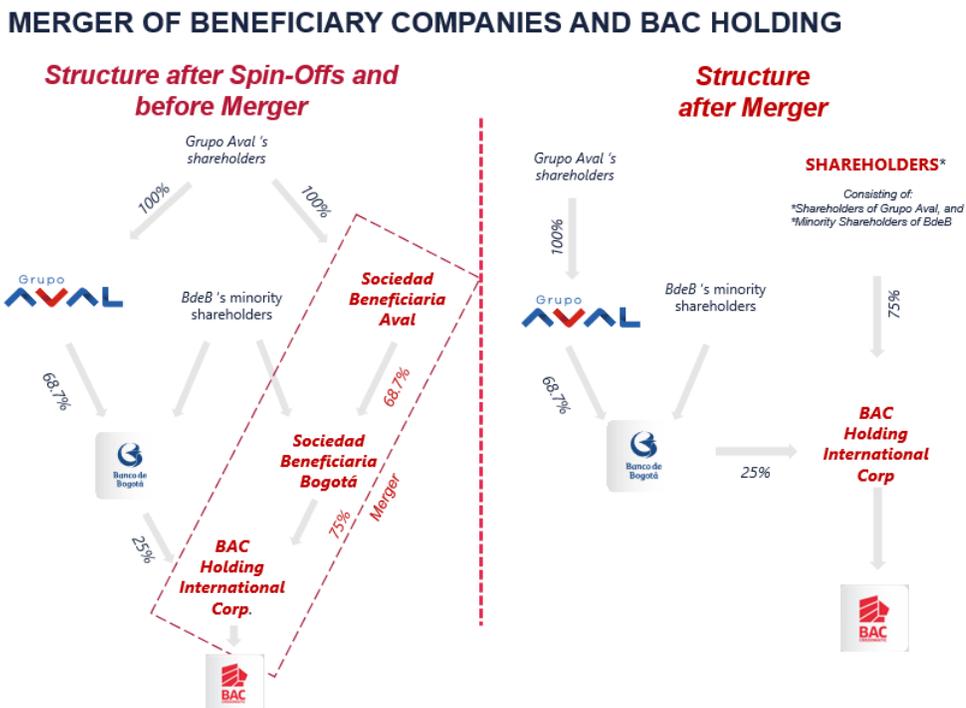


BAC Holding International Corp.



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- f. Immediately after the spin-off of BdeB and the Spin-off of Grupo Aval are executed, it is planned to execute the merger of BAC Holding, Sociedad Beneficiaria Bogotá S.A.S. and Sociedad Beneficiaria Aval S.A.S., with BAC Holding as the absorbing company in the merger (the "Merger").
- g. As a consequence of the Merger, BdeB shareholders, as well as Grupo Aval shareholders, will receive shares of BAC Holding, as shown in the following chart:



- h. Once the Merger is concluded, BHI previously registered in the National Registry of Securities and Issuers -RNVE- of the SFC, will list its shares in the Colombian Stock Exchange (Bolsa de Valores de Colombia). Prior to such listing, the aforementioned company will be listed on the Panama Stock Exchange (Latinex) and registered with the Superintendence of the Securities Market of Panama.
- (iii) For reasons of corporate reorganization, as well as administrative and financial efficiencies, the Merger facilitates the supervision, development and execution of the

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assets and liabilities of the absorbed companies as they are located in a specialized manner in a single company. Consequently, through the Merger, BAC Holding acquires all the rights and liabilities of the absorbed companies, allowing for greater efficiency in the management of the companies' resources.

B. Conditions of the Spin-Off:

- (i) As will be explained below, the Demerging Company, without being dissolved or liquidated, will transfer a portion of its equity, which will be absorbed by Sociedad Beneficiaria Aval S.A.S., under the terms set forth in the exchange ratio referred to in this Spin-Off Project. The assets to be spun off are 227.710.487 shares of Sociedad Beneficiaria Bogotá S.A.S.
- (ii) Grupo Aval incorporated Sociedad Beneficiaria Aval S.A.S. with a capital of 1 peso and 1 share, solely for the legal purpose of acting as the beneficiary company of the Spin-off of Grupo Aval and its subsequent Merger with BHI. As a sole shareholder of Sociedad Beneficiaria Aval S.A.S. before the Spin-Off (with 1 peso), Grupo Aval will receive a fraction of a share of the Beneficiary Company, which, in accordance with the provisions of the bylaws of Sociedad Beneficiaria Aval, will be reacquired by it.
- (iii) The Spin-Off does not affect the markets in which the Demerging Company and the Beneficiary Company participate, nor does it violate any rule related to antitrust practices, since it is an entirely reorganizational Spin-Off that will locate the Business Unit in an independent company, which will allow the best operating and management of the spun-off equity assets. Consequently, the Spin-Off does not violate any rule relating to antitrust regulation.
- (iv) The guarantees of the creditors will not be affected by the Spin-Off, considering that the financial situation of the Participating Companies. Furthermore, the same soundness is projected in the financial situation of the Companies Participating in the Spin-Off, after it, in such a way that it does not and will not affect their normal development.

3. CURRENT STATUS OF THE PARTICIPATING COMPANIES.

In order to complete the Spin-Off, the financial statements as of November 30, 2021 of the Demerging Company and the financial statements as of November 30, 2021 of the Beneficiary Company, together with their notes, duly certified and accompanied by an independent opinion in accordance with the law, as applicable. The aforementioned financial statements are attached hereto as Exhibit No. 1.

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3.1. Demerging Company.

The situation of the Demerging Company as of November 30 is 2021 as follows:

a) Shareholders composition:

The shareholders with a shareholding of more than 1% are:

GRUPO AVAL ACCIONES Y VALORES S.A.		
Shareholder	Number of shares	Ownership
Adminegocios S.A.S.	6.124.549.634	27,49%
Actiunidos S.A.	3.716.373.854	16,68%
El Zuque S.A.	1.519.206.452	6,82%
Inversiones Escorial S.A.	1.270.118.990	5,70%
Socineg S.A.	1.216.398.085	5,46%
Aminversiones S.A.	1.129.207.612	5,07%
Intrassets Trading S.A.	986.514.816	4,43%
Rendifin S.A.	800.858.578	3,59%
Inversegovia S.A.	403.605.252	1,81%
Jara Albarracin Manuel Guillermo	320.278.052	1,44%
Fondo Pensiones Obligator. Porvenir Mayor Riesgo	319.901.509	1,44%
Inverprogreso S.A.	312.015.211	1,40%
Bienes y Comercio S.A.	278.007.490	1,25%
JPMorgan Chase Bank NA FBO Holders of DR (Aval ADR)	271.939.060	1,22%
Fondo Bursatil Ishares Colcap	269.512.606	1,21%
Fondo de Pensiones Obligatorias Porvenir Moderado	261.036.648	1,17%
Other Shareholders	3.081.493.310	13,83%
TOTAL	22.281.017.159	100,00%

The capital of the Demerging Company as of the date of approval of this Spin-Off Project is as follows:

	COP (Figures in millions of Colombian pesos)
Authorized Capital	\$120.000
Subscribed and paid-in capital	\$22.281
Number of shares outstanding:	22.281.017.159

b) Assets, liabilities and equity before the Spin-Off.

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The following are the values corresponding to the assets, liabilities and equity of the Demerging Company prior to the Spin-Off as of November 30, 2021:

GRUPO AVAL ACCIONES Y VALORES S.A.	
	COP (Figures in millions of Colombian pesos)
Assets	\$25.484.838
Liabilities	\$2.194.993
Equity	\$23.289.845

3.2. Beneficiary Company.

The status of the Beneficiary Company as of November 30, 2021:

a) Shareholders composition.

The following is the shareholder structure of the Beneficiary Company prior to the Spin-Off:

SOCIEDAD BENEFICIARIA AVAL S.A.S.		
Shareholder	Number of shares	Ownership
Grupo Aval Acciones y Valores S.A.	1	100%
TOTAL	1	100%

The capital of the Beneficiary Company as of the date of approval of this Spin-Off Project is as follows:

	COP
Authorized Capital	\$1
Subscribed Capital	\$1
Paid-in capital	\$1
Number of shares outstanding:	1

b) Assets, liabilities and Equity before the Spin-Off

The following are the values corresponding to the assets, liabilities and equity of the Beneficiary Company before the Spin-Off:

BENEFICIARY COMPANY AVAL S.A.S.

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		COP
Assets		\$1
Liabilities		\$0
Equity		\$1

4. DISCRIMINATION AND VALUATION OF ASSETS AND LIABILITIES.

- i. The Spin-Off is a partial spin-off by virtue of which the Demerging Company, without dissolving and liquidating, shall transfer to the Beneficiary Company a portion of its assets (the "Demerged Assets") indicated in the table in item (ii) below, and which shall integrate the assets of the Beneficiary Company.
- ii. The Spun-off Equity shall be composed of the assets (with no liabilities) summarized in the following table:

ASSETS SPUN-OFF GRUPO AVAL ACCIONES Y VALORES S.A.	
COP (Figures in millions of Colombian Pesos)	
100% of the ownership interest in Sociedad Beneficiaria Bogotá S.A.S.	\$7.078.150
Total Spun-off Assets	\$7.078.150

Spun-off Equity	
Accumulated results	\$7.078.150
Total Spun-off Equity	\$7.078.150

The spun-off equity was determined based on its book value in accordance with IFRS treatment.

The total net effect of the transaction on the Assets and Equity of Grupo Aval Acciones y Valores S.A. is Ps. 6,977,416 million resulting from (i) the spin-off of 100% of the interest in Sociedad Beneficiaria Bogotá S.A.S. for Ps. 7,078,150 million and (ii) the positive effect from the recognition at fair value of the 25% investment in BHI in Banco de Bogotá as an associate for Ps. 146,551 million with an impact of Ps. 100,734 million in Grupo Aval Acciones y Valores S.A.

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- iii. The shares of the Demerging Company are listed on the Colombian Stock Exchange, which is why there is no certainty as to the shareholder composition of the Demerging Company as of the date of completion of the Spin-Off Project.
- iv. As a result of the Spin-Off, the shareholding and capital composition of the Beneficiary Company shall be that of the Demerging Company as of the business date prior to the perfecting of the Spin-Off Project.
- v. The values corresponding to the assets, equity and capital of the Participating Companies after the Spin-Off are transcribed below:

GRUPO AVAL ACCIONES Y VALORES S.A.	
COP (Figures in millions of Colombian Pesos)	
Assets	\$18.507.422
Equity	\$16.312.429
Subscribed and paid-in capital	\$22.281
Authorized capital	\$120.000

SOCIEDAD BENEFICIARIA AVAL S.A.S	
COP (Figures in millions of Colombian Pesos)	
Assets	\$7.078.150
Equity	\$7.078.150
Subscribed capital	\$22.281
Authorized capital	\$22.281

- vi. The contingencies originating or deriving from the Spun-off Equity shall be borne by the Beneficiary Company. If they originate in the assets, liabilities or equity remaining in the Demerging Company, they shall be borne by the latter. The foregoing, without prejudice to the provisions of Article 10 of Law 222 of 1995 of the Republic of Colombia.

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5. EXCHANGE RATIO.

The exchange ratio is the result of an independent study prepared by METRIX, which is attached as Exhibit 4.

6. REPURCHASE OF FRACTIONS AND DISTRIBUTION OF SHARES TO OTHER JURISDICTIONS.

It is understood that each shareholder will receive only whole shares and that, consequently, if the application of the exchange ratio in the Spin-off or Merger results in fractions of shares in favor of the shareholders, they may (i) negotiate among themselves, until the day of registration of the public deed formalizing the Spin-off or Merger, the fraction of shares to complete a whole number of shares, or (ii) if they do not negotiate them, the fractions of shares will be repurchased by the respective company.

If the shareholders residing abroad cannot receive the shares that would be issued to them in the Spin-Off or Merger process, as a consequence of the regulations applicable in the jurisdiction of their residence, the Spin-Off or Merger will be completed, respectively. In any case, the Board of Directors of the company shall adopt some legally viable alternative so that the shareholders residing abroad who cannot receive the shares, receive a compensation in cash or some other that is viable under the respective law. In any case, the shareholders' meeting authorizes the following operations and authorizes the Board of Directors to use any of the following alternatives in order to comply with the provisions of this paragraph: (i) those provided in the preceding paragraph or (ii) through the constitution of a trust or similar mechanism to which the shares that cannot be received are transferred so that the same are disposed of in the market, and the proceeds of the sale are distributed among said shareholders.

7. BYLAWS OF THE PARTICIPATING COMPANIES.

a) The Bylaws of the Demerging Company shall not be modified.

b) The Bylaws of the Beneficiary Company shall be amended for the purpose of increasing the authorized capital and the par value of its shares.

8. PUBLICITY.

The Demerging Company, once this Spin-Off Project has been approved by its shareholders, shall proceed through its legal representative to inform all its creditors of such approval by means of publication in a newspaper of wide circulation, pursuant to the provisions of Article

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5 of Law 222 of 1995 of the Republic of Colombia. Likewise, it shall give notice of the approval of this Spin-Off Project to all its creditors by telegram or any other means that produces similar effects.

9. TAX ASPECTS.

In relation to the tax effects, the Spin-Off implies for the Beneficiary Company the commitment to comply with all the tax obligations of the Demerging Company in relation to the spun-off equity and the operating or business unit that represents it. The Beneficiary Company shall file the income tax returns that correspond to it in accordance with the applicable law according to the portion of profits transferred to it at the time of perfecting the Spin-Off. In addition, it will include in its accounting and tax returns, all the tax items that have been transferred to it by virtue of the Spin-Off.

This Spin-Off complies with all the requirements and conditions set forth in Articles 319-4, 319-5 and 319-6 of the Tax Statute of the Republic of Colombia, therefore, it shall not give rise to income subject to income tax and complementary taxes because it does not constitute a sale for tax purposes. In particular, it is stated for the record that the tax cost of the assets transferred to the Beneficiary Company is the same that such assets had in Grupo Aval at the time of the Spin-Off.

10. SPIN-OFF BALANCE SHEET.

For the purposes of the projected Spin-Off, the Demerging Company has taken its special purpose balance sheet as of November 30, 2021, based on which the projected balance sheet of the Demerging Company and the Beneficiary Company has been prepared once the Spin-Off has been completed.

Together with this Spin-Off Project, the Spin-Off balance sheet shall be submitted to the approval of the Shareholders' Meeting of the Demerging Company and the Beneficiary Company. In any case, the balance sheet shall be deemed to be approved with the approval of this Spin-Off Project.

The projected balance sheets of the Demerging Company as of November 30, 2021 and of the Beneficiary Company based on the information available as of November 30, 2021, shall be part of this Spin-Off Project as Exhibit No. 2.

11. EXECUTION OF THE SPIN-OFF.

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After the approval of the general shareholders' meetings of the Participating Companies and obtaining the necessary authorizations to carry out the proposed transaction, the Spin-Off shall be perfected, in accordance with the respective applicable law, through the execution of a public deed, as the case may be, and its registration before the respective entities of the registered office of the Demerging Company and of the Beneficiary Company.

12. RIGHT OF WITHDRAWAL.

If the right of withdrawal is exercised by any absent or dissenting shareholder from the meeting of the General Shareholders' Meeting of the Demerging Company and the Beneficiary Company at which this Spin-Off Project is submitted to the consideration of said body, the provisions of Article 12 of Law 222 of 1995 and the Company's bylaws shall apply.

Notwithstanding the foregoing, the Demerging Company considers that this Spin-Off does not generate an impairment in the equity rights of its shareholders and, therefore, the right of withdrawal would not apply, due to the fact that:

- (i) As a consequence of the Spin-Off, the shareholders retain the same percentage of participation in the capital of the Demerging Company and receive that same percentage in the capital of the Beneficiary Company of the Spin-Off.
- (ii) The Participating Companies hired and made available to the shareholders a technical study prepared by an independent professional. Based on this independent technical study, it can be determined that the sum of the intrinsic value of the shares that the shareholders retain in the Demerging Company plus the intrinsic value of the shares that the shareholder receives, as a result of the Spin-off, in the Beneficiary Company, is equal to the intrinsic value of the shares held by the shareholders in the Demerging Company immediately before the operation.
- (iii) The shares of the Demerging Company are listed on the Colombian Stock Exchange and the shares that BHI will receive after the Merger will be listed on the Colombian and Panamanian Stock Exchanges.

Discrepancies regarding the Company's conclusions shall be resolved in accordance with the provisions of the law and the bylaws.

13. AUTHORIZATIONS.

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13.1. The Demerging Company hereby agrees, through its legal representatives, to carry out all the necessary procedures to perfect the Spin-Off, including the authorization by the Financial Superintendency of Colombia.

13.2 Likewise, after reviewing the rules on control of business integrations contained in Law 1340 of 2009 and in Resolution 10930 of 2015 of the Superintendency of Industry and Commerce, both of the Republic of Colombia, this Spin-Off does not require authorization or prior notification to the Superintendency of Industry and Commerce since it is a business reorganization and of entities controlled by the same market agent.

14. EFFECTS OF THE SPIN-OFF PROJECT.

The Spin-Off shall produce the following legal effects with respect to the participating companies:

1. The Demerging Company shall continue to exist as a company and shall continue to carry out the activities inherent to its respective corporate purpose.
2. The date as of which this Spin-Off Project shall produce legal and accounting effects among the Participating Companies in this process shall be as of the registration or recording of the respective public deed.

15. TREATMENT OF BONDHOLDERS.

Since the Demerging Company has issued bonds in the stock market, the commercial and stock exchange regulations were applied; therefore, the bondholders have the rights described in the provisions set forth in Decree 2555 of 2010.

In accordance with article 6.4.1.1.42 of the aforementioned Decree, the management of the Demerging Company called a General Bondholders' Meeting and received, on December 28, 2021, the necessary approval of its Bondholders.

16. ANNEXES TO THE SPIN-OFF PROJECT.

The following are the documents attached to this Spin-Off Project:

1. Exhibit No. 1: Financial statements of the Demerging Company as of November 30, 2021 and of the Beneficiary Company as of November 30, 2021, together with their corresponding notes.

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2. Exhibit No. 2: Projected Balance Sheet of the Demerging Company and the projected Balance Sheet of the Beneficiary Company as a consequence of the Spin-Off.
3. Exhibit No. 3: List of the Shareholders of the Demerging Company with an interest of more than 1% as of November 30, 2021 and of the Beneficiary Company, as of November 30, 2021.
4. Exhibit No. 4: Independent valuation prepared by the firm METRIX.

EXHIBIT 1

GRUPO AVAL ACCIONES Y VALORES S.A.

Statement of financial position

For the period ended as of november 30th 2021 and december 31st 2020

(Stated in millions of Colombian pesos)



Assets	November 30th 2021	December 31st 2020
Current assets		
Cash and cash equivalents	Ps. 172.833	Ps. 130.353
Trading securities	47	7
Accounts receivable from related parties	377.437	343.448
Other accounts receivable	184	2.094
Other non-financial assets	3	222
Total current assets	550.504	476.124
Non-current Assets		
Investments in subsidiaries and associates	24.928.600	22.761.045
Property and equipment	5.606	6.817
Deferred tax net	128	1.849
Total non-current Assets	24.934.334	22.769.711
Total assets	Ps. 25.484.838	Ps. 23.245.835
Liabilities and shareholders' equity		
Current liabilities		
Borrowings at amortized cost	Ps. 4.147	Ps. 2.644
Outstanding bonds at amortized cost	9.248	5.579
Accounts payable	504.197	435.219
Employee benefits	2.684	2.208
Tax liabilities	23.210	26.990
Other non-financial liabilities	1.214	1.214
Total current liabilities	544.700	473.854
Long-term liabilities		
Borrowings at amortized cost	525.773	526.735
Outstanding bonds	1.124.520	1.124.520
Total long-term liabilities	1.650.293	1.651.255
Total liabilities	2.194.993	2.125.109
Shareholders' equity		
Subscribed and paid capital	22.281	22.281
Additional Paid-in capital	8.612.936	8.612.936
Retained earnings	10.357.987	9.324.442
Net income	3.131.688	2.399.001
Other equity accounts	1.164.953	762.066
Total shareholders' equity	23.289.845	21.120.726
Total liabilities and shareholders' equity	Ps. 25.484.838	Ps. 23.245.835

GRUPO AVAL ACCIONES Y VALORES S.A.**Statement of income**

(Stated in million of Colombian pesos, except earnings per share)



	For the accumulated year	
	November 30th 2021	November 30th 2020
	<u> </u>	<u> </u>
Operating revenue		
Equity method income, net	Ps. 3.080.671	Ps. 2.069.621
Other revenue from ordinary activities	262.920	262.952
	<u>3.343.591</u>	<u>2.332.573</u>
Total operating revenue	3.343.591	2.332.573
Expenses, net		
Administrative expenses	74.082	72.170
Other expenses	163	20
Gains (Losses) from exchange differences	(50)	(68)
	<u>3.269.296</u>	<u>2.260.315</u>
Operating income	3.269.296	2.260.315
Financial expenses	88.451	99.497
	<u>3.180.845</u>	<u>2.160.818</u>
Earnings before taxes	Ps. 3.180.845	Ps. 2.160.818
Income tax expense	49.157	41.795
	<u>3.131.688</u>	<u>2.119.023</u>
Net Income	Ps. 3.131.688	Ps. 2.119.023
Net Earnings per Share	<u>140,55</u>	<u>95,10</u>
	Ps. 140,55	Ps. 95,10

GRUPO AVAL ACCIONES Y VALORES S.A.
Statement of Other Comprehensive Income
(Stated in million of Colombian pesos)
IFRS



	For the accumulated year	
	November 30th 2021	November 30th 2020
Net income	Ps. 3.131.688	Ps. 2.119.023
Other comprehensive income (OCI), net of taxes		
Investors participation in other comprehensive income reported using the equity method	402.887	515.391
Comprehensive income, net	Ps. 3.534.575	Ps. 2.634.414

GRUPO AVAL ACCIONES Y VALORES S.A.**Individual statement of cash flow****For the period ended as of november 30th 2021 and 2020****(Stated in million of Colombian pesos)**

	<u>November 30th</u> <u>2021</u>	<u>November 30th</u> <u>2020</u>
Cash flow from operating activity:		
Net Income	Ps. 3.131.688	Ps. 2.119.023
Adjustments to reconcile net profit with net cash used in operating activities		
Income tax expense	49.157	41.795
Impairment of property and equipment	-	(23)
Property and equipment depreciation	1.653	1.604
Equity method earnings	(3.080.671)	(2.069.621)
Changes in operating assets and liabilities:		
(Increase) decrease in trading securities	(40)	205
Decrease in receivables	55.686	62.670
Acquisition of investments	(55.269)	(63.838)
Decrease in other assets and liabilities, net: prepaid taxes, prepaid expenses; taxes, accounts payable, employee liabilities, estimated liabilities and provisions.	(29.883)	(36.221)
Increase in interests payable	5.178	1.315
Interest payment by lease agreements IFRS 16	(206)	(414)
Dividends received by subsidiaries	1.116.709	1.255.268
Income Tax paid	(16.770)	(23.901)
Net cash used in operating activities	<u>1.177.232</u>	<u>1.287.862</u>
Cash flow from investing activities:		
Acquisition of property and equipment	(26)	(33)
Net cash used in investing activities	<u>(26)</u>	<u>(33)</u>
Cash flow from financing activities:		
Dividends paid	(1.133.547)	(1.220.473)
Acquisition of loans	-	100.000
Payment liabilities by lease agreements	(1.179)	(1.026)
Bonds Payment	-	(100.000)
Net cash from financing activities	<u>(1.134.726)</u>	<u>(1.221.499)</u>
Effect of exchange rate difference on cash	-	-
Change in cash and cash equivalents	42.480	66.330
Cash and cash equivalents as of the beginning of the period	130.353	51.299
Cash and cash equivalents as of the end of the period	Ps. <u><u>172.833</u></u>	Ps. <u><u>117.629</u></u>

Additional information:

Payment of Interest

Ps. 83.265 Ps. 98.227

GRUPO AVAL ACCIONES Y VALORES S.A.

Statement of shareholders' equity

For the period ended as of november 30th 2021 and december 31st 2020

(Stated in million of Colombian pesos)



	Retained earnings (losses)								
	Subscribed and paid capital	Paid-in Capital	Legal reserve	Occasional reserve	Change in: - Accounting policies - Taxes	Earnings in first-time adoption	Net Income	Other equity accounts	Shareholders' equity
Balance as of December 31st, 2019	Ps. <u>22.281</u>	Ps. <u>8.612.936</u>	Ps. <u>11.140</u>	Ps. <u>7.816.340</u>	Ps. <u>(445.544)</u>	Ps. <u>256.878</u>	Ps. <u>3.031.238</u>	Ps. <u>1.029.585</u>	Ps. <u>20.334.854</u>
Constitution of reserves for future distributions				3.031.238			(3.031.238)		-
To distribute a cash dividend of \$ 5,00 per share per month from April 2020 to March 2021 including those two months, over 22.281,017,159 outstanding shares as of the date of this meeting.				(1.336.861)					(1.336.861)
Application of the equity method								515.391	515.391
Dividends withholding tax					(16.376)				(16.376)
Net Income							2.119.023		2.119.023
Balance as of November 30th, 2020	Ps. <u>22.281</u>	Ps. <u>8.612.936</u>	Ps. <u>11.140</u>	Ps. <u>9.510.717</u>	Ps. <u>(461.920)</u>	Ps. <u>256.878</u>	Ps. <u>2.119.023</u>	Ps. <u>1.544.976</u>	Ps. <u>21.616.031</u>
Balance as of December 31st, 2020	Ps. <u>22.281</u>	Ps. <u>8.612.936</u>	Ps. <u>11.140</u>	Ps. <u>9.510.717</u>	Ps. <u>(454.293)</u>	Ps. <u>256.878</u>	Ps. <u>2.399.001</u>	Ps. <u>762.066</u>	Ps. <u>21.120.726</u>
Constitution of reserves for future distributions				2.399.001			(2.399.001)		-
To distribute a cash dividend of \$ 4,50 per share per month from April 2021 to March 2022 including those two months, over 22.281,017,159 outstanding shares as of the date of this meeting.				(1.203.175)					(1.203.175)
Application of the equity method					(160.074)			402.887	242.813
Dividends withholding tax					(2.207)				(2.207)
Net Income							3.131.688		3.131.688
Balance as of November 30th, 2021	Ps. <u>22.281</u>	Ps. <u>8.612.936</u>	Ps. <u>11.140</u>	Ps. <u>10.706.543</u>	Ps. <u>(616.574)</u>	Ps. <u>256.878</u>	Ps. <u>3.131.688</u>	Ps. <u>1.164.953</u>	Ps. <u>23.289.845</u>



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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT

To the Shareholders
Grupo Aval Acciones y Valores S.A.,

Opinion

I have audited the separate financial statements of Grupo Aval Acciones y Valores S.A. (the Company), which comprise the special-purpose separate statement of financial position as of November 30, 2021 and the special-purpose separate statements of income, other comprehensive income, changes in equity and cash flows for the eleven-month period then ended and their respective notes that include the summary of significant accounting policies and other explanatory notes.

In my opinion, the above mentioned separate financial statements, prepared in accordance with information taken faithfully from Accounting Ledgers and attached to this report, present fairly, in all material aspects, the separate financial position of the Company as of November 30, 2021, the separate results of its operations, and its separate cash flows for the eleven-month period then ended, in conformity with Accounting and Financial Reporting Standards accepted in Colombia for the preparation of special-purpose financial statements.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of the Separate Financial Statements" section of my report. I am independent from the Company in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), included in the Information Assurance Standards accepted in Colombia together with the ethical requirements established in Colombia that are relevant to my audit of the separate financial statements. I also have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I consider that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter - Basis of Accounting

I draw attention to Note 2.1 to the financial statements, which describes the Basis of Accounting. The financial statements attached to this report have been prepared to assist the Company in the spin-off process it is currently pursuing on its subsidiary BAC Holding International CORP before the Financial Superintendence of Colombia. As a result of the foregoing, these financial statements may not be adequate for other purposes. My opinion is not modified in relation to this matter.

Key Audit Matters

I have determined that there are no Key Audit Matters that should be reported in my report.

Other Matters

The special-purpose separate statements of income, other comprehensive income, changes in equity and cash flows for the eleven-month period ended on November 30, 2020, are presented exclusively for comparison purposes, and were not audited by me, as it was not required.

Responsibilities of Management and Those Charged with Governance regarding the separate financial statements

Management is responsible for the preparation of these separate financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia for the preparation of special-purpose financial statements. This responsibility includes designing, implementing, and maintaining the internal control that Management considers necessary for the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the separate financial statements, Management is responsible for assessing the Company's ability to continue as a going concern; for disclosing, as applicable, matters related to going concern; and for using the going concern accounting basis unless Management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

Statutory Auditor's responsibilities for the audit of the separate financial statements

My objectives are to obtain reasonable assurance about whether the separate financial statements, considered as a whole, are free from material misstatement, whether due to fraud or error, and to issue an Audit Report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the users' economic decisions made on the basis of these separate financial statements.

As part of an audit conducted in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement in the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of relevant internal control for the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of the Accounting Policies used and the reasonableness of Accounting Estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern hypothesis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my Statutory Auditor's Report to the related disclosure in the separate financial statements or, if such disclosure is inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group's financial statements. I am responsible for the direction, supervision, and performance of the audit. I remain solely responsible for my audit opinion.

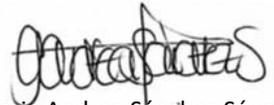
I communicate to Those Charged with the Company's Governance regarding, among other matters, the planned scope and timing for the audit, as well as the significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide Those Charged with Governance with confirmation that I have complied with the relevant ethical independence requirements and that I have disclosed to them all relationships and other matters that may reasonably be considered to bear on my independence, and where applicable, related safeguards.

From the matters communicated with Those Charged with Governance, I determine the matters that were of most significance in the audit of the current period's separate financial statements and, therefore, are the Key Audit Matters. I describe these matters in my Auditor's Report unless law or regulation prevents public disclosure about the matter or when, in extremely exceptional circumstances, I determine that a matter should not be disclosed in my report because the adverse consequences of doing so would reasonably outweigh the benefits to the public interest of such communication.

Report on other legal and regulatory requirements

Based on the result of my tests, in my opinion during the period from January 1 to November 30, 2021, the information contained in the self-assessment statements of contributions to the Comprehensive Social Security System –in particular information on affiliates and their salary base for determining contributions, has been taken from the accounting records and supports. The Company is not in arrears for contributions to the Comprehensive Social Security System.



Gloria Andrea Sánchez Sánchez
Statutory Auditor of Grupo Aval Acciones y Valores S.A.
Registration 146962 - T
Member of KPMG S.A.S.

December 22, 2021

EXHIBIT 1

SOCIEDAD BENEFICIARIA AVAL SAS
Statement of financial position
(Stated in Colombian pesos)

	As of November 30, 2021
Assets	
Current assets	
Cash and cash equivalents	Ps. <u>1</u>
Total current assets	Ps. <u>1</u>
Liabilities	-
Total liabilities	<u>-</u>
Shareholders' equity	
Subscribed and paid capital	1
Net income	-
Total shareholders' equity	<u>1</u>
Total liabilities and shareholders' equity	Ps. <u>1</u>

SOCIEDAD BENEFICIARIA AVAL SAS

Statement of income
(Stated in Colombian pesos)

As of November 30,
2021

Operating revenue	Ps.	-
Total operating revenue		-
Expenses, net		
Administrative expenses		-
Other expenses		-
Operating income		-
Financial expenses		-
Earnings before taxes		-
Income tax expense		-
Net Income	Ps.	-
Other comprehensive income (OCI), net of taxes		-
Comprehensive income	Ps.	-
Comprehensive income, net		-
Net Earnings per Share	Ps.	0,00

SOCIEDAD BENEFICIARIA AVAL SAS
Statement of shareholders' equity
(Stated in Colombian pesos)

	Subscribed and paid capital	Net Income	Shareholders' equity
Balance as of the beginning of November 22nd, 2021	\$ -	-	-
Subscribed and paid capital Shareholders'	1	-	1
Balance as of November 30th, 2021	\$ 1	-	1

SOCIEDAD BENEFICIARIA AVAL SAS
Statement of cash flow
(Stated in Colombian pesos)

	As of November 30, 2021
Cash flow from operating activity:	
Net Income	Ps. -
Net cash used in operating activities	<u>-</u>
Cash flow from investing activities:	
Net cash used in investing activities	<u>-</u>
Cash flow from financing activities:	
Beginning capital	<u>1</u>
Net cash from financing activities	<u>1</u>
Change in cash and cash equivalents	1
Cash and cash equivalents as of the beginning of the period	-
Cash and cash equivalents as of the end of the period	Ps. <u><u>1</u></u>

Independent auditor's report

To the Shareholder of **SOCIEDAD BENEFICIARIA AVAL S.A.S.**

Opinion

I have audited the initial financial statements of **SOCIEDAD BENEFICIARIA AVAL S.A.S.** which include the statement of financial position as of November 22nd 2021, the statement of other comprehensive income, the statement of Shareholders' equity and the statement of cash flow to that date, as well as the explanatory notes of the financial statements which include a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material aspects, the financial position of **SOCIEDAD BENEFICIARIA AVAL S.A.S.** as of November 22nd 2021, as well as its results and the corresponding cash flow to that date, in accordance to the Generally Accepted Accounting Standards in Colombia.

Basis of opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs) accepted in Colombia. My responsibilities under those standards are further described in the "Statutory Auditor' Responsibilities for the Audit of the Consolidated Financial Statements" section of my report.

I am independent of the Group in accordance with the Accountant's Professional Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA Code), included in the Information Assurance Standards accepted in Colombia, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code mentioned.

I believe that the audit evidence I have obtained is enough and appropriate to provide a basis for my opinion.

Responsibilities of Management and those in charge with the Company for the financial statements

Management is responsible for the fair preparation and presentation of these financial statements in accordance with Accounting and Financial Reporting Standards accepted in Colombia, and the internal control that management considers necessary for the preparation of these financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue operating, disclosing, as applicable, matters related

to the continuity of the Company and using accounting basis of an operating company, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those in charge with company governance are responsible for overseeing the Company financial reporting process.

Independent Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements, considered as a whole, are free from material misstatement, whether due to fraud or error, and to issue an audit report that include my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs accepted in Colombia, I will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the users' economic decisions taken based on these consolidated financial statements.

As part of an audit conducted in accordance with ISAs, I exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is enough and appropriate to provide a basis for my opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant for the audit in order to design audit procedures that are appropriate in the circumstances. and not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Conclude on the appropriateness use of the going concern hypothesis by management and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I would conclude that a material uncertainty exists, I am required to draw attention in my statutory auditor's report to the related disclosure in the consolidated financial statements or, if such disclosure is inadequate, to modify my opinion.

Matilde del Pilar Martínez Torrado
Certified Public Accountant
Universidad Central

My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Company ceases to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Another responsibility is to communicate with those responsible for the company's Governance relating the scope and timing of the planned audit, the significant findings, as well as any significant internal control deficiencies identified during the audit.

In addition, provide those charged with governance of the company with a statement that I have complied with the applicable ethical requirements relating to independence, and to communicate with them about all relationships and other matters that may affect my independence and, when appropriate, the corresponding safeguards.

Due to the fact that the company is still in its initial day, I have not issued any communication to the company's officers on matters related to the audit of the financial statements.



Matilde del Pilar Martínez Torrado
Certified Public Accountant TP-37.049-T
Bogotá, Colombia
November 30, 2021

GRUPO AVAL ACCIONES Y VALORES S.A.
PROFORMA FINANCIAL INFORMATION
SEPARATE PROFORMA FINANCIAL STATEMENTS
AS OF NOVEMBER 30, 2021
(Stated in millions of Colombian pesos)

	<u>Reported balances</u>	<u>Transaction effect (1)</u>	<u>Proforma balances</u>
Assets			
Current assets	Ps. 550,504	Ps. -	Ps. 550,504
Total current assets	Ps. 550,504	-	550,504
Non-current Assets			
Investments in subsidiaries and associates	24,928,600	(6,977,416)	17,951,184
Property and equipment	5,606	-	5,606
Deferred tax assets	128	-	128
Total non-current Assets	24,934,334	(6,977,416)	17,956,918
Total assets	Ps. 25,484,838	Ps. (6,977,416)	Ps. 18,507,422
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable	504,197	-	504,197
Other non-financial liabilities	40,503	-	40,503
Total current liabilities	544,700	-	544,700
Long-term liabilities			
Borrowings at amortized cost, non current	525,773	-	525,773
Outstanding bonds, non current	1,124,520	-	1,124,520
Total long-term liabilities	1,650,293	-	1,650,293
Total liabilities	2,194,993	Ps. -	Ps. 2,194,993
Shareholders' equity			
Subscribed and paid capital	22,281	-	22,281
Additional Paid-in capital	8,612,936	-	8,612,936
Retained earnings	10,357,987	(7,331,951)	3,026,036
Net income	3,131,688	1,354,379	4,486,067
Other comprehensive income	1,164,953	(999,844)	165,109
Total shareholders' equity	Ps. 23,289,845	Ps. (6,977,416)	Ps. 16,312,429
Total liabilities and shareholders' equity	Ps. 25,484,838	Ps. (6,977,416)	Ps. 18,507,422

(1) See notes 1 and 3

The attached notes are an integral part of the proforma financial information.

GRUPO AVAL ACCIONES Y VALORES S.A.
PROFORMA FINANCIAL INFORMATION
SEPARATE PROFORMA FINANCIAL STATEMENTS
FOR THE ELEVEN MONTH PERIOD ENDED NOVEMBER 30, 2021
(Stated in millions of Colombian pesos)

	Reported balances	Transaction effect (1)	Proforma balances
Operating revenue			
Equity method income, net	Ps. 3,080,671	603,083	3,683,754
Other revenue from ordinary activities	262,920	-	262,920
Total operating revenue	3,343,591	603,083	3,946,674
Expenses, net			
Administrative expenses	(74,082)	-	(74,082)
Other expenses	(163)	-	(163)
Losses from exchange differences	(50)	-	(50)
Operating income	3,269,296	603,083	3,872,379
Financial expenses	(88,451)	-	(88,451)
Earnings before taxes	Ps. 3,180,845	603,083	3,783,928
Income tax expense	(49,157)	-	(49,157)
Net Income	Ps. 3,131,688	603,083	3,734,771
Net income from discontinued operations	-	751,295	751,295
Net Earnings per Share	Ps. 3,131,688	1,354,379	4,486,067

(1) See note 1 and 3

The attached notes are an integral part of the proforma financial information.

GRUPO AVAL ACCIONES Y VALORES S.A.
PROFORMA FINANCIAL INFORMATION
SEPARATE PROFORMA FINANCIAL STATEMENTS
AS OF NOVEMBER 30, 2021
(Stated in millions of Colombian pesos)

NOTE 1. TRANSACTIONS' DESCRIPTION

The separate proforma financial information of Grupo Aval (hereinafter "the Group") has been prepared to provide the effect of the following transaction:

- (i) Spin-off of BAC Holding International Corp "BAC Holding" (formerly Leasing Bogotá Panamá) at the Grupo Aval level: Grupo Aval will carry out the spin-off of the direct participation of approximately 51.5% in BAC Holding in favor of Grupo Aval's shareholders, resulting from the spin-off of the 75% of Banco de Bogotá's stake in BAC Holding as described below:

Banco de Bogotá will carry out a spin-off through which it will transfer the ownership of fifty-eight million eighty-two thousand three hundred twenty-six (58,082,326) shares issued by BAC Holding International Corp. owned by Banco de Bogotá, representing 75.00000032281765% of the total capital of BAC Holding International Corp. (the "Business Unit") to the shareholders of Banco de Bogotá..

NOTE 2. PREPARATION BASIS

The separate proforma financial information was based on and should be read in conjunction with:

- Condensed interim separate financial statements of Grupo Aval as of November 30, 2021 and its attached notes.
- Separate and consolidated proforma financial information of Banco de Bogotá.
- The separate proforma financial information represents the financial information reported in the financial statements as of November 30, 2021, adjusted with the accounting effects of the transactions described in Note 1, which are presented as if they had occurred on November 30, 2021 for illustrative purposes only. The accounting effects of such transactions were determined based on accounting criteria developed in accordance with the Accounting and Financial Reporting Standards accepted in Colombia and, where not provided for therein, considering the requirements of IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

Given the special purpose of the proforma financial information, it should not be understood as general purpose financial statements prepared under Accounting and Financial Reporting Standards accepted in Colombia.

The historical separate financial statements have been adjusted to allow the following proforma events:

- Those that are directly attributable to the transactions described;
- Those that can be supported by facts; and
- Those related to separate proforma financial information that are expected to have a continuing impact on separate results.

The proforma financial information does not necessarily indicate the performance or financial situation that Grupo Aval would have had if the transactions described had been completed as of November 30, 2021, nor is it intended to project Grupo Aval's financial situation or results in the future.

The following is a summary of the main accounting criteria applied to the transaction that have the most relevant impact on the proforma financial information:

1. Spin-off between entities under common control:

The spin-off of the 75% stake in BAC Holding does not generate a profit or loss in the financial statements of Grupo Aval, since it is carried out at book value, as it is a transaction between entities under common control. As a result of the spin-off, 100% of the investment in the subsidiary is derecognized and an investment as an associate is recognized for the remaining 25% stake in BAC Holding.

2. Loss of control in subsidiaries:

Loss of control in subsidiaries is recognized in accordance with the criteria established in IFRS 10 Consolidated Financial Statements; as follows:

a) The investment in a subsidiary is derecognized.

b) The retained interest is measured at fair value and the difference with respect to its carrying value is recognized in the statement of income for the period in which the loss of control occurs.

c) The amounts accumulated in Other Comprehensive Income related to such investments are realized in earnings for the period as net gain on deconsolidation or in retained earnings, as appropriate, in accordance with the requirements of the standards that gave rise to them, on the same basis as would have been required if the related assets or liabilities had been disposed of.

d) Income and expenses that do not continue as discontinued operations are reclassified to profit or loss for the period.

e) The retained interest is classified in the appropriate category, which, by maintaining significant influence, is presented as an investment in an associate. Subsequently, the investment in associate is recognized by the equity method.

3. Relevant judgments and estimates:

In the preparation of the separate proforma financial information, the judgments made in the application of the accounting policies and in the sources and key assumptions of the estimates with a significant effect on the proforma financial information are as follows: Measurement at fair value of the remaining 25% investment in BAC Holding.

NOTE 3. PROFORMA ADJUSTMENTS

The separate proforma financial information reflects the essential adjustments to give effect to the transactions described in Note 1, which mainly includes the following:

1. Presentation as a discontinued operations of 68.74% of the income generated by BAC Holding from the participation in the results of the eleven month period ended November 30, of 2021, which are included in the results of Banco de Bogotá.

2. Presentation in the results of continued operations of the 68.74% participation over the remaining 25% of BAC Holding in the results of the eleven month period ended November 30, of 2021.

3. Full derecognition of the investment in BAC Holding at its book value and transfer to investment in associate of the book value attributable to the remaining interest of 25%, with its corresponding net effect on equity, when reducing the 100% interest in the investment in BAC Holding to 25%.

4. Remeasurement effects of the remaining investments in BAC Holding, classified as investments in associates, as detailed below:

a) Loss of control of BAC Holding (LBP) (in process):

Recognition of the remaining 25% investment in BAC Holding at fair value. For purposes of the preparation of the proforma financial information, the book value of the remaining 25% in BAC Holding was considered, taking in consideration that the valuation study of BAC Holding is in the process of being prepared by external specialists.

5. Reclassification of the amounts accumulated in Other Comprehensive Income, in accordance with the requirements of the standards that gave rise to them. These items include mainly the realization of the cumulative effects of hedging strategies for accounting hedges of net investment abroad, both the balances of the hedged items and the balances of the hedging instruments, adjustments for conversion of financial statements of foreign subsidiaries of BAC Holding, valuation and adjustments for impairment of debt instruments and their corresponding tax effects.

EXHIBIT 2

SOCIEDAD BENEFICIARIA AVAL SAS
Statement of financial position (Proforma)
(Stated in millions of Colombian pesos)

	As of November 30, 2021
Assets	
Current assets:	
Investments in subsidiaries	Ps. <u>7,078,150</u>
Total assets	Ps. <u><u>7,078,150</u></u>
Liabilities	Ps. <u>-</u>
Total liabilities	<u>-</u>
Shareholders' equity	
Subscribed and paid capital	22,281
Additional Paid-in capital	<u>7,055,869</u>
Total shareholders' equity	<u><u>7,078,150</u></u>
Total liabilities and shareholders' equity	Ps. <u><u>7,078,150</u></u>

Annex 3

Grupo Aval Acciones y Valores S.A.'s shareholders with a shareholding of more than 1% November 30, 2021 are:

GRUPO AVAL ACCIONES Y VALORES S.A.		
Shareholder	Number of Shares	Ownership
Adminegocios S.A.S.	6.124.549.634	27,49%
Actiunidos S.A.	3.716.373.854	16,68%
El Zuque S.A.	1.519.206.452	6,82%
Inversiones Escorial S.A.	1.270.118.990	5,70%
Socineg S.A.	1.216.398.085	5,46%
Aminversiones S.A.	1.129.207.612	5,07%
Intrassets Trading S.A.	986.514.816	4,43%
Rendifin S.A.	800.858.578	3,59%
Inversegovia S.A.	403.605.252	1,81%
Jara Albarracin Manuel Guillermo	320.278.052	1,44%
Fondo Pensiones Obligator. Porvenir Mayor Riesgo	319.901.509	1,44%
Inverprogreso S.A.	312.015.211	1,40%
Bienes y Comercio S.A.	278.007.490	1,25%
JPMorgan Chase Bank NA FBO Holders of DR (Aval ADR)	271.939.060	1,22%
Fondo Bursatil Ishares Colcap	269.512.606	1,21%
Fondo de Pensiones Obligatorias Porvenir Moderado	261.036.648	1,17%
Otros Accionistas	3.081.493.310	13,83%
TOTAL	22.281.017.159	100,00%

Annex 3

Sociedad Beneficiaria Aval's shareholders as of November 30, 2021 Are:

SOCIEDAD BENEFICIARIA AVAL		
Shareholder	Number of Shares	Ownership
Grupo Aval Acciones y Valores S.A.	1	100,00%
TOTAL	1	100,00%



METRIX FINANZAS

INDEPENDENT VALUATION REPORT

Terms of Exchange of the BAC Holding International Corp. (formerly LBP) Spin-Off in favor of Sociedad Beneficiaria Aval S.A.S.

13/01/2022

1. Notification

Metrix Finanzas (Mejoracincio S.A.S.) has relied on information provided by Grupo Aval, its subsidiaries and information obtained from publicly available sources. Metrix Finanzas did not proceed to independently audit the information received and, consequently, does not guarantee (express or implied) as to the truthfulness, accuracy or completeness of the information and opinions contained herein, or any other written or oral information provided to any interested party or its advisors.

Metrix Finanzas assumes no responsibility or liability for any loss incurred as a result of the use of the information in this study and assumes no liability for any loss or damage that may be caused by acts or omissions presented in this document.

It should be taken into consideration that in any valuation exercise, both objective and subjective factors are used, which means that the value obtained is only a reference point.

It should also be noted that the value of the company may vary over time, as may the valuation parameters used. The above may be caused by changes in the macroeconomic environment, in the expectations of the evolution of the business, its risks or other factors.

2. Description of the Transaction

Background

- + Banco de Bogotá ("BdB") is 100% owner of BAC Holding International Corp ("BHI"),
- + Subject to the required approvals, BdB intends to spin off 75% of its interest in BHI in favor of Sociedad Beneficiaria Bogotá S.A.S.
- + In consideration of the spin-off, as a result of receiving the spun-off asset (75% of BHI), Sociedad Beneficiaria Bogotá S.A.S. will issue 331,280,555 shares in favor of BdB shareholders. This number of shares is identical to the number of outstanding shares of BdB.

+ As a result of the foregoing, for each share that BdB's shareholders hold in that entity, they will receive an equal number of shares in Sociedad Beneficiaria Bogotá S.A.S.

+ Metrix Finanzas performed an independent valuation of BdB and Sociedad Beneficiaria Bogotá S.A.S.

+ For the purpose of establishing the exchange ratio of the spin-off of BdB, the valuation of Sociedad Beneficiaria Bogotá S.A.S. corresponds to 75% of the value of BHI.

+ Grupo Aval Acciones y Valores S.A. ("Grupo Aval") incorporated Sociedad Beneficiaria Bogotá S.A.S. with a capital of 1 peso and 1 share, solely for the purpose of acting as beneficiary company in the spin-off of BdB and its subsequent merger with BHI. AS shareholder of Sociedad Beneficiaria Bogotá S.A.S. before the spin-off (with 1 peso), Grupo Aval will receive a fraction of a share of Sociedad Beneficiaria Bogotá S.A.S., which, in accordance with the provisions of the bylaws of BdB and the merger with BHI, will be repurchased by Sociedad Beneficiaria Bogotá S.A.S.

+ Once the spin-off of BdB has been completed, Grupo Aval will be the shareholder of 68.7% of the shares of Sociedad Beneficiaria Bogotá S.A.S.

Description and Purpose

+ Subject to the required approvals, Grupo Aval intends to spin-off all of its interest in Sociedad Beneficiaria Bogotá S.A.S. in favor of Sociedad Beneficiaria Aval S.A.S.

+ Grupo Aval incorporated Sociedad Beneficiaria Aval S.A.S. with a capital of 1 peso and 1 share, solely for the purpose of acting as the beneficiary company of the spin-off of Grupo Aval and its subsequent merger with BHI.

+ Relating the spin-off, as a result of receiving the spun-off assets (68.7% of the shares of Sociedad Beneficiaria Bogotá S.A.S.), Sociedad Beneficiaria Aval S.A.S., will issue 22,281,017,159 shares in favor of Grupo Aval shareholders. This number of shares is identical to the number of outstanding shares of Grupo Aval. As of November 30, 2021, the 22,281,017,159 outstanding shares of Grupo Aval are composed of 15,122,739,992 common shares and 7,158,277,167 preferred shares.

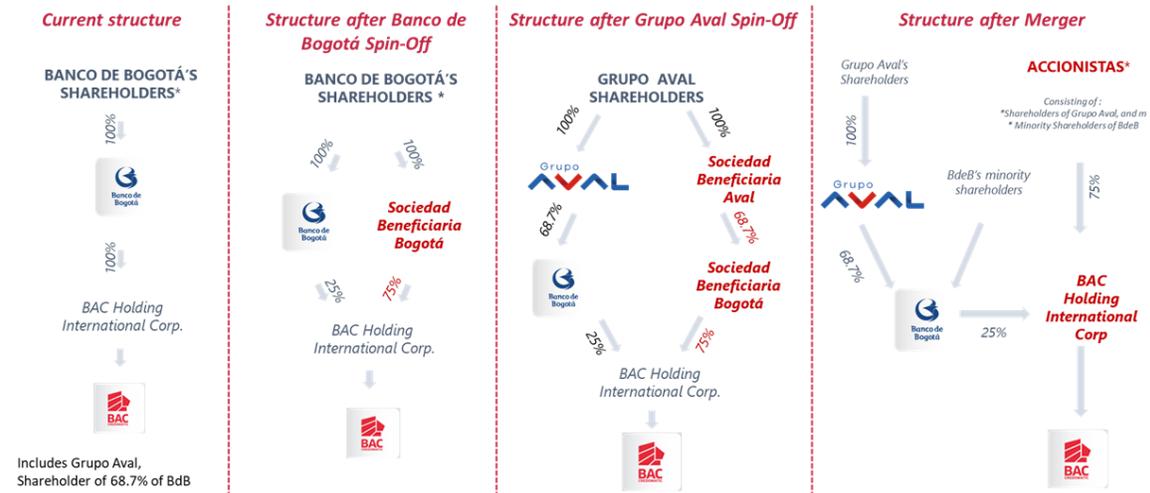
+ As a result of the foregoing, for each share that Grupo Aval's shareholders hold in that entity, they will receive an equal number of shares in Sociedad Beneficiaria Aval S.A.S.

+ Metrix carried out an independent valuation of Grupo Aval and Sociedad Beneficiaria Aval S.A.S.

+ For the purpose of establishing the exchange ratio of the spin-off of Grupo Aval, the valuation of Sociedad Beneficiaria Aval S.A.S. corresponds to 68.7% of the value of Sociedad Beneficiaria Bogotá S.A.S., value established by Metrix Finanzas in the exercise of valuation of the spin-off of BdB.

+ As shareholder of Sociedad Beneficiaria Aval S.A.S. before the spin-off (with 1 peso), Grupo Aval will receive a fraction of a share of Sociedad Beneficiaria Aval S.A.S., which, in accordance with the provisions of its bylaws, will be repurchased by the latter company.

Valuation Purpose: Determine the terms of exchange of the shares that Grupo Aval intends to spin off in favor of Sociedad Beneficiaria Aval S.A.S. as part of the spin-off process of 75% of Banco de Bogotá's shareholding in BHI.



Source: Grupo Aval

3. Parts involved in the Transaction

3.1. Grupo Aval

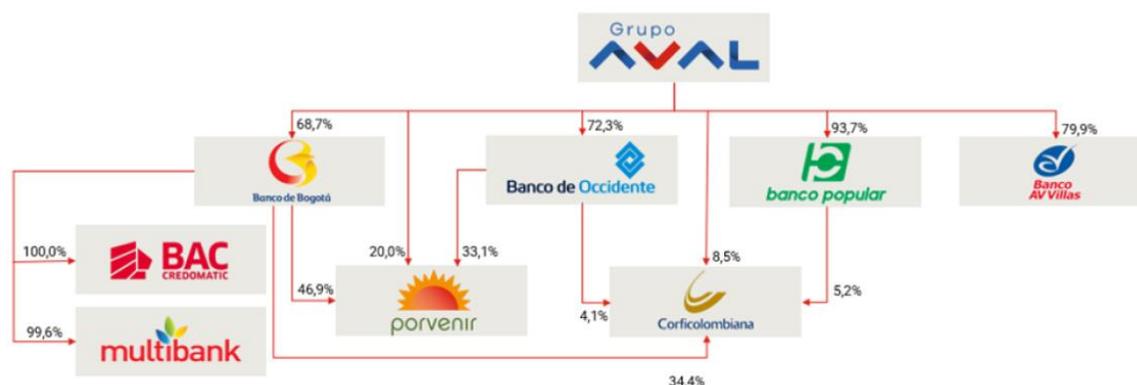
Grupo Aval Acciones y Valores S.A. (hereinafter the "Company" or "Grupo Aval") is a corporation that was incorporated by Public Deed number 0043 of January 7, 1994; its domicile is located at Carrera 13 No. 26A - 47, Bogotá, D.C., Colombia. It is an entity regulated by Law 1870 of 2017. This norm specifies that these entities will be subject to inspection and surveillance of the Colombian Superintendency of Finance in its capacity as Financial Holding Company.

Its corporate purpose is directed to the purchase and sale of shares, bonds and securities of entities belonging to the financial system and other commercial entities. In the development of its corporate purpose, the Company may acquire and negotiate all kinds of securities, of free circulation in the market, and securities in general; promote the creation of all kinds of related or complementary companies with the corporate purpose.

The subscribed and paid-in capital of Grupo Aval is divided into common shares and preferred shares. All shares, common and preferred, represent the same economic interest, except that preferred shares have the right to receive a minimum dividend, which will be paid preferentially with respect to that corresponding to common shares, provided that a dividend has been declared from the resources legally available for such purpose. If dividends are declared, the minimum dividend in favor of preferred shares will be one Colombian peso (\$1.00) per share per semester, provided that this minimum preferential dividend exceeds the dividend declared for common shares. Otherwise, i.e., if the minimum preferred dividend is not higher than the dividend declared

for common shares, only the value of the dividend declared for each common share will be recognized for each preferred share.¹

Ownership structure Grupo Aval



Source: Financial Statements Grupo Aval

3.2. Sociedad Beneficiaria Aval S.A.S.

Sociedad Beneficiaria Aval S.A.S. is a company incorporated for the purpose of acting as beneficiary company of the spin-off of Grupo Aval and its subsequent merger with BHI. Its equity corresponds to 68.74% of the shares of Sociedad Beneficiaria Bogotá S.A.S.

In turn, Sociedad Beneficiaria Bogotá S.A.S. is a company incorporated for the purpose of acting as the beneficiary company of the spin-off of Banco de Bogotá. Its equity corresponds to 75% of the shares of BHI.

BAC Holding International Corp.

BAC Holding International Corp. "BHI" (formerly Leasing Bogota, S. A. Panama (LBP)) is incorporated under the Corporation Law of the Republic of Panama since 1972. This company changed its corporate name on September 17, 2021. BHI is wholly owned by Banco de Bogotá S.A., a bank authorized in the Republic of Colombia, which in turn is a subsidiary of Grupo Aval Acciones y Valores, S. A., an entity domiciled in the Republic of Colombia.

Banco de Bogotá owns 100% of the shares of BAC Credomatic, Inc. which provides through its indirect subsidiary BAC International Bank, Inc. a Panamanian banking institution, a wide variety of financial services to individuals and institutions mainly in Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama. BHI acquired in 2020 99.57% of the common shares of Multi Financial Group Inc. (MFG), a Panamanian banking institution. Multi Financial Group Inc. provides through its subsidiaries a wide variety of financial services to individuals and institutions primarily in Panama.

¹ Prospectus - Grupo Aval Acciones y Valores S.A. non-voting preferred dividend shares.

As of September 30, 2021, BHI ceased to be a shareholder of Multi Financial Group, Inc. ("MFG"), whose ownership was transferred to Multi Financial Holding Inc. ("MFH"), a company 100% owned by Banco de Bogotá S.A.

4. Metrix Finanzas, independent technical advisor

Metrix Finanzas was hired by Grupo Aval Acciones y Valores to determine the terms of exchange of the shares in the spin-off process of 75% of its shareholding in BHI in favor of the shareholders of Banco de Bogotá including Grupo Aval Acciones y Valores S.A. and subsequently the spin-off of the corresponding pro rata in favor of its own shareholders.

Pursuant to the functions set forth in literal B of art. 11.2.1.4. 50 of Decree 2555 of 2010 with respect to issuers of securities subject to the exclusive control of the Colombian Superintendency of Finance (SFC) and in order to adequately comply with the requirements necessary for the SFC to issue the respective authorizations in accordance with the principles of speed, efficiency and economy that govern administrative actions, Metrix Finanzas developed an independent technical study through which it determined the value of the entities and the exchange ratio of the transaction described above as required by law and regulation for this type of transactions.

This report is submitted by Mejoracinco S.A.S., a company incorporated under Colombian law, identified with commercial registration No. 00908448 of December 21, 1998 and N.I.T. 830.053.289-1 as stated in the certificate of existence and representation previously submitted. Mejoracinco S.A.S. has 22 years of operation in accounting and financial matters and operates the Metrix Finanzas brand. The attached document presents the relevant experiences in which Mejoracinco S.A.S. has acted as financial advisor in matters relevant to the preparation of this document.

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e-mail: jhmelguizo@metrixfinanzas.com

Phone: (+57) 6012120735

The following individuals participated in the preparation of this valuation report, whose academic background and experience is reflected and accredited in the resumes previously submitted:

- + Jorge Hernán Melguizo.
- + Yolanda María Fadul.
- + Juan Pablo Espitia.
- + Daniel Machuca Acevedo.
- + Sergio Aldair Clavijo.

5. Valuation accounting considerations

Metrix Finanzas developed the valuation of Grupo Aval using the Group's separate financial statements. This valuation includes the projections and dividends of Banco de Bogotá, Banco de

Occidente, Banco Popular, Banco AV Villas, Corporación Financiera Colombiana, Porvenir and BAC Holding International (formerly Leasing Bogotá Panamá).

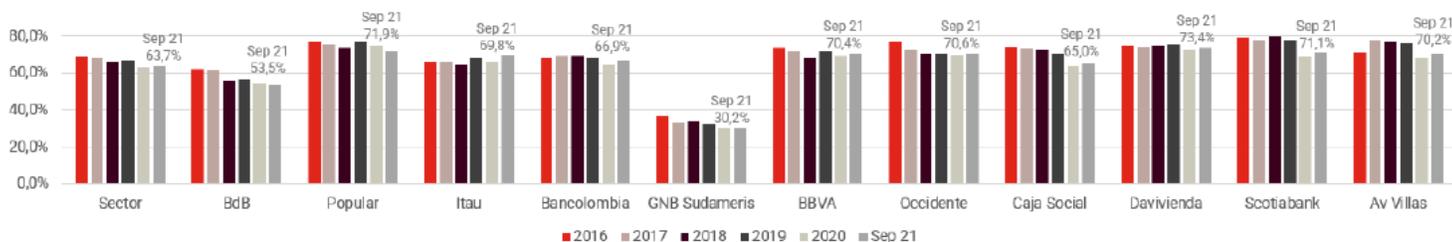
In accordance with Colombian law, Grupo Aval is required to prepare separate and consolidated financial statements. The separate financial statements serve as the basis for the distribution of dividends and other appropriations by the shareholders. The separate and consolidated financial statements are submitted to the Shareholders' Meeting for approval.

The Company's separate financial statements are those financial statements where the investments in subsidiary companies are recorded under the equity method, that is, they are recorded at their acquisition cost and are periodically adjusted by the changes in the parent company's equity interest in the net assets of the subsidiaries, minus the dividends received from them in cash and the effect of the adjustments resulting from the homogenization to the parent company's accounting policies. The result for the period of Grupo Aval includes its participation in the result for the period of the subsidiaries, as well as in the Other Comprehensive Income of the subsidiaries. At the end of each year-end, Grupo Aval performs a qualitative and quantitative evaluation for impairment of its investments. Grupo Aval applies the exceptions contemplated in External Circular 036 of 2014 of the Colombian Superintendency of Finance, regarding the classification, valuation and accounting of investments, with respect to the separate financial statements.

Associated companies are those entities where there is no control, but the Group does have significant influence and are accounted for by the equity method. They are presented in the financial statements as "investments in associates". Grupo Aval exercises significant influence in another entity if it owns directly or indirectly 20% or more of the voting power in the investee, unless it can be clearly demonstrated that such influence does not exist. The equity method is a method of accounting according to which the investment is initially recorded at cost and is subsequently periodically adjusted for changes in the equity interest of the parent company, less dividends received from them in cash and the effect of adjustments resulting from the homogenization to the parent company's accounting policies. The result for the period of the Aval Group includes its participation in the result for the period of the associate, as well as in the Other Comprehensive Income of the associates.

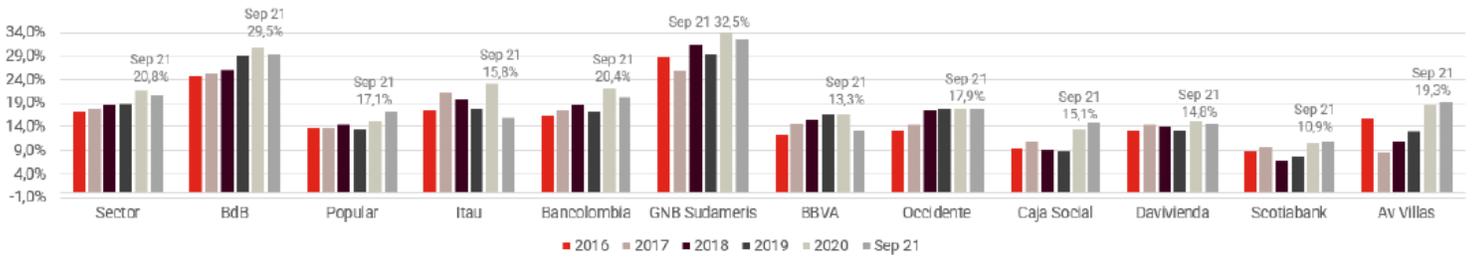
6. Sector analysis

Loans / Assets (%)



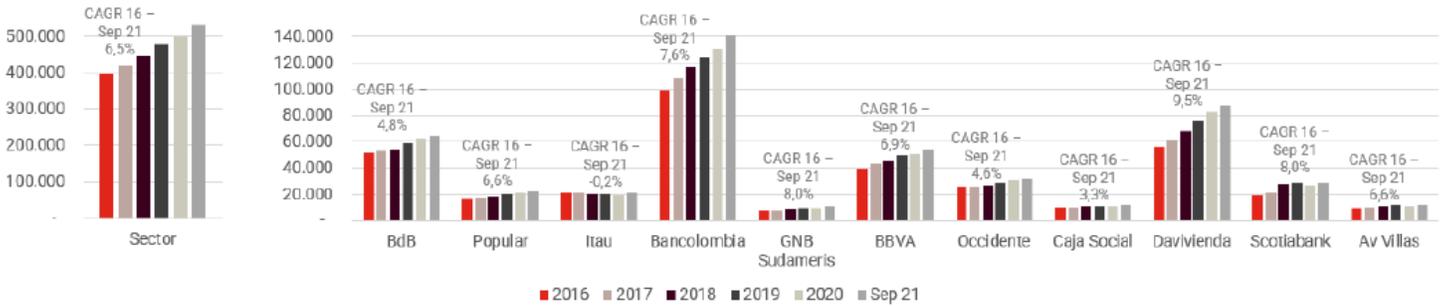
Source: Colombian Superintendency of Finance

Investments / Assets (%)



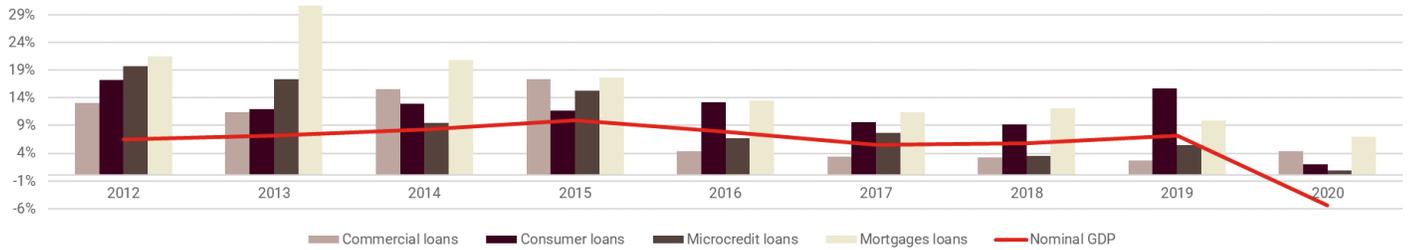
Source: Colombian Superintendency of Finance

Gross Loans (Ps. billions)



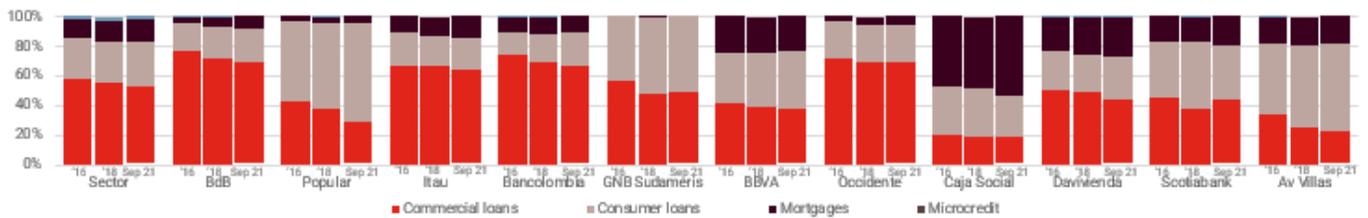
Source: Colombian Superintendency of Finance

Nominal GDP growth vs Gross loans



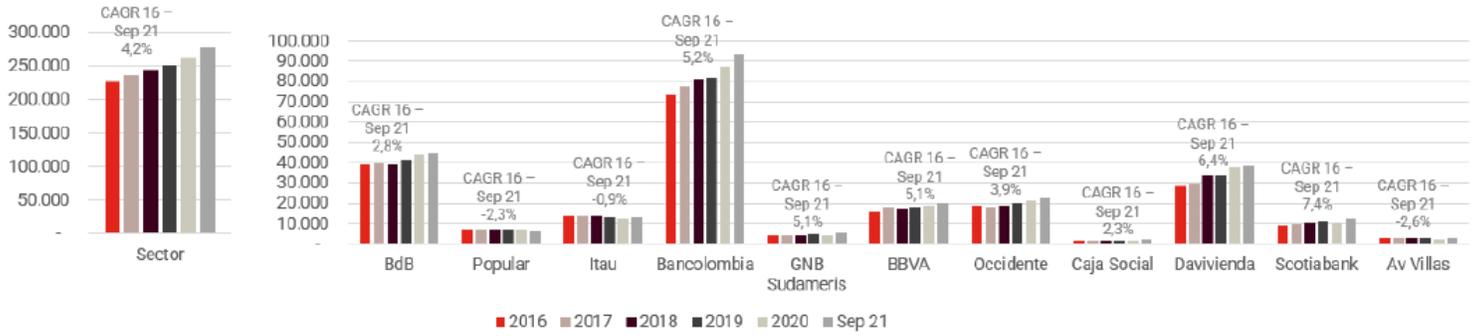
Source: Colombian Superintendency of Finance

Gross loans composition



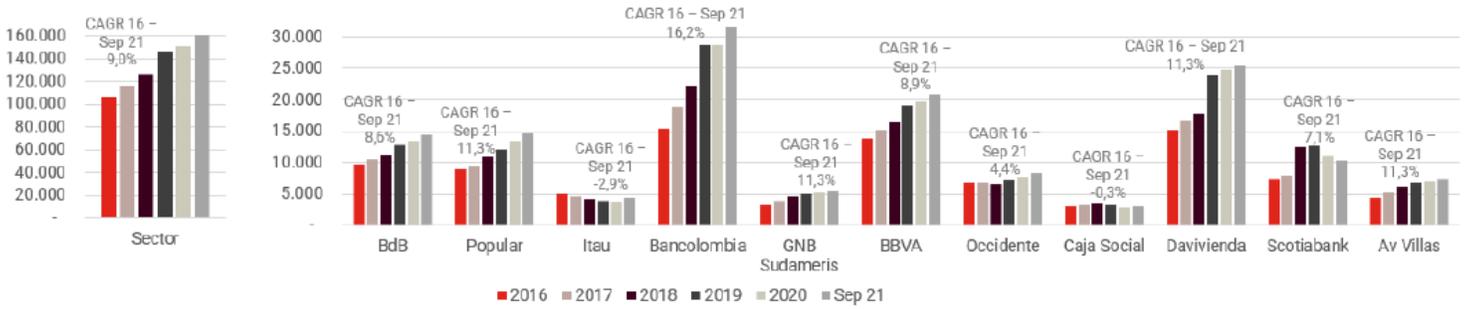
Source: Colombian Superintendency of Finance

Commercial gross loans (Ps billions)



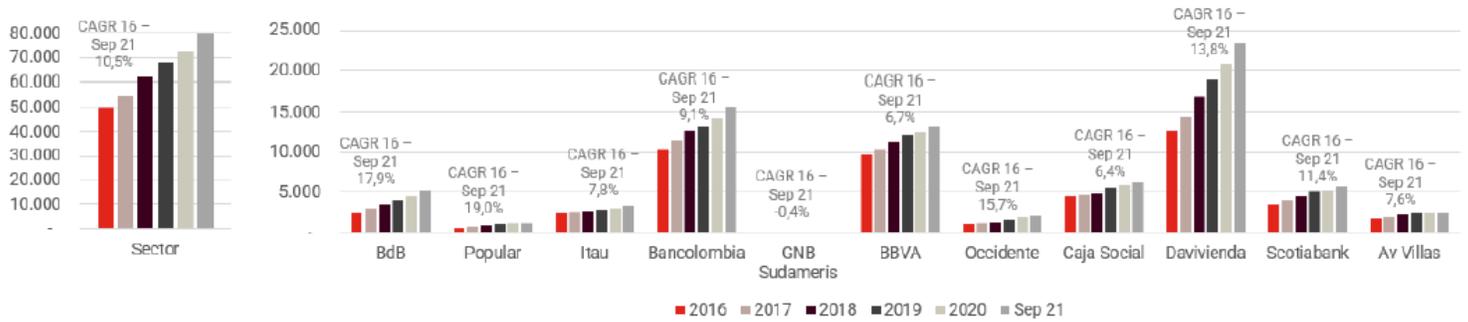
Source: Colombian Superintendency of Finance

Consumer gross loans (Ps billions)



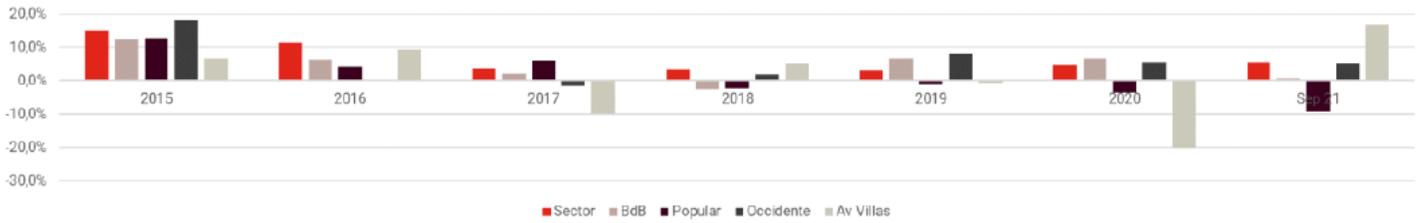
Source: Colombian Superintendency of Finance

Mortgages gross loans (Ps billions)



Source: Colombian Superintendency of Finance

Commercial gross loans growth



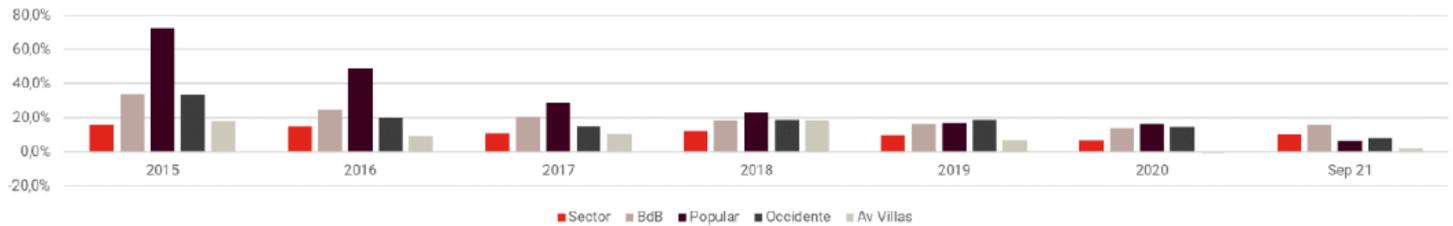
Source: Colombian Superintendency of Finance

Consumer gross loans growth



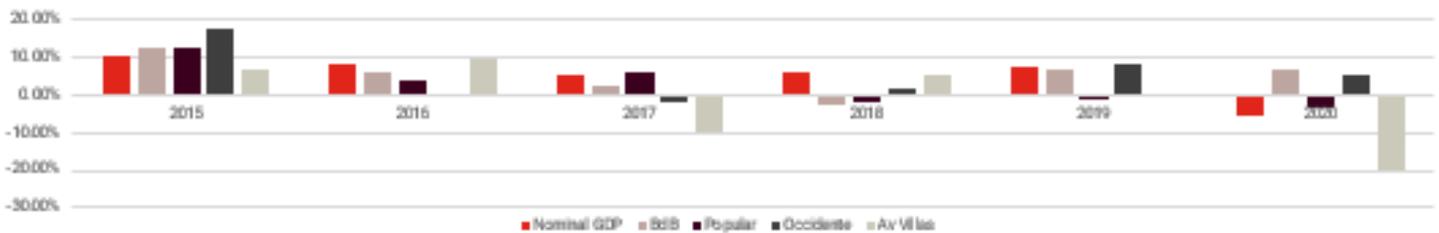
Source: Colombian Superintendency of Finance

Mortgages gross loans growth



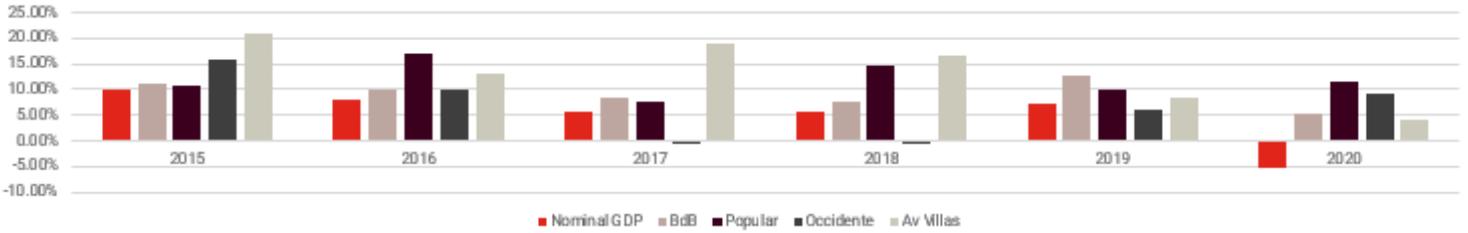
Source: Colombian Superintendency of Finance

Nominal GDP growth vs Commercial gross loans



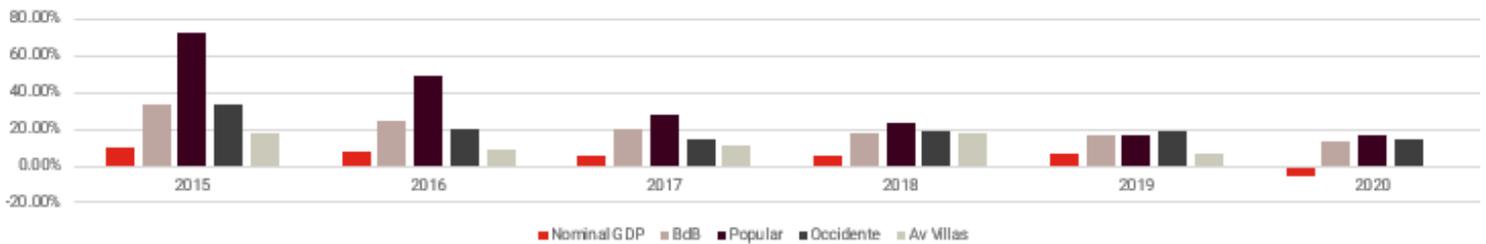
Source: Colombian Superintendency of Finance

Nominal GDP growth vs Consumer gross loans



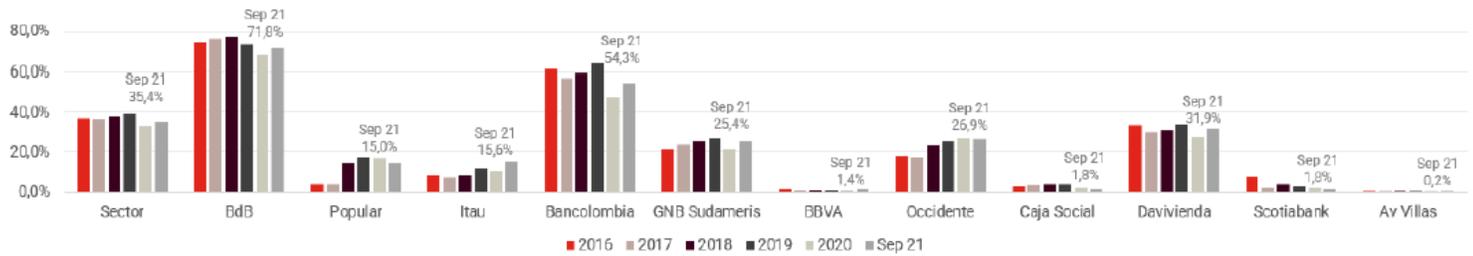
Source: Colombian Superintendency of Finance

Nominal GDP growth vs Mortgages gross loans



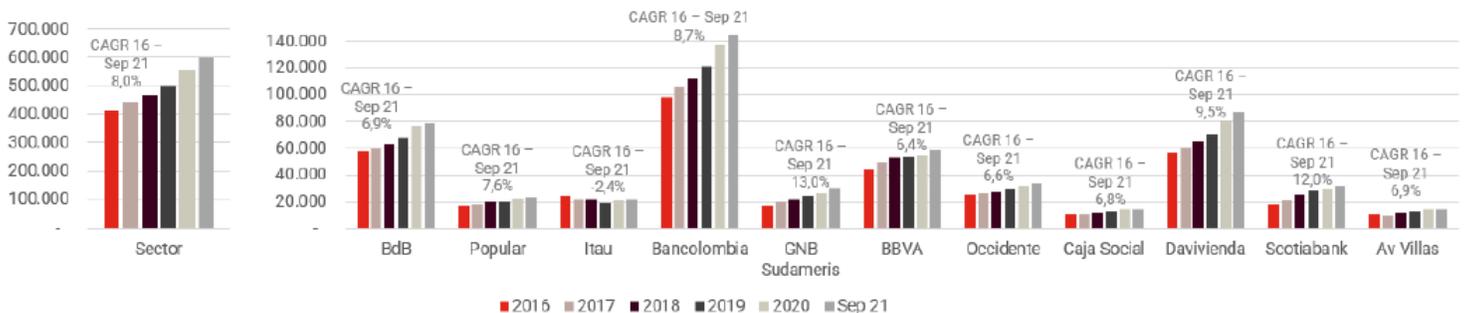
Source: Colombian Superintendency of Finance

Subsidiaries, affiliates, and associates / Investments (%)



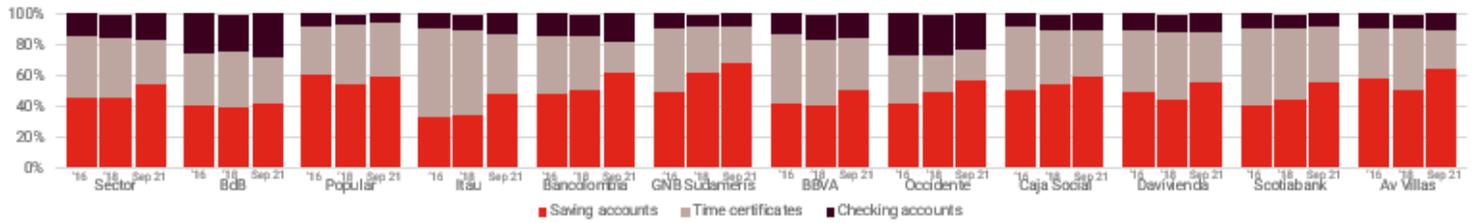
Source: Colombian Superintendency of Finance

Saving accounts, time deposits, checking accounts and investments (Ps billions)



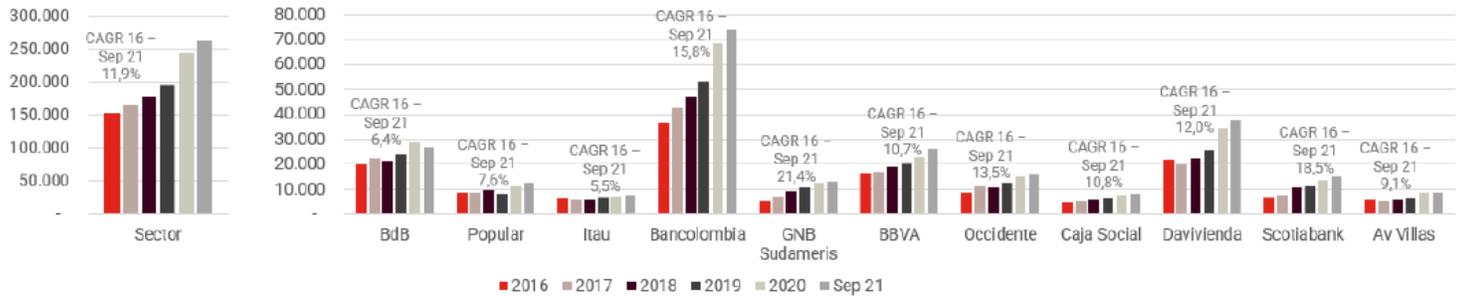
Source: Colombian Superintendency of Finance

Saving accounts, time deposits and checking accounts composition



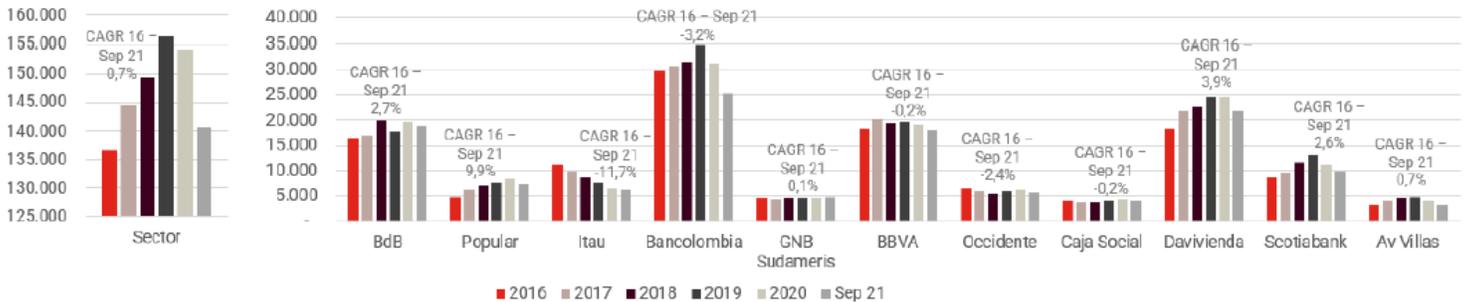
Source: Colombian Superintendency of Finance

Saving accounts (Ps. billions)



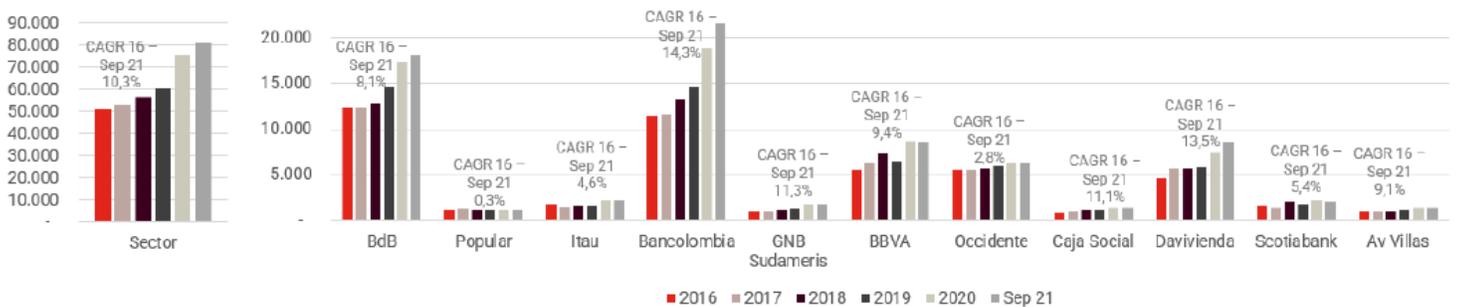
Source: Colombian Superintendency of Finance

Time deposits (Ps. billions)



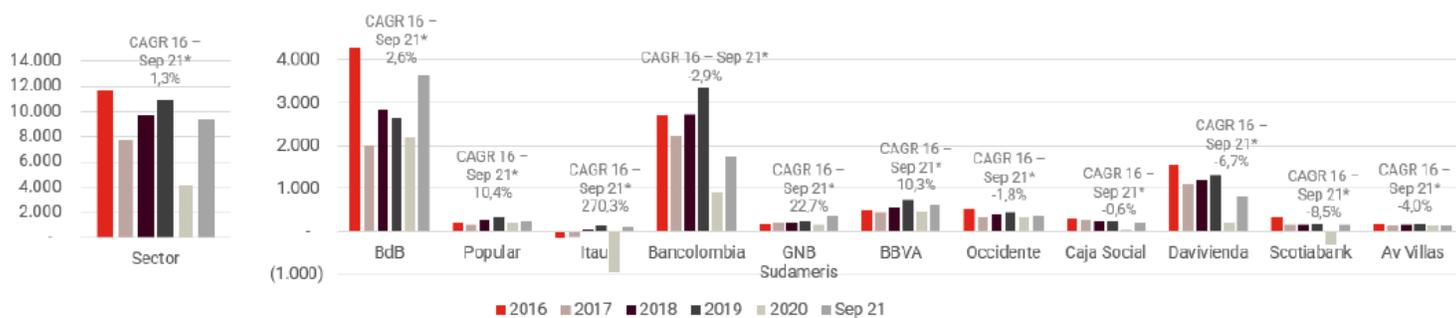
Source: Colombian Superintendency of Finance

Checking accounts (Ps. Billions)



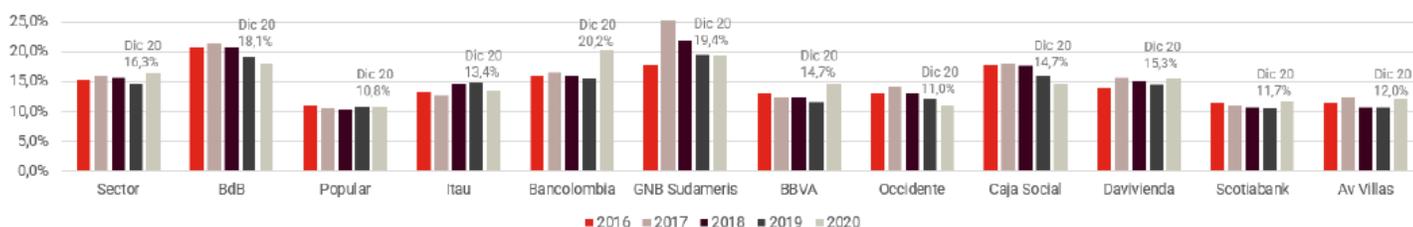
Source: Colombian Superintendency of Finance

Net Income (Ps. Billions)



Source: Colombian Superintendency of Finance

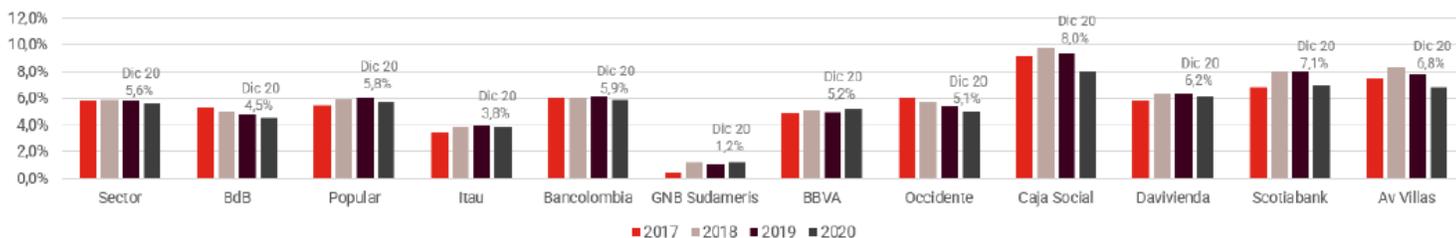
Total Solvency Ratio (%)



Source: Colombian Superintendency of Finance

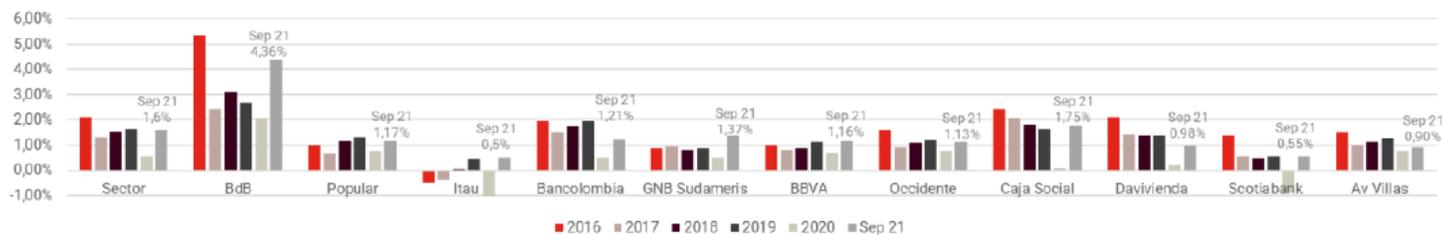
Total Solvency ratio= Technical capital / (Risk-weighted assets + market risk + operational risk).

Net Interest Margin



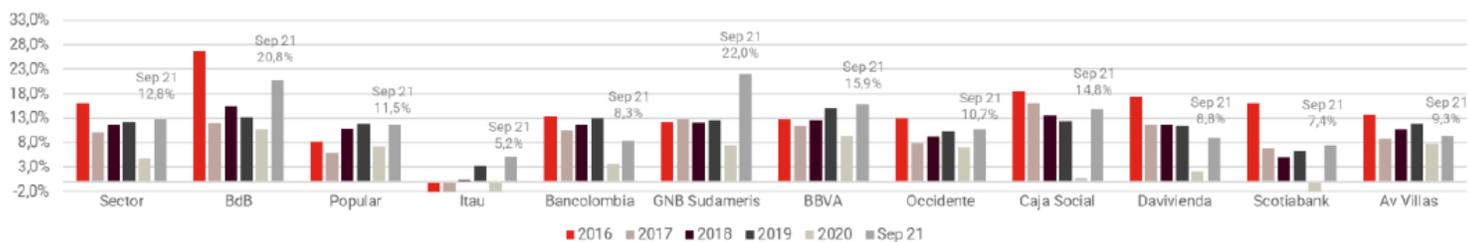
Source: Colombian Superintendency of Finance

ROA (%)



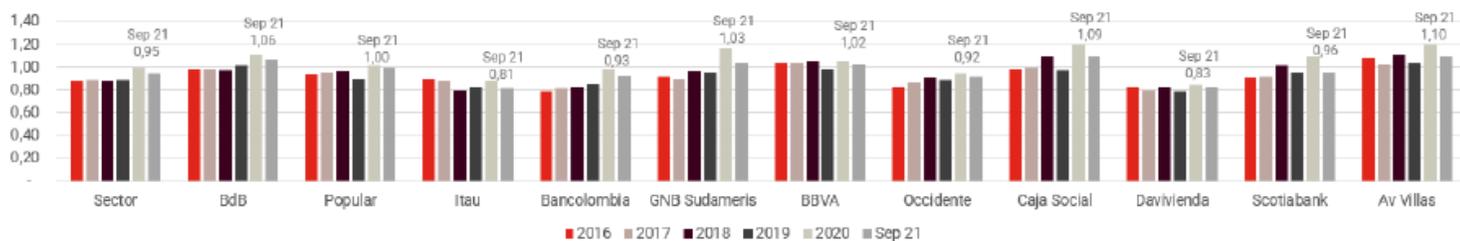
Source: Colombian Superintendency of Finance

ROE (%)



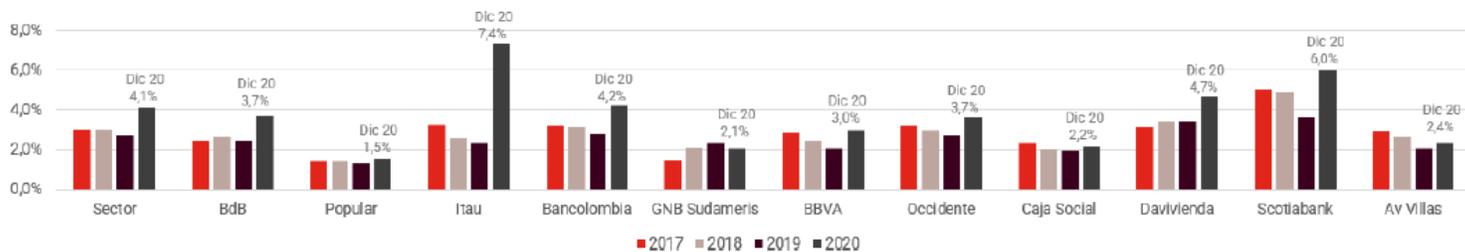
Source: Colombian Superintendency of Finance

Deposits / Loans



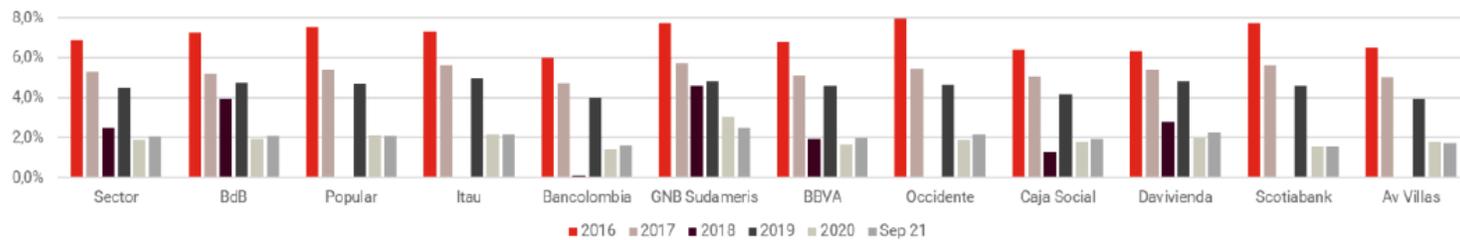
Source: Colombian Superintendency of Finance

Cost of Risk (%)



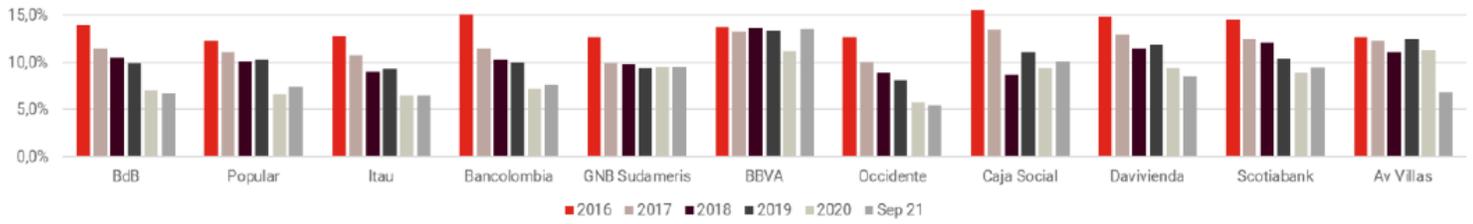
Source: Colombian Superintendency of Finance

90 days time deposit rate



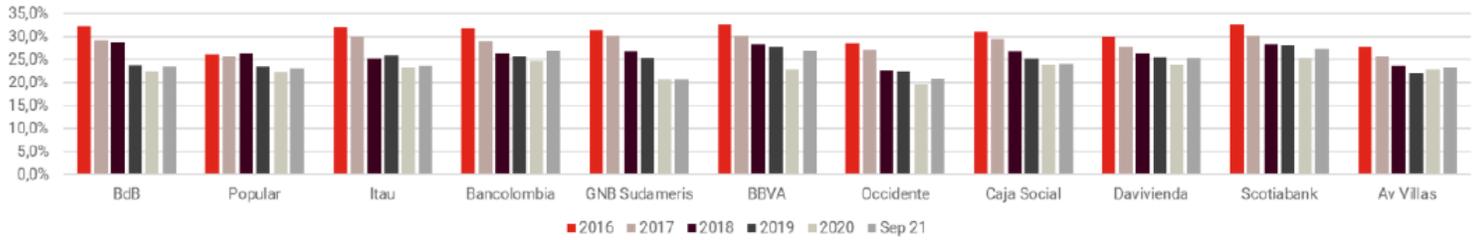
Source: Colombian Superintendency of Finance

General purpose commercial interest rate



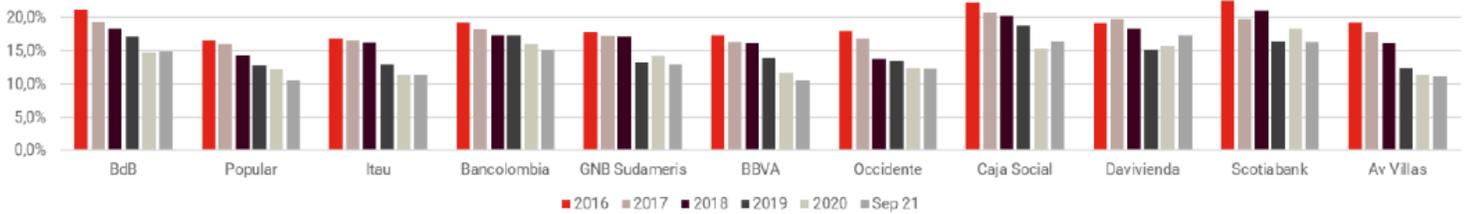
Source: Colombian Superintendency of Finance

Consumer credit cards interest rate



Source: Colombian Superintendency of Finance

Consumer interest rate excluding credit cards



Source: Colombian Superintendency of Finance

Comparable financial institutions in Latin America

	Price USD	P/BV	EPS			P/E			ROE 21e	Market Cap (USD mm)	Volumen (USD mm)		Div Yield 21e (%)
			21e	22e	23e	21e	22e	23e			1 año	1 mes	
Brasil													
Banco do Brasil	28,9	0,6 x	6,32	7,38	8,07	4,6 x	3,9 x	3,6 x	12,4	15.678	96	65	10,2
Bradesco	3,8	1,3 x	0,47	0,54	0,58	8,1 x	7,0 x	6,5 x	16,1	36.835	316	279	5,7
Itaú Unibanco	5,2	2,0 x	0,52	0,61	0,66	10,0 x	8,6 x	8,0 x	19,2	51.247	395	369	6,4
Santander Brasil	6,8	1,7 x	0,78	0,87	0,95	8,6 x	7,8 x	7,1 x	20,5	25.345	30	23	6,4
Banrisul	11,9	0,6 x	2,69	2,98	3,31	4,4 x	4,0 x	3,6 x	12,2	923	5	4	10
BTG Pactual	26,6	2,9 x	1,58	1,97	2,27	16,8 x	13,5 x	11,7 x	16,4	19.232	69	64	3,7
Banco Pan	16,7	3,6 x	0,69	0,95	1,22	24,1 x	17,6 x	13,7 x	14,3	3.800	14	25	1,5
Banco Inter	19,9	5,3 x	0	(0,01)	0,01			3906,1 x	(0,1)	8.624	22	25	-
Boa Vista	12,2	3,4 x	0,22	0,4	0,52	54,1 x	30,7 x	23,3 x	6,1	1.222	3	3	0,8
XP Inc	45,1	10,8 x	1,11	1,4	1,78	40,5 x	32,3 x	25,3 x	24	25.798	55	59	0,8
B3	14,2	3,8 x	0,8	0,85	0,93	17,8 x	16,8 x	15,3 x	21,4	16.280	134	105	6
Modalfmais	17,8	9,1 x	0,61	1,05		29,1 x	16,9 x			2.363	1	2	-
Vinci	74,6	15,1 x	0,7	0,97		105,9 x	76,6 x			800	2	1	-
Patria	92,9	29,4 x	0,98	1,17		94,8 x	79,7 x			2.391	5	4	-
Stone	41,7	4,6 x	0,74	1,07	1,48	56,7 x	38,9 x	28,3 x	7	13.127	159	207	0,5
Pag Seguro	56,5	9,9 x	0,86	1,39	1,81	65,8 x	40,6 x	31,3 x	14	18.664	91	61	0,7
Cielo	2,5	0,7 x	0,31	0,32	0,35	7,9 x	7,7 x	7,0 x	7,3	1.264	23	17	5,9
Porto Seguro	52,2	1,8 x	4,05	4,79	5,37	12,9 x	10,9 x	9,7 x	14,1	3.179	12	16	4,6
BB Seguridade	19,3	5,6 x	2,21	2,49	2,76	8,7 x	7,8 x	7,0 x	62,7	7.297	26	23	10,4
Caixa Seguridade	8,8	2,5 x	0,65	1,15	1,43	13,4 x	7,6 x	6,1 x	19,3	4.963	4	4	10,7
IRB	5,2	1,5 x	0,2	0,42		25,7 x	12,3 x			1.229	46	13	-
SulAmerica	28	1,5 x	1,46	2,48		19,2 x	11,3 x			2.253	23	20	-
Brasil		1,6 x				8,5 x	7,4 x	6,8 x	17,7	130.028	842	740	6,7
Argentina													
BBVA Argentina	4,2	0,7 x	0,66	0,95	1,32	6,4 x	4,4 x	3,2 x	10,4	862	2	4	5,6
GF Galicia	11	0,7 x	1,78	2,31	3,2	6,2 x	4,8 x	3,4 x	11,4	2	10	20	4,2
Macro	19,7	0,7 x	3,33	4,52	6,29	5,9 x	4,4 x	3,1 x	11,4	1	6	9	6,9
Supervielle	2,4	0,5 x	0,24	0,41	0,67	10,1 x	5,8 x	3,6 x	4,9	220	2	3	-
Argentina		0,7 x				6,4 x	4,6 x	3,3 x	10,9	4	19	36	5,1
Chile													
Banco de Chile	19,5	2,0 x	1,62	1,95	2,25	12,1 x	10,0 x	8,7 x	14,7	9.859	11	10	6,5
Santander Chile	20,7	2,3 x	1,86	2,13	2,51	11,2 x	9,7 x	8,2 x	17,3	9.752	19	16	7,7
Corpbanca	3,8	0,4 x	0,83	0,85		4,6 x	4,5 x			1.310	2	1	-
Chile		2,0 x				11,2 x	9,5 x	7,9 x	16	20.921	31	27	7,1
Mexico													
Banorte	126,1	1,6 x	11,71	12,75	14,04	10,8 x	9,9 x	9,0 x	13,9	18.160	39	34	7,6
Santander Mexico	5,8	1,0 x	0,72	0,78	0,85	8,2 x	7,5 x	6,9 x	10,9	7.927	4	1	10,1
Banco del Bajío	34,8	1,2 x	3,32	4	4,55	10,5 x	8,7 x	7,6 x	10,7	2.067	3	5	8,6
Banregio	115,3	1,7 x	10,24	11,81		11,3 x	9,8 x			1.888	3	3	-
Genera	11,6	0,9 x	1,01	1,63		11,5 x	7,1 x			919	2	2	-
Bolsa Mexicana	41,1	3,6 x	2,56	2,8		16,0 x	14,7 x			1.214	3	2	-
Inbursa	18,2	0,7 x	2,27	2,54		8,0 x	7,2 x			5.855	3	4	-
Mexico		1,3 x				9,8 x	8,8 x	8,3 x	12,8	36.816	54	48	8,4
Others													
dLocal	65,2	87,9 x	0,28	0,54	0,97	236,5 x	121,4 x	67,3 x	30,3	20.472	21	136	-
Credicorp	107,3	1,4 x	9,14	12,08	13,53	11,7 x	8,9 x	7,9 x	10,8	8.516	70	42	3,9
Intercorp	22,2	1,1 x	3,45	3,69		6,4 x	6,0 x			2.561	2	1	-
Bancolombia	32,4	1,0 x	3,43	3,89	4,7	9,5 x	8,3 x	6,9 x	10,4	7.796	11	11	4,2
Grupo Aval	5,8	1,2 x	0,73	0,88	1,02	8,0 x	6,6 x	5,7 x	14,3	6.495	2	2	7,6
Davivienda	31620	1,1 x	2,064	3,375		15,3 x	9,4 x			3.731	1	1	-
Grupo Sura	18210	0,4 x	2,020	2,317		9,0 x	7,9 x			2.769	1	1	-
Bladex	16,5	0,6 x	1,52	1,88		10,8 x	8,8 x			648	2	2	-
Others		1,2 x				10,3 x	8,0 x	5,4 x	11,7	29.099	86	57	5,1

Source: Feedback from 2021 Latam London Conference – Morgan Stanley (Sep 20,2021)

7. Methodology of valuation

7.1. Projection methodology for financial statements

In this section, we detail the valuation methodology implemented by Metrix Finanzas. This methodology was executed calculating the present value of Grupo Aval's dividends. According to this, Metrix Finanzas performed the following intermediate steps:

+ Separate financial statements were projected for each of Grupo Aval's subsidiaries and subordinates.

- Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas: The financial information used was as of November 2021. Regarding the Financial information dated September 2021 was extracted from de Superintendency of Finance and the information dated for October and November was provided by Grupo Aval.
- Corficolombiana: The financial information used was as of October 2021. The financial information dated October 2021 was extracted from the interim financial statements provided by Grupo Aval. Furthermore, Metrix received Corficolombiana's projections and business plans for the period 2021-2026.
- Porvenir: The financial information used was obtain from the projections made by Deloitte.
- BAC: The Financial statements as of September 2021, that were used was provided by Banco de Bogotá.
- MFG: Metrix Finanzas used MFG projections provided by Banco de Bogotá.

+ The Projections for Grupo Aval and each entity were made in billions of Colombian pesos (Ps. Billions). Regarding the investments, results and operations in foreign currencies were denominated in Colombian pesos, using the exchange rate stablished in the Medium-Term Fiscal Framework (in Spanish "MFMP").

+ Grupo Aval's profits were calculated for each of its subsidiaries, in accordance with the equity participation method.

+ Grupo Aval's dividends were calculated from each one of its subsidiaries, according to its percentage of participation in them.

+ We projected the Financial Statements of Grupo Aval and the flow of dividends to be distributed.

+Grupo Aval, its subsidiaries and associates defined a business strategy for the projection path, which is reflected in this document, with the purpose of presenting an independent valuation of the companies. Metrix Finanzas reflected the afromentioned strategy in the assumptions used for the

projection of the of each of the entities and Grupo Aval. The details of the assumptions used in the valuations performed by Metrix Finanzas can be found in chapter 7.4 of this document.

+ Banco de Bogotá: In October 2021, Banco de Bogotá and BAC were valued as of September 30, 2021, using financial statements dated July 31, 2021 and June 30, 2021, respectively. In November 2021, upon request, the aforementioned valuation was updated as of October 31, 2021, which it was completed in December 2021.

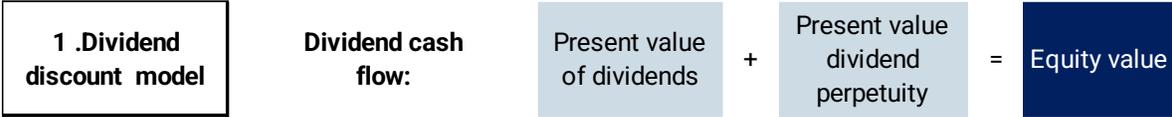
+ Grupo Aval: In December 2021, Banco de Occidente, Banco Popular and Banco AV Villas were valued dated October 31, 2021 using financial statements as of October 31, 2021.

+ In December 2021, it was requested to update the value of all companies as of November 30, 2021. These monthly updates are intended to reflect the economic realities in each month. However, they do not change the long-term projections since the companies' explicit strategy has not undergone any relevant changes.

7.2. Method of valuation

The Valuation Method used was the dividend flow discounting.

Dividend discount model



This methodology is widely applied in companies in various sectors, which are not CAPEX intensive and in which working capital is not one of the most relevant variables for value calculation. Damodaran (2012) suggests that banks, on average, have small or no CAPEX cost and low working capital requirements. Additionally, a shareholder of a company receives dividend income from the company.

+ Advantages

- This methodology is with greater methodological basis and widely used.
- Detailed forecast of each financial item linked to cash flow generation in the company's operation.
- The value of the company comes from its ability to generate value for investors.

+ Disadvantages

- It depends on the quality of the information available on the company and the sector to which it belongs.
- Quite sensitive to the estimate of the perpetuity rate.

7.3. Macroeconomic assumptions for Colombia

+ Gross Domestic Product (GDP-PIB)

The macroeconomic information used is sourced from the International Monetary Fund (IMF).²

2.022	PIB 2022	3,8%
2.023	PIB 2023	3,3%
2.024	PIB 2024	3,4%
2.025	PIB 2025	3,4%
2.026	PIB 2026	3,5%

+ Inflation

The macroeconomic information used is sourced from the International Monetary Fund (IMF).³

2.022	Inflation 2022	3,54%
2.023	Inflation 2023	3,04%
2.024	Inflation 2024	3,04%
2.025	Inflation 2025	2,99%
2.026	Inflation 2026	3,01%

The GDP and inflation variables were used to calculate the portfolio growth indicator against nominal GDP growth.

+ Market Representative Exchange Rate (TRM)

We used the Colombian Ministry of Finance's medium-term fiscal framework exchange rate for 2021.

2.022	TRM 2022	3.744	COP/USD
2.023	TRM 2023	3.822	COP/USD
2.024	TRM 2024	3.903	COP/USD
2.025	TRM 2025	3.985	COP/USD
2.026	TRM 2026	4.068	COP/USD

This variable was used to convert the accounts reflected in dollars.

² International Monetary Fund, World Economic Outlook Database, October 2021

³ Idem

7.4. Valuation model assumptions

7.4.1. Financial projections

- + The valuation is made with a discount date of November 30, 2021.
- + Projections are made over a 5-year forecast.
- + A growth rate is used for dividends between 2026 and 2031. From 2032 onwards a terminal value is calculated with a perpetual long-term growth rate.
- + For the calculation of taxes, is use as a basis the legal rate established by Law 2155 of 2021
- + Grupo Aval provided us the calculations under the following methodologies:
 - Risk-weighted assets calculation methodology.
 - Methodology for calculating the Primary Capital (*Capital Primario Ordinario*).
 - Total Capital calculation methodology.
 - Total Solvency

7.4.2. Loan portfolio projections

For Metrix Finanzas, the years 2020 and 2021 are considered atypical years for the normal performance of the financial institutions subject to these valuations. The financial behavior of the year 2019 is considered the last year of normal behavior before the pandemic. In meetings with officials of the entities, it was confirmed that the current portfolio placement strategy will not be modified in the near future. Metrix Finance took into account the following considerations in the projection of the banks' portfolio:

- + The portfolio projection for the period from 2022 to 2026 was made by type of loan (mortgage, consumer, commercial, etc.).
- + As a basis, the historical portfolio growth was used for mortgage, commercial and consumer portfolio types, which represent 99% of the banks' total portfolio.
- + Portfolio projections for 2022-2026 remain constant by type of loan. The above, taking into account that the banks' placement strategy remains unchanged. According to this strategy, mortgage and consumer loans will grow faster than the commercial portfolio, increasing the share in the banks' total portfolio.
- + In the projections for each bank, the portfolio growth rates are by type of loan as follows:

7.4.2.1. Banco de Bogotá

Gross loans growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	18.8%	15.4%	15.4%	15.4%	15.4%	15.4%
Consumer loans p	8.6%	12.8%	12.8%	12.8%	12.8%	12.8%
Commercial loans p	3.8%	6.6%	6.6%	6.6%	6.6%	6.6%
Total	5.5%	8.6%	8.7%	8.8%	8.9%	9.1%

Loan portfolio composition	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	7.9%	8.3%	8.9%	9.4%	10.0%	10.5%
Consumer loans p	22.2%	23.0%	23.9%	24.8%	25.6%	26.5%
Commercial loans p	69.1%	67.8%	66.5%	65.2%	63.8%	62.4%

Loan Growth / Nominal GDP Growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	1.8	2.0	2.2	2.3	2.3	2.3
Consumer loans p	0.8	1.6	1.8	1.9	1.9	1.9
Commercial loans p	0.4	0.8	0.9	1.0	1.0	1.0
Total Loans	0.5	1.1	1.2	1.3	1.4	1.4

Source: Metrix Finanzas calculations

P: Projections

7.4.2.2. Banco de Occidente

Gross loans growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	11.5%	10.5%	10.5%	10.5%	10.5%	10.5%
Consumer loans p	10.5%	6.2%	6.2%	6.2%	6.2%	6.2%
Commercial loans p	6.2%	6.2%	6.2%	6.2%	6.2%	6.2%
Total	7.6%	6.5%	6.5%	6.5%	6.5%	6.5%

Loan portfolio composition	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	6.3%	6.5%	6.8%	7.0%	7.3%	7.5%
Consumer loans p	25.7%	25.7%	25.6%	25.5%	25.5%	25.4%
Commercial loans p	67.9%	67.7%	67.6%	67.4%	67.2%	67.0%

Loan Growth / Nominal GDP Growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	1.1	1.3	1.5	1.6	1.6	1.6
Consumer loans p	1.0	0.8	0.9	0.9	0.9	0.9
Commercial loans p	0.6	0.8	0.9	0.9	0.9	0.9
Total Loans	0.7	0.8	0.9	1.0	1.0	1.0

Source: Metrix Finanzas calculations

P: Projections

7.4.2.3. Banco Popular

Gross loans growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	7.7%	10.2%	10.2%	10.2%	10.2%	10.2%
Consumer loans p	13.6%	9.8%	9.8%	9.8%	9.8%	9.8%
Commercial loans p	-11.3%	3.1%	3.1%	3.1%	3.1%	3.1%
Total	5.3%	7.9%	8.0%	8.1%	8.2%	8.2%

Loan portfolio composition	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	4.6%	4.7%	4.8%	4.9%	5.0%	5.0%
Consumer loans p	67.4%	68.6%	69.7%	70.8%	71.9%	72.9%
Commercial loans p	27.2%	26.0%	24.8%	23.6%	22.5%	21.5%

Loan Growth / Nominal GDP Growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	0.7	1.3	1.5	1.5	1.5	1.5
Consumer loans p	1.3	1.2	1.4	1.5	1.5	1.5
Commercial loans p	(1.1)	0.4	0.4	0.5	0.5	0.5
Total Loans	0.5	1.0	1.1	1.2	1.2	1.2

Source: Metrix Finanzas calculations

P: Projections

7.4.2.4. Banco AV Villas

Gross loans growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	3.2%	6.7%	6.7%	6.7%	6.7%	6.7%
Consumer loans p	8.9%	8.3%	8.3%	8.3%	8.3%	8.3%
Commercial loans p	19.9%	3.0%	3.0%	3.0%	3.0%	3.0%
Total	10.0%	6.8%	6.9%	6.9%	6.9%	7.0%

Loan portfolio composition	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	18.7%	18.7%	18.6%	18.6%	18.6%	18.5%
Consumer loans p	59.3%	60.1%	60.9%	61.7%	62.4%	63.2%
Commercial loans p	21.8%	21.0%	20.3%	19.5%	18.8%	18.1%

Loan Growth / Nominal GDP Growth	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Mortgage loans p	0.3	0.9	1.0	1.0	1.0	1.0
Consumer loans p	0.8	1.0	1.2	1.2	1.3	1.3
Commercial loans p	1.9	0.4	0.4	0.4	0.5	0.5
Total Loans	0.9	0.9	1.0	1.0	1.1	1.1

Source: Metrix Finanzas calculations

P: Projections

7.5. Projection results by entity.

7.5.1. Banco de Bogotá

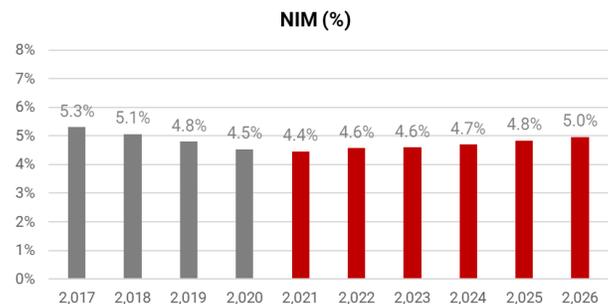
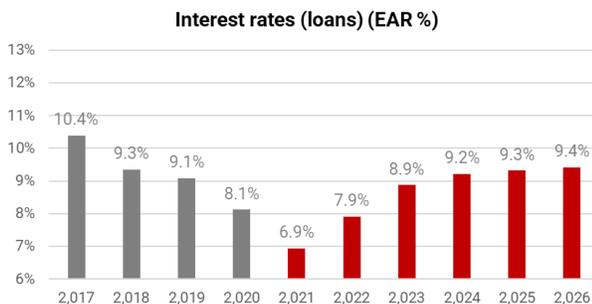
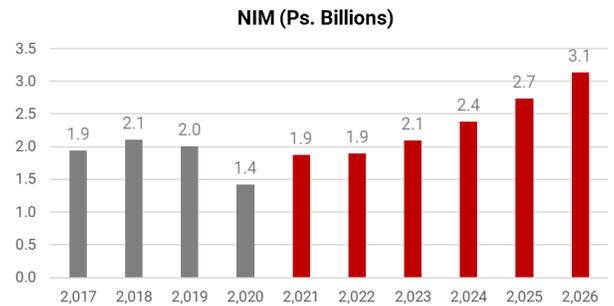
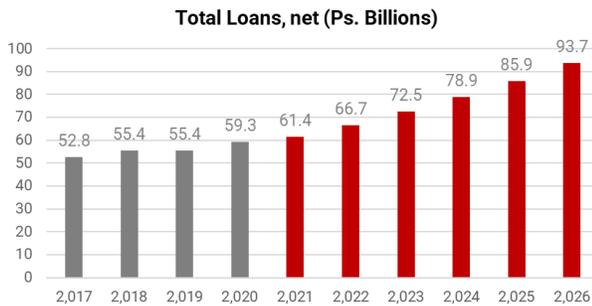
Founded in 1870, Banco de Bogotá S.A. is the oldest financial institution in Colombia. It is a subsidiary of Grupo Aval, the leading financial group in Colombia.

Banco de Bogotá covers the entire national territory and develops international operations through agreements with banks, its branches and foreign agencies around the world; Also, it offers banking services to individuals, companies and SMEs.

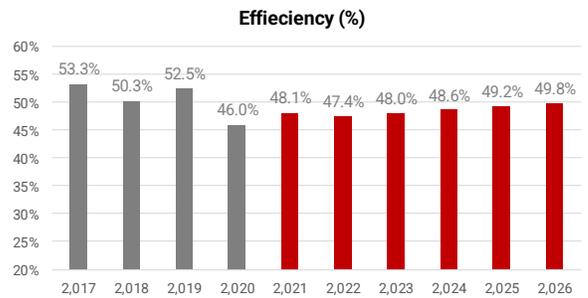
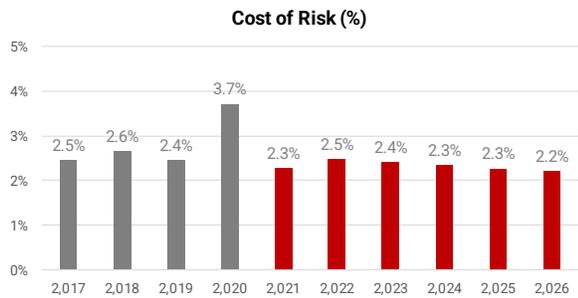
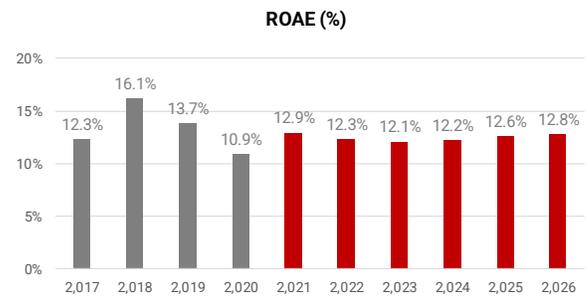
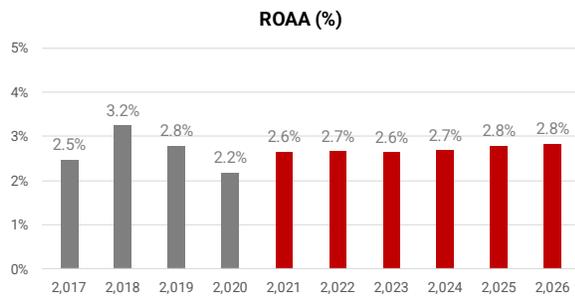
P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21	Ratios (annualized)	2,017	2,018	2,019	2,020	2,021
Net interest income	3,228	3,529	3,387	3,671	3,065	NIM (%)	5.3%	5.1%	4.8%	4.5%	4.5%
Net impairment loss on loans	(1,288)	(1,422)	(1,375)	(2,244)	(1,321)	Cost of Risk (%)	2.5%	2.6%	2.4%	3.7%	2.3%
Net interest income, after impairment losses	1,940	2,107	2,012	1,427	1,744	Efficiency (operational expenses / NIM) (%)	53.3%	50.3%	52.5%	46.0%	48.4%
Income from commissions, fees and others	1,118	1,272	1,153	1,056	847	ROAA	2.5%	3.2%	2.8%	2.2%	2.7%
Net income, after impairment losses	3,058	3,378	3,166	2,483	2,591	ROAE	12.3%	16.1%	13.7%	10.9%	13.1%
General and administrative expenses	(2,365)	(2,408)	(2,507)	(2,366)	(2,054)						
Net income from banking operation	693	971	659	117	537						
Net income from subsidiaries and associates	1,540	2,022	2,215	2,125	2,408						
Porvenir deconsolidation	-	-	-	-	1,300						
Income tax expense and others	(221)	(168)	(233)	(30)	(128)						
Net income	2,012	2,825	2,641	2,211	4,117						

Statement of Financial Position Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21	Growth	2,017	2,018	2,019	2,020
Cash and Cash equivalents	6,195	8,215	9,667	9,179	9,251	Income	11.2%	9.3%	-4.0%	8.4%
Trading Assets	5,010	5,371	7,642	10,423	9,637	Net income, after impairment losses	-43.6%	10.5%	-6.3%	-21.6%
Total loans, net	52,771	55,398	55,375	59,331	60,203	Net income	-52.9%	40.4%	-6.5%	-16.3%
Investments in subsidiaries and associates	16,077	18,516	21,115	22,176	24,599	Loans	6.0%	5.0%	-0.0%	7.1%
Other assets	3,360	3,934	4,443	4,764	8,377	Deposits	5.4%	4.2%	3.8%	17.1%
Total assets	83,414	91,434	98,242	105,873	112,067	Equity	5.2%	8.6%	10.4%	2.0%
Customer deposits	51,819	54,004	56,061	65,662	62,261					
Financial obligations	5,838	8,641	11,211	8,570	11,722					
Bonds	6,713	7,308	7,379	7,895	9,732					
Other liabilities	2,232	3,218	3,434	3,189	3,949					
Total liabilities	66,602	73,171	78,086	85,316	87,664					
Total equity	16,811	18,263	20,156	20,557	24,403					

Source: Colombian Superintendency of Finance



Source: Colombian Superintendency of Finance and projections from Metrix Finanzas



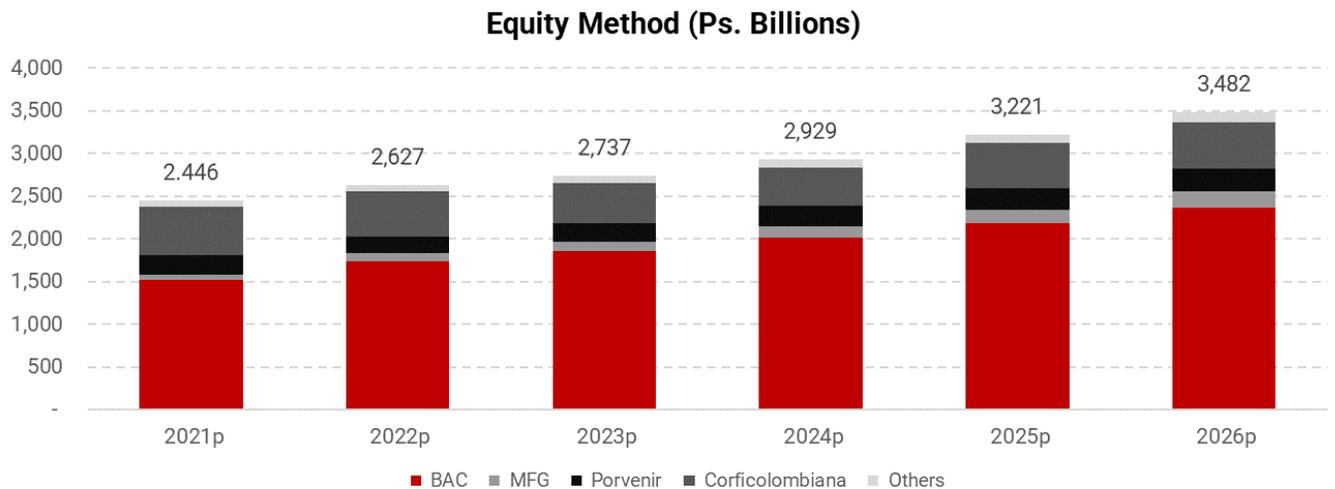
Source: Colombian Superintendency of Finance and projections from Metrix Finanzas

Equity method of accounting

+ BHI: Metrix Finanzas conducted an independent valuation of BHI, the results of which are presented in this report. From this valuation, the value of the Profit Sharing Method (MPU) was taken from Banco de Bogotá.

+Porvenir: The MPU value for Porvenir was taken from the valuation report dated on June 2021 by Deloitte.

+MPU projections for Corficolombiana, MFG and other companies were provided by Banco de Bogotá.



Source: Projections from Metrix Finanzas

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Net interest income	3,228	3,529	3,387	3,671	3,337	3,594	3,887	4,277	4,737	5,252
Net impairment loss on loans	(1,288)	(1,422)	(1,375)	(2,244)	(1,456)	(1,691)	(1,789)	(1,893)	(2,003)	(2,120)
Net interest income, after impairment losses	1,940	2,107	2,012	1,427	1,880	1,903	2,098	2,384	2,734	3,132
Income from commissions, fees and others	956	967	967	969	890	1,501	1,666	1,846	2,044	2,261
Net income, after impairment losses	2,896	3,073	2,979	2,395	2,770	3,404	3,764	4,230	4,778	5,393
General and administrative expenses	(2,203)	(2,103)	(2,320)	(2,279)	(2,207)	(2,623)	(2,873)	(3,183)	(3,543)	(3,948)
Net income from banking operation	693	971	659	117	563	781	891	1,047	1,235	1,445
Net income from subsidiaries and associates	1,540	2,022	2,215	2,125	2,463	2,627	2,737	2,929	3,221	3,482
Porvenir deconsolidation	-	-	-	-	1,300	-	-	-	-	-
Income tax expense and others	(221)	(168)	(233)	(30)	(141)	(297)	(339)	(398)	(469)	(549)
Net income	2,012	2,825	2,641	2,211	4,185	3,111	3,290	3,578	3,986	4,378
Dividends (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Payout ratio	-	-	-	-	-	47%	50%	50%	50%	50%
Dividends py	-	-	-	-	-	1,349	1,556	1,645	1,789	1,993
Ratios	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
NIM (%)	5.3%	5.1%	4.8%	4.5%	4.4%	4.6%	4.6%	4.7%	4.8%	5.0%
Cost of Risk (%)	2.5%	2.6%	2.4%	3.7%	2.3%	2.5%	2.4%	2.3%	2.3%	2.2%
Efficiency (operational expenses / NIM) (%)	53.3%	50.3%	52.5%	46.0%	48.1%	47.4%	48.0%	48.6%	49.2%	49.8%
ROAA	2.5%	3.2%	2.8%	2.2%	2.6%	2.7%	2.6%	2.7%	2.8%	2.8%
ROAE	12.3%	16.1%	13.7%	10.9%	12.9%	12.3%	12.1%	12.2%	12.6%	12.8%

Source: Colombian Superintendency of Finance and projections from Metrix Finanzas

7.5.2. BAC Credomatic

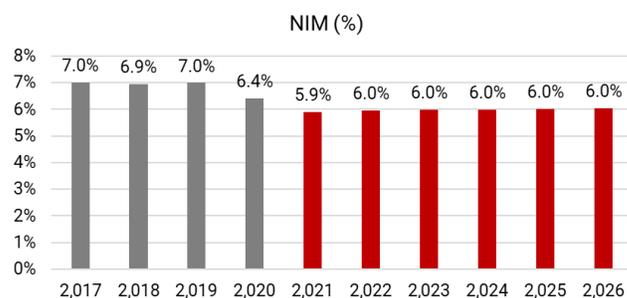
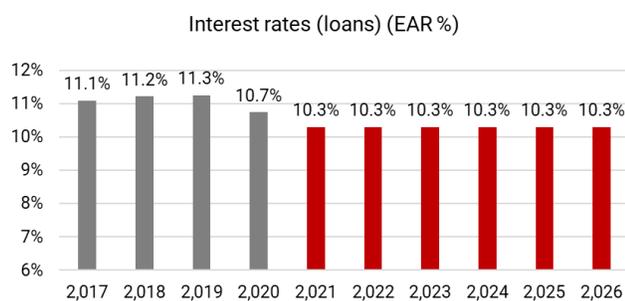
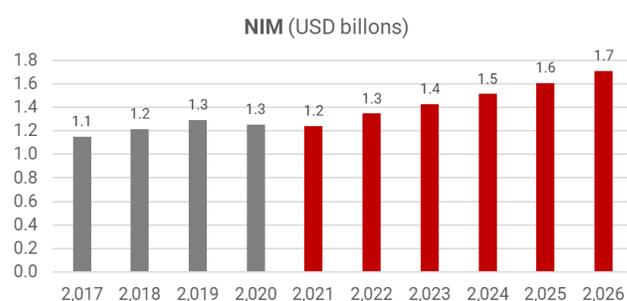
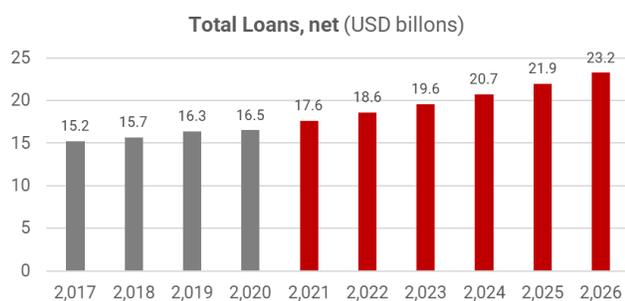
Grupo BAC Credomatic is one of the leading financial holding companies in Central America. Through its subsidiary banks, it offers financial services in El Salvador, Guatemala, Honduras, Nicaragua, Costa Rica and Panama.

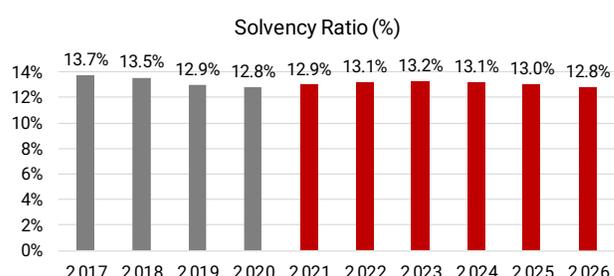
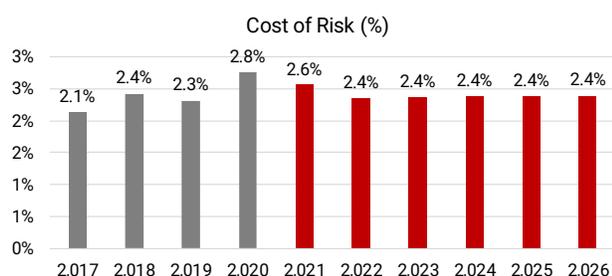
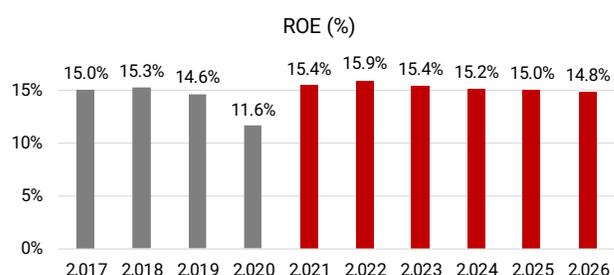
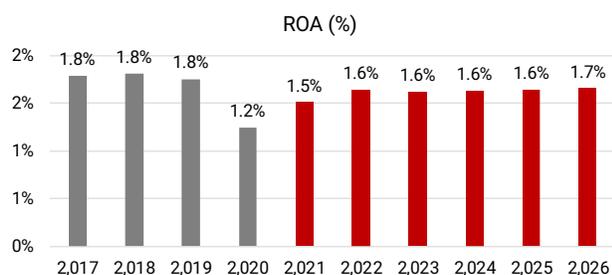
P&L Summary (USD MM)	2,017	2,018	2,019	2,020	Sep-21
Net interest income	1,148	1,217	1,294	1,255	915
Net impairment loss on loans	(318)	(384)	(382)	(469)	(258)
Net interest income, after impairment losses	830	833	912	786	657
Income from commissions, fees and others	760	862	842	823	637
Net income, after impairment losses	1,591	1,695	1,754	1,610	1,294
General and administrative expenses	(1,052)	(1,128)	(1,199)	(1,165)	(881)
Net income before income tax expense	539	567	555	445	412
Income tax expense and others	(163)	(162)	(144)	(130)	(87)
Net income	376	406	411	315	325

Ratios	2,018	2,019	2,020	sep-21
NIM (%)	6.9%	7.0%	6.4%	5.8%
Cost of Risk (%)	2.4%	2.3%	2.8%	1.9%
Efficiency (operational expenses / NIM) (%)	50.4%	50.8%	50.4%	51.3%
ROAA	1.8%	1.8%	1.2%	1.6%
ROAE	15.3%	14.6%	11.6%	16.7%
Solvency	13.5%	12.9%	12.8%	13.1%

Statement of Financial Position Summary (USD MM)	2,017	2,018	2,019	2,020	Sep-21
Cash and Cash equivalents	3,958	4,191	3,994	5,882	4,864
Trading Investments at fair value	1,645	1,704	2,255	2,898	3,447
Total loans, net	15,195	15,659	16,343	16,505	17,365
Property, furniture, equipment and improvements	346	331	615	559	511
Other assets	875	866	758	780	742
Total assets	22,018	22,752	23,965	26,624	26,929
Customer deposits	15,014	15,769	17,235	20,311	21,144
Financial obligations	3,176	3,143	2,334	2,051	1,429
Other financial obligations	394	297	319	747	754
Other liabilities	806	852	1,156	1,005	917
Total liabilities	19,390	20,060	21,044	24,115	24,244
Total equity	2,628	2,692	2,921	2,509	2,685

Growth	2,018	2,019	2,020
Income	7.7%	6.3%	-1.2%
Net income, after impairment losses	6.6%	3.4%	-8.2%
Net income	7.8%	1.2%	-23.3%
Loans	3.1%	4.4%	1.0%
Deposits	5.0%	9.3%	17.8%
Equity	2.4%	8.5%	-14.1%





P&L Summary (USD MM)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Net interest income	1,148	1,217	1,294	1,255	1,238	1,346	1,426	1,513	1,606	1,706
Net impairment loss on loans	(318)	(384)	(382)	(469)	(454)	(443)	(470)	(498)	(528)	(561)
Net interest income, after impairment losses	830	833	912	786	784	903	956	1,015	1,078	1,145
Income from commissions, fees and others	760	862	842	823	945	998	1,056	1,118	1,185	1,256
Net income, after impairment losses	1,591	1,695	1,754	1,610	1,729	1,901	2,012	2,133	2,262	2,401
General and administrative expenses	(1,052)	(1,128)	(1,199)	(1,165)	(1,210)	(1,292)	(1,367)	(1,448)	(1,535)	(1,627)
Net income before income tax expense	539	567	555	445	519	610	645	685	728	774
Income tax expense and others	(163)	(162)	(144)	(130)	(110)	(144)	(161)	(171)	(182)	(193)
Net income	376	406	411	315	409	465	484	514	546	580
Dividends (USD MM)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Pay-out ratio					55.6%	55.0%	55.0%	55.0%	55.0%	55.0%
Dividends					175	225	256	266	283	300
Ratios	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
NIM (%)	7.0%	6.9%	7.0%	6.4%	5.9%	6.0%	6.0%	6.0%	6.0%	6.0%
Cost of Risk (%)	2.1%	2.4%	2.3%	2.8%	2.6%	2.4%	2.4%	2.4%	2.4%	2.4%
Efficiency (operational expenses / NIM) (%)	50.9%	50.4%	50.8%	50.4%	50.7%	50.7%	50.7%	50.7%	50.7%	50.7%
ROA	1.8%	1.8%	1.8%	1.2%	1.5%	1.6%	1.6%	1.6%	1.6%	1.7%
ROE	15.0%	15.3%	14.6%	11.6%	15.4%	15.9%	15.4%	15.2%	15.0%	14.8%

7.5.3. Banco De Occidente

Founded in 1965 in Cali, Banco de Occidente belongs to Grupo Aval Acciones y Valores, which owns 72.3% of the bank. It currently has a network of 195 branches in Colombia, as well as subsidiaries in Panama and Barbados.

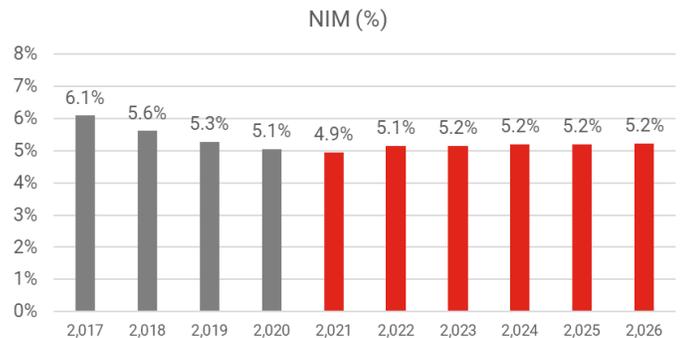
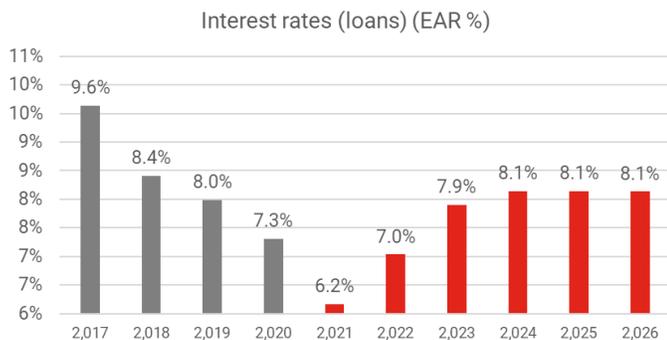
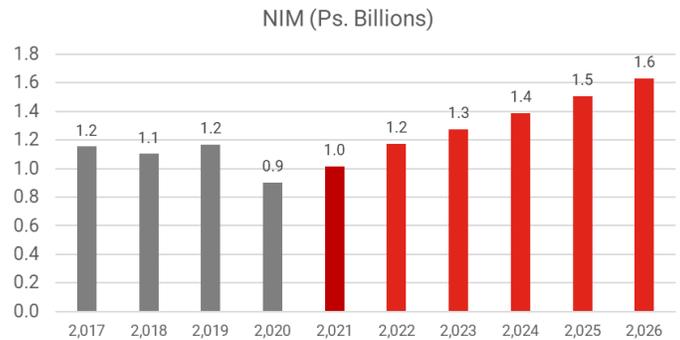
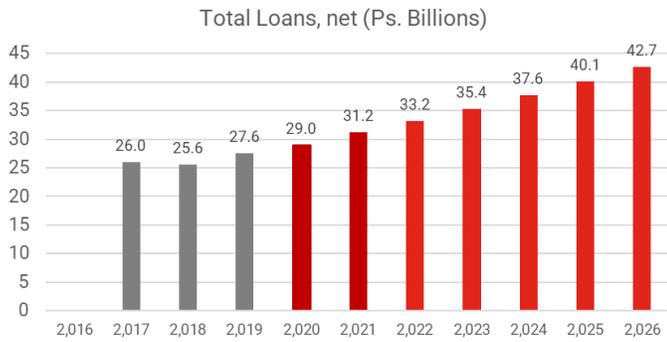
P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21
Net interest income	1,987	1,892	1,927	1,987	1,767
Net impairment loss on loans	(835)	(789)	(759)	(1,086)	(813)
Net interest income, after impairment losses	1,153	1,103	1,168	901	954
Income from commissions, fees and others	354	340	309	365	384
Net income, after impairment losses	1,507	1,443	1,477	1,266	1,338
General and administrative expenses	(1,248)	(1,276)	(1,311)	(1,265)	(1,194)
Net income from banking operation	259	167	166	0	144
Net income from subsidiaries and associates	148	225	292	320	296
Income tax expense and others	(91)	(4)	0	-	(9)
Net income	315	388	458	321	431

Statement of Financial Position Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21
Cash and Cash equivalents	2,001	2,555	2,331	2,874	4,484
Trading Assets	4,128	4,815	5,153	5,372	6,007
Total loans, net	26,037	25,599	27,586	28,988	32,046
Investments in subsidiaries and associates	883	1,484	1,773	2,033	2,081
Other assets	1,316	1,280	1,718	2,063	2,086
Total assets	34,364	35,734	38,562	41,330	46,704
Customer deposits	22,620	21,955	24,404	27,382	30,667
Financial obligations	3,552	5,243	5,015	4,761	7,002
Bonds	3,282	3,147	3,338	3,120	2,775
Other liabilities	866	1,142	1,324	1,495	1,672
Total liabilities	30,321	31,488	34,081	36,759	42,116
Total equity	4,043	4,246	4,480	4,571	4,587

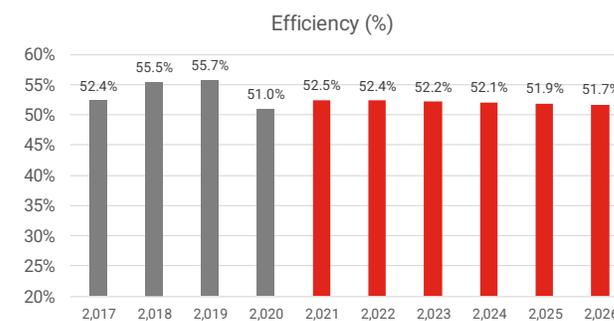
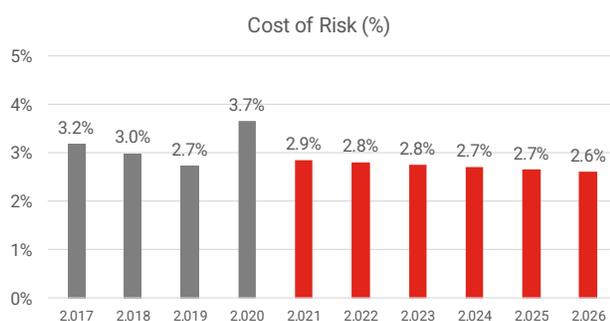
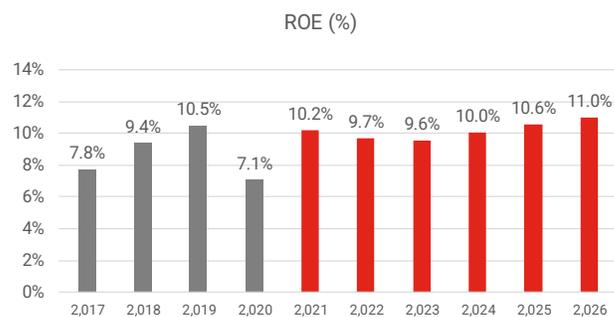
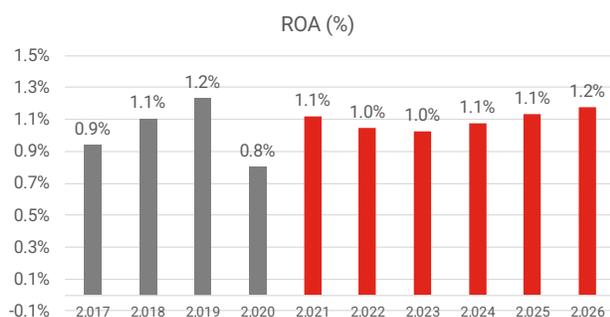
Ratios (annualized)	2,017	2,018	2,019	2,020	2,021
NIM (%)	6.1%	5.6%	5.3%	5.1%	4.8%
Cost of Risk (%)	3.2%	3.0%	2.7%	3.7%	2.8%
Efficiency (operational expenses / NIM) (%)	52.4%	55.5%	55.7%	51.0%	52.3%
ROAA	0.9%	1.1%	1.2%	0.8%	1.1%
ROAE	7.8%	9.4%	10.5%	7.1%	10.4%

Growth	2,017	2,018	2,019	2,020
Income	3.5%	-4.8%	1.8%	3.1%
Net income, after impairment losses	-12.6%	-4.2%	2.3%	-14.3%
Net income	-40.5%	23.1%	17.9%	-30.0%
Loans	2.8%	-1.7%	7.8%	5.1%
Deposits	8.7%	-2.9%	11.2%	12.2%
Equity	-1.2%	5.0%	5.5%	2.0%

Source: Colombian Superintendency of Finance



Source: Colombian Superintendency of Finance



Source: Colombian Superintendency of Finance and Metrix Finanzas projections

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Net interest income	1,987	1,892	1,927	1,987	1,928	2,131	2,276	2,437	2,601	2,775
Net impairment loss on loans	(835)	(789)	(759)	(1,086)	(912)	(959)	(1,002)	(1,048)	(1,095)	(1,144)
Net interest income, after impairment losses	1,153	1,103	1,168	901	1,016	1,173	1,274	1,389	1,506	1,631
Income from commissions, fees and others	269	275	242	279	319	342	373	407	442	481
Net income, after impairment losses	1,422	1,377	1,410	1,180	1,335	1,514	1,647	1,796	1,948	2,112
General and administrative expenses	(1,163)	(1,210)	(1,244)	(1,179)	(1,200)	(1,315)	(1,403)	(1,501)	(1,600)	(1,705)
Net income from banking operation	259	167	166	0	135	199	243	295	348	407
Net income from subsidiaries and associates	148	225	292	320	337	339	329	348	375	399
Income tax expense and others	(91)	(4)	0	-	-	(76)	(93)	(112)	(132)	(155)
Net income	315	388	458	321	472	462	480	531	592	651
Dividends (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Payout ratio	-	-	-	-	-	50%	50%	50%	50%	50%
Dividends py	-	-	-	-	-	236	231	240	265	296
Ratios	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
NIM (%)	6.1%	5.6%	5.3%	5.1%	4.9%	5.1%	5.2%	5.2%	5.2%	5.2%
Cost of Risk (%)	3.2%	3.0%	2.7%	3.7%	2.9%	2.8%	2.8%	2.7%	2.7%	2.6%
Efficiency (operational expenses / NIM) (%)	52.4%	55.5%	55.7%	51.0%	52.5%	52.4%	52.2%	52.1%	51.9%	51.7%
ROAA	0.9%	1.1%	1.2%	0.8%	1.1%	1.0%	1.0%	1.1%	1.1%	1.2%
ROAE	7.8%	9.4%	10.5%	7.1%	10.2%	9.7%	9.6%	10.0%	10.6%	11.0%

Source: Colombian Superintendency of Finance and Metrix Finanzas projections

7.5.4. Banco Popular

Incorporated in 1950, started operations in Manizales. Up to the date has a network of over 200 branches.

Grupo Aval Acciones y Valores S.A. is the main shareholder of the bank with a stake of 93,7%.

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21
Net interest income	1,178	1,393	1,484	1,453	1,489
Net impairment loss on loans	(241)	(259)	(258)	(320)	(230)
Net interest income, after impairment losses	937	1,135	1,226	1,132	1,260
Income from commissions, fees and others	90	124	144	146	140
Net income, after impairment losses	1,028	1,259	1,370	1,279	1,399
General and administrative expenses	(834)	(970)	(1,049)	(1,074)	(1,083)
Net income from banking operation	193	289	321	205	316
Net income from subsidiaries and associates	30	102	86	94	101
Income tax expense and others	(80)	(106)	(78)	(89)	(112)
Net income	144	284	329	210	305

Statement of Financial Position Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21
Cash and Cash equivalents	1,339	1,787	1,289	1,527	1,740
Trading Assets	2,929	3,043	2,778	3,446	4,627
Total loans, net	16,816	18,067	19,067	20,242	21,828
Investments in subsidiaries and associates	129	519	605	700	739
Other assets	1,005	1,045	1,165	1,262	1,306
Total assets	22,218	24,461	24,905	27,176	30,240
Customer deposits	15,989	17,445	16,988	20,601	22,085
Financial obligations	1,278	1,708	2,222	820	1,418
Bonds	1,571	1,617	1,754	1,652	2,540
Other liabilities	906	1,103	1,146	1,213	1,205
Total liabilities	19,744	21,873	22,110	24,286	27,248
Total equity	2,474	2,588	2,795	2,890	2,992

Ratios (annualized)	2,017	2,018	2,019	2,020	2,021
NIM (%)	5.5%	6.0%	6.1%	5.8%	5.8%
Cost of Risk (%)	1.4%	1.4%	1.3%	1.5%	1.1%
Efficiency (operational expenses / NIM) (%)	64.0%	62.4%	61.3%	63.6%	62.8%
ROAA	0.7%	1.2%	1.3%	0.8%	1.1%
ROAE	5.8%	11.2%	12.2%	7.4%	11.1%

Growth	2,017	2,018	2,019	2,020
Income	12.0%	18.3%	6.5%	-2.1%
Net income, after impairment losses	-2.5%	22.5%	8.8%	-6.7%
Net income	-30.3%	97.3%	15.6%	-36.1%
Loans	6.3%	7.4%	5.5%	6.2%
Deposits	8.7%	9.1%	-2.6%	21.3%
Equity	-2.3%	4.6%	8.0%	3.4%

Source: Colombian Superintendency of Finance



Source: Colombian Superintendency of Finance and Metrix Finanzas projections



Source: Colombian Superintendency of Finance and Metrix Finanzas projections

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Net interest income	1,178	1,393	1,484	1,453	1,631	1,806	1,970	2,150	2,348	2,565
Net impairment loss on loans	(241)	(259)	(258)	(320)	(256)	(273)	(295)	(319)	(345)	(373)
Net interest income, after impairment losses	937	1,135	1,226	1,132	1,374	1,532	1,675	1,832	2,003	2,192
Income from commissions, fees and others	60	87	115	115	125	135	146	158	171	185
Net income, after impairment losses	998	1,222	1,342	1,247	1,499	1,668	1,821	1,990	2,174	2,377
General and administrative expenses	(804)	(933)	(1,021)	(1,042)	(1,172)	(1,310)	(1,417)	(1,534)	(1,662)	(1,802)
Net income from banking operation	193	289	321	205	327	358	404	456	512	575
Net income from subsidiaries and associates	30	102	86	94	116	113	107	107	121	126
Income tax expense and others	(80)	(106)	(78)	(89)	(117)	(136)	(154)	(173)	(195)	(218)
Net income	144	284	329	210	326	335	357	390	438	483
Dividends (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Payout ratio	-	-	-	-	-	50%	50%	50%	50%	50%
Dividends py	-	-	-	-	-	163	167	179	195	219
Ratios	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
NIM (%)	5.5%	6.0%	6.1%	5.8%	5.9%	6.0%	6.1%	6.1%	6.2%	6.3%
Cost of Risk (%)	1.4%	1.4%	1.3%	1.5%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
Efficiency (operational expenses / NIM) (%)	64.0%	62.4%	61.3%	63.6%	63.2%	63.0%	62.8%	62.7%	62.5%	62.4%
ROAA	0.7%	1.2%	1.3%	0.8%	1.1%	1.1%	1.1%	1.1%	1.1%	1.2%
ROAE	5.8%	11.2%	12.2%	7.4%	11.0%	10.7%	10.8%	11.1%	11.8%	12.1%

Source: Colombian Superintendency of Finance and Metrix Finanzas projections

7.5.5. Banco AV Villas

Incorporated in 1972 as “Corporación de Ahorro y Vivienda⁴ Las Villas” and in 1997 it became a subsidiary of Grupo Aval Acciones y Valores.

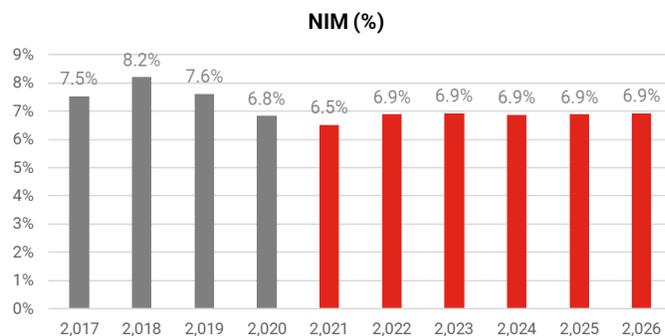
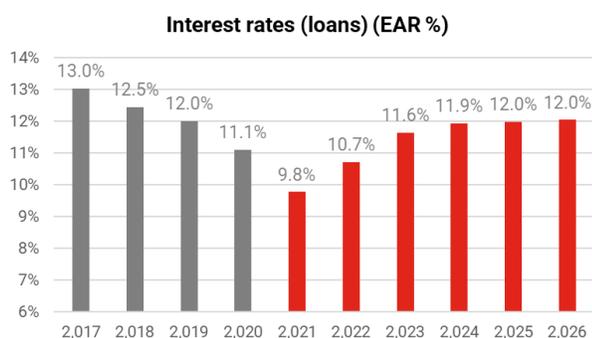
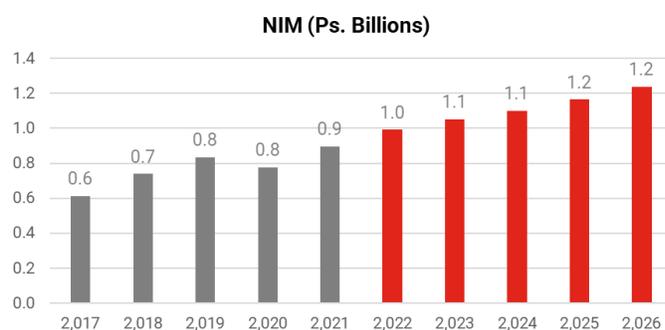
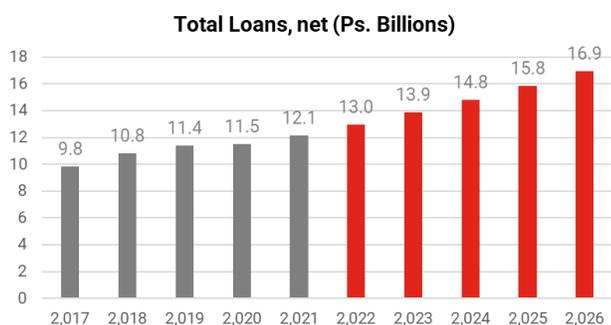
Initially founded as a specialized bank for the financing of the construction industry.

Grupo Aval Acciones y Valores S.A currently owns the 79,9% of the shares of Banco AV Villas.

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21	Ratios (annualized)	2,017	2,018	2,019	2,020	2,021
Net interest income	889	1,016	1,073	1,055	986	NIM (%)	7.5%	8.2%	7.6%	6.8%	6.5%
Net impairment loss on loans	(276)	(277)	(239)	(279)	(166)	Cost of Risk (%)	2.9%	2.6%	2.1%	2.4%	1.5%
Net interest income, after impairment losses	612	739	835	776	820	Efficiency (operational expenses / NIM) (%)	58.6%	57.8%	55.1%	58.2%	61.1%
Income from commissions, fees and others	194	196	168	136	91	ROAA	1.0%	1.2%	1.3%	0.8%	1.0%
Net income, after impairment losses	806	935	1,003	912	911	ROAE	8.9%	11.0%	12.2%	7.8%	9.6%
General and administrative expenses	(630)	(708)	(734)	(742)	(707)						
Net income from banking operation	175	227	269	170	204						
Net income from subsidiaries and associates	5	3	4	4	6						
Income tax expense and others	(57)	(70)	(82)	(47)	(64)						
Net income	123	160	191	128	146						

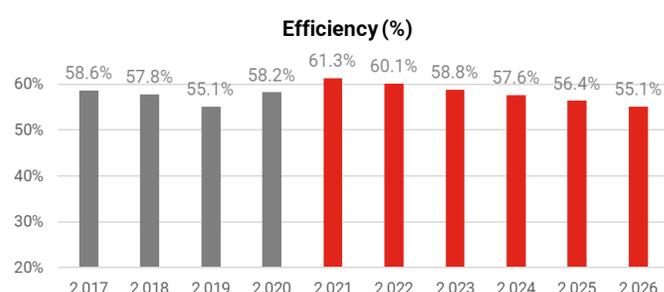
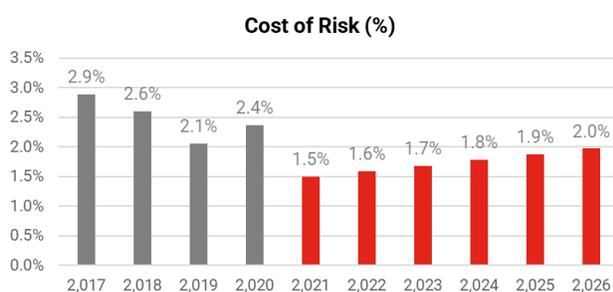
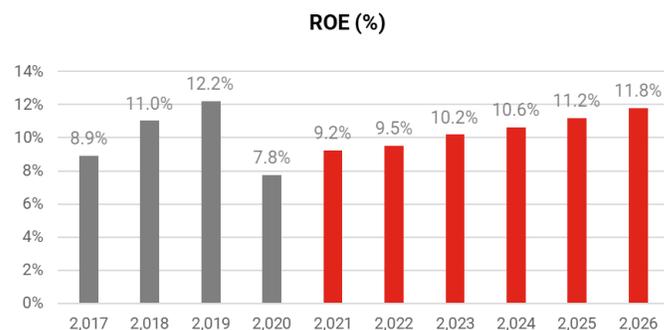
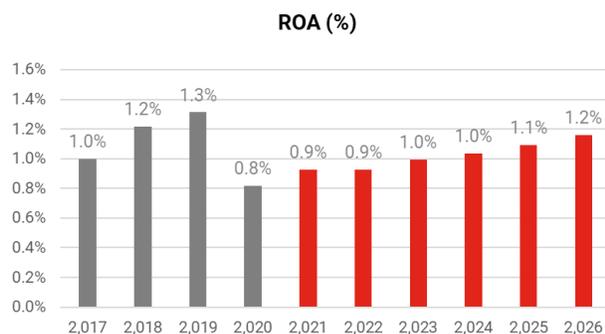
Statement of Financial Position Summary (Ps. Billions)	2,017	2,018	2,019	2,020	nov-21	Growth	2,017	2,018	2,019	2,020
Cash and Cash equivalents	763	1,070	807	889	871	Income	12.1%	14.3%	5.6%	-1.7%
Trading Assets	1,048	1,519	1,965	3,041	3,054	Net income, after impairment losses	-0.7%	16.0%	7.3%	-9.1%
Total loans, net	9,819	10,838	11,422	11,498	12,163	Net income	-34.0%	29.8%	19.1%	-33.0%
Investments in subsidiaries and associates	3	5	6	7	7	Loans	10.9%	10.4%	5.4%	0.7%
Other assets	604	629	799	882	913	Deposits	4.0%	13.4%	3.8%	17.9%
Total assets	12,238	14,062	14,999	16,317	17,009	Equity	3.4%	6.3%	8.5%	2.9%
Customer deposits	10,018	11,357	11,784	13,889	12,746					
Financial obligations	403	851	1,267	443	1,792					
Bonds	-	-	-	-	500					
Other liabilities	407	356	323	314	329					
Total liabilities	10,829	12,564	13,374	14,646	15,367					
Total equity	1,409	1,497	1,624	1,671	1,642					

Source: Colombian Superintendency of Finance



Source: Colombian Superintendency of Finance and Metrix Finanzas projections

⁴ The equivalent to a Thrift. A specialized financial entity in Home Loans.



Source: Colombian Superintendency of Finance and Metrix Finanzas projections

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Net interest income	889	1,016	1,073	1,055	1,077	1,201	1,289	1,370	1,466	1,578
Net impairment loss on loans	(276)	(277)	(239)	(279)	(182)	(210)	(238)	(269)	(303)	(340)
Net interest income, after impairment losses	612	739	835	776	895	991	1,052	1,101	1,164	1,238
Income from commissions, fees and others	136	151	142	105	77	74	98	123	149	177
Net income, after impairment losses	748	890	976	881	971	1,065	1,150	1,224	1,313	1,415
General and administrative expenses	(573)	(662)	(707)	(711)	(756)	(814)	(865)	(908)	(959)	(1,016)
Net income from banking operation	175	227	269	170	216	251	285	316	354	400
Net income from subsidiaries and associates	5	3	4	4	6	6	6	6	6	6
Income tax expense and others	(57)	(70)	(82)	(47)	(68)	(95)	(108)	(120)	(135)	(152)
Net income	123	160	191	128	154	162	183	202	226	254

Dividends (Ps. Billions)	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
Payout ratio	-	-	-	-	-	50%	50%	50%	50%	50%
Dividends py	-	-	-	-	-	77	81	91	101	113

Ratios	2,017	2,018	2,019	2,020	2021p	2022p	2023p	2024p	2025p	2026p
NIM (%)	7.5%	8.2%	7.6%	6.8%	6.5%	6.9%	6.9%	6.9%	6.9%	6.9%
Cost of Risk (%)	2.9%	2.6%	2.1%	2.4%	1.5%	1.6%	1.7%	1.8%	1.9%	2.0%
Efficiency (operational expenses / NIM) (%)	58.6%	57.8%	55.1%	58.2%	61.3%	60.1%	58.8%	57.6%	56.4%	55.1%
ROAA	1.0%	1.2%	1.3%	0.8%	0.9%	0.9%	1.0%	1.0%	1.1%	1.2%
ROAE	8.9%	11.0%	12.2%	7.8%	9.2%	9.5%	10.2%	10.6%	11.2%	11.8%

Source: Colombian Superintendency of Finance and Metrix Finanzas projections

7.5.6. Corficolombiana

Metrix Finance used financial information from the financial institution as of October 2021. The financial information as of October 2021 was taken from the interim financial statements provided by Grupo Aval. Additionally, Metrix Finanzas received the projections and business plans developed by Corficolombiana for the period 2021-2026.

Metrix Finanzas did not perform tax or accounting analyses, nor did it issue an opinion on the business plans or on the assumptions submitted by Banco de Bogotá.

Forecasts:

This section describes the main accounts that were used in the projection. Corficolombiana participates in the following businesses:

- + Treasury investments.
- + Investment Banking.
- + Strategic portfolio:
 - Infrastructure.
 - Energy and gas.
 - Agribusiness.
 - Hotels.
 - Financial and others.

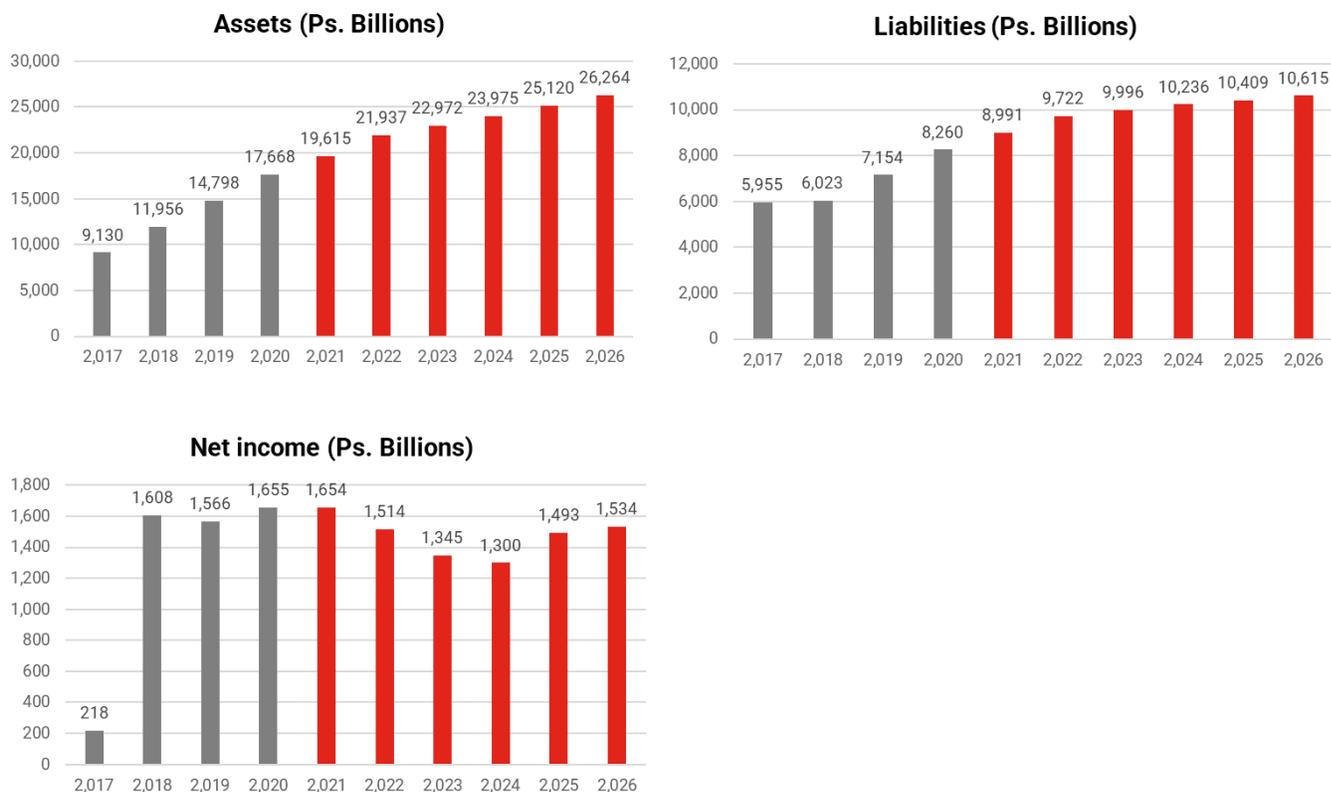


P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	Oct 21
Profit from the investments	599	2,008	1,920	2,012	1,912
Interest expenses, net	(277)	(274)	(241)	(289)	(232)
Administrative and general expenses	(149)	(119)	(104)	(137)	(138)
D&A	(2)	(2)	(3)	(5)	(3)
Operating income	172	1,612	1,572	1,582	1,538
Other income	85	6	40	59	84
Other expenses	(20)	5	(38)	16	2
Net income before taxes	237	1,624	1,574	1,657	1,624
Taxes	(19)	(16)	(8)	(2)	(0)
Net income	218	1,608	1,566	1,655	1,624

Statement of financial position (Ps. Billions)	2,017	2,018	2,019	2,020	Oct 21	Growth	2,017	2,018	2,019	2,020
Investments in subsidiaries	4,216	6,638	8,740	11,118	12,505	Investments	235.4%	-4.4%	4.8%	
Investments measured at FVOCI	2,434	3,066	3,199	3,146	3,769	Administrative and general expenses	-1.0%	-12.1%	20.1%	
Cash and cash equivalents	1,257	816	1,664	1,627	2,756	Net income	637.6%	-2.6%	5.7%	
Investments measured at FVTPL	900	1,084	683	1,208	2,087	Total equity	86.9%	28.8%	23.1%	
Other assets	323	352	512	569	696					
Total assets	9,130	11,956	14,798	17,668	21,813					
Deposits	3,331	3,316	4,141	4,953	5,584					
Passive positions in money market operations	2,555	2,576	2,406	2,645	4,475					
Outstanding investments securities	-	-	503	502	1,008					
Other liabilities	69	131	103	161	423					
Total liabilities	5,955	6,023	7,154	8,260	11,490					
Total equity	3,175	5,933	7,644	9,408	10,323					

Source: Corficolombiana

Summary of projections



Source: Corficolombiana

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	2,021p	2,022p	2,023p	2,024p	2,025p	2,026p
Net profit	589	1,990	1,922	1,970	2,034	1,950	1,772	1,719	1,908	1,930
Investments funding	(285)	(271)	(236)	(184)	(230)	(285)	(280)	(269)	(261)	(229)
Administrative and general expenses	(68)	(95)	(112)	(104)	(127)	(128)	(122)	(125)	(127)	(142)
Taxes and others	(19)	(16)	(8)	(27)	(23)	(23)	(26)	(25)	(28)	(25)
Net Income	218	1,608	1,566	1,655	1,654	1,514	1,345	1,300	1,493	1,534
Dividends (Ps. Billions)	2,017	2,018	2,019	2,020	2,021p	2,022p	2,023p	2,024p	2,025p	2,026p
Payout ratio					11.0%	35.3%	35.5%	38.7%	45.9%	41.1%
Dividends py					182	583	538	520	597	614

Source: Corficolombiana

7.5.7 Porvenir

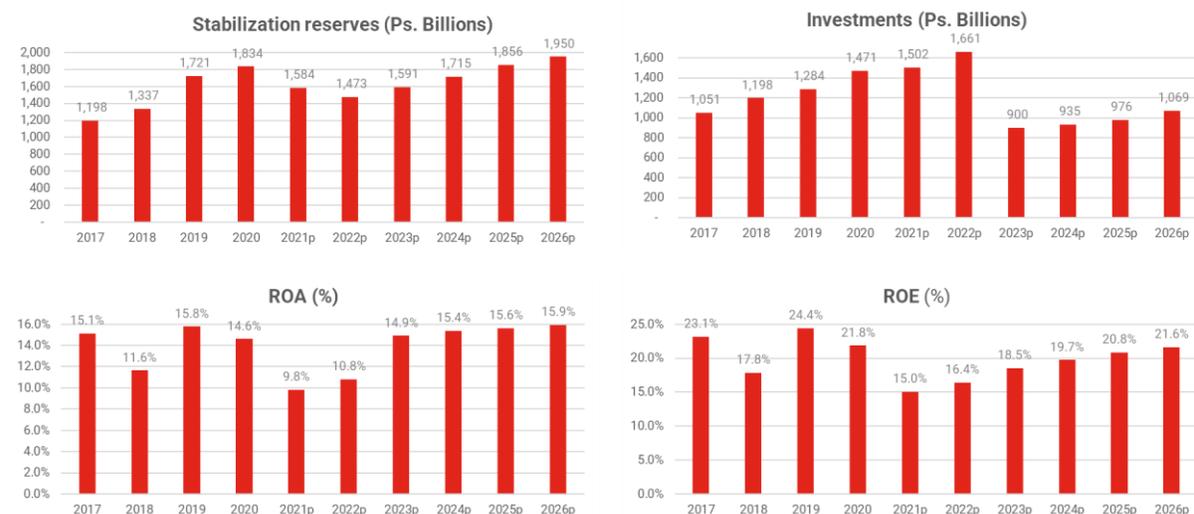
Incorporated in 1991 as a pension fund. Its current functions include the administration of pension and severance funds, as well as the administration of the trusts⁵ constituted by the territorial entities.

Among its main shareholders are Banco de Bogotá (36.5%), Banco de Occidente (24.16%), Grupo Aval (20.0%), Fiduciaria Bogotá (10.4%) and Fiduciaria de Occidente (8.9%).

P&L Summary (Ps. Billions)					Key Ratios				
	2017	2018	2019	2020		2017	2018	2019	2020
Financial Income	188	72	293	234	ROA	15.1%	11.6%	15.8%	14.6%
Income from commissions	897	954	1,087	1,113	ROE	23.1%	17.8%	24.4%	21.8%
Total operating income	1,084	1,026	1,380	1,347	Growth				
Operational expenses	(475)	(477)	(528)	(539)	Financial Income	17.2%	-5.4%	34.5%	-2.3%
Operating income	610	549	851	808	Operational expenses	7.9%	0.5%	10.7%	2.1%
Other income	51	26	24	33	Net income	18.9%	-14.7%	58.4%	1.0%
Other expenses	(19)	(19)	(107)	(25)	AUM (COP MMM)				
Net income before taxes	642	556	768	816	Mandatory pension fund	92,626	100,292	124,889	129,215
Taxes	(220)	(196)	(198)	(240)	Severance	4,505	4,560	6,106	6,733
Net Income	422	360	570	576					

Statement of financial position (Ps. Billion)				
	2017	2018	2019	2020
Investments	1,051	1,198	1,284	1,471
Stabilization reserves	1,198	1,337	1,721	1,834
Accounts receivable	23	42	57	65
PP&E	123	120	117	123
Other assets	396	397	439	455
Total assets	2,792	3,094	3,617	3,949
Interbank borrowings	559	613	635	696
Liabilities for leases	-	-	26	24
Accounts payable	78	136	202	188
Other liabilities	20	22	26	15
Other provisions	309	301	390	388
Total liabilities	966	1,072	1,278	1,310
Total equity	1,826	2,023	2,339	2,639

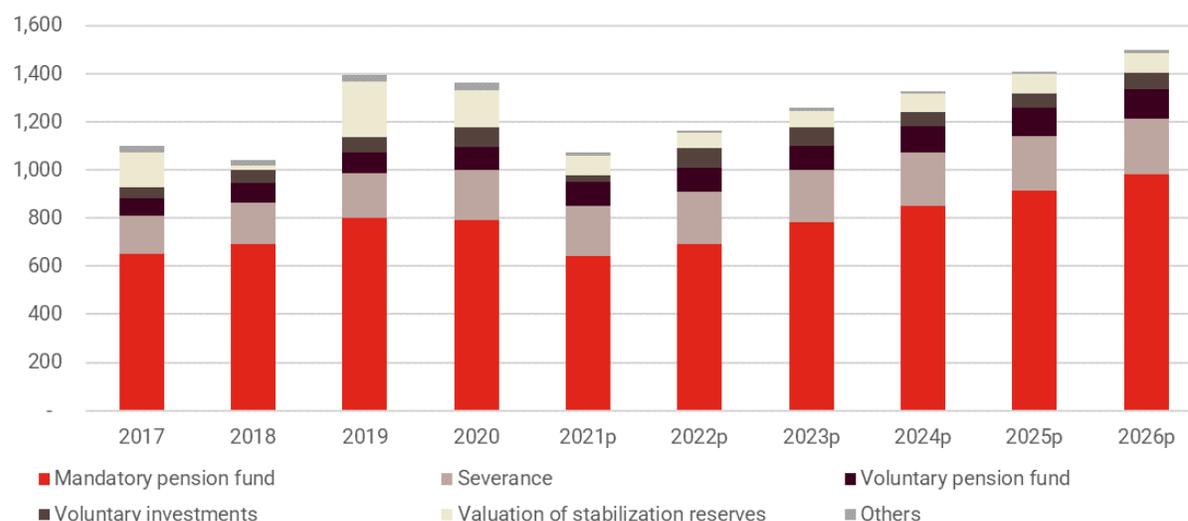
Source: Deloitte valuation of Porvenir



Source: Deloitte valuation of Porvenir

⁵ "Patrimonios Autónomos" for its denomination in Spanish.

Operating Income (Ps. Billions)



Source: Deloitte valuation of Porvenir

P&L Summary (Ps. Billions)	2017	2018	2019	2020	2021p	2022p	2023p	2024p	2025p	2026p
Financial Income	188	72	293	234	111	145	143	134	140	150
Income from commissions	897	954	1,087	1,113	950	1,008	1,102	1,183	1,258	1,337
Total operating income	1,084	1,026	1,380	1,347	1,061	1,153	1,245	1,316	1,398	1,487
Expenses	(475)	(477)	(528)	(539)	(528)	(548)	(543)	(556)	(585)	(615)
Operating income	610	549	851	808	533	605	703	760	812	871
Other income	51	26	24	33	15	16	16	17	18	19
Other expenses	(19)	(19)	(107)	(25)	(19)	(20)	(25)	(25)	(25)	(26)
Net income before taxes	642	556	768	816	529	600	695	752	805	864
Taxes	(220)	(196)	(198)	(240)	(164)	(195)	(227)	(246)	(263)	(282)
Net Income	422	360	570	576	365	405	468	507	542	582

Dividends (Ps. Billions)	2017	2018	2019	2020	2021p	2022p	2023p	2024p	2025p	2026p
Payout ratio					100%	100%	100%	100%	100%	91%
Dividends py					576	365	405	468	507	493

Source: Deloitte valuation of Porvenir

8. Grupo Aval valuation results

Grupo Aval Acciones y Valores S.A. is the holding company of Aval Financial Conglomerate, one of the main financial groups in Latin America, with presence in 12 countries. Grupo Aval is one of the largest financial groups in Colombia and the leading banking group in Central America according its level of assets.

Under Grupo Aval's projection scenario described in section "8.1 Grupo Aval Financial Statements", the Group generates profits during all projection years, generating dividends each year. Therefore, preferred and common shares will receive the same dividend. As a result of the above, the same price is estimated for common and preferred shares.

8.1. Grupo Aval's Financial Statements

P&L Summary (Ps. Billions)	2,017	2,018	2,019	2,020	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Equity method income	2,040	2,865	3,013	2,346	3,215	3,128	3,299	3,584	3,996	4,385
Other revenue from ordinary activities	235	285	287	287	264	255	272	290	311	334
Total operating revenue	2,275	3,150	3,299	2,632	3,479	3,383	3,571	3,874	4,307	4,718
Expenses, net (-)	(90)	(75)	(84)	(80)	(90)	(87)	(92)	(100)	(111)	(122)
Operating income	2,185	3,075	3,215	2,552	3,389	3,295	3,478	3,774	4,196	4,597
Financial expenses (-)	(134)	(121)	(123)	(107)	(106)	(123)	(131)	(131)	(132)	(132)
Net Income before taxes	2,052	2,954	3,093	2,445	3,283	3,173	3,347	3,642	4,065	4,465
Income tax expense	(50)	(67)	(61)	(46)	(54)	(59)	(63)	(67)	(70)	(74)
Net Income	2,001	2,888	3,031	2,399	3,229	3,114	3,285	3,576	3,995	4,391

Dividends (Ps. Billions)	2,017	2,018	2,019	2,020	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Pay-out ratio	-	-	-	-	50.0%	50.0%	50.0%	50.0%	50.0%	50.0%
Dividends	-	-	-	-	-	1,615	1,557	1,642	1,788	1,997

Profitability	2,017	2,018	2,019	2,020	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
ROE	11.9%	16.5%	15.7%	11.6%	14.5%	12.9%	12.8%	13.0%	13.5%	13.8%
ROA	21.1%	14.7%	14.2%	10.5%	13.3%	11.9%	11.8%	12.1%	12.6%	12.9%

Source: Grupo Aval and projections from Metrix Finanzas

Statement of financial position (Ps. Billions)	2,017	2,018	2,019	2,020	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Cash and cash equivalents	35	39	51	130	242	52	34	31	38	31
Accounts receivable	274	268	328	346	473	505	538	575	616	661
Investments in subsidiaries	18,620	19,971	22,078	22,761	24,670	26,363	28,077	29,978	32,137	34,492
Other assets	4	5	9	9	6	6	8	11	16	23
Total assets	18,933	20,282	22,467	23,246	25,391	26,927	28,657	30,595	32,808	35,206
Financial liabilities	1,653	1,654	1,662	1,659	1,672	1,671	1,673	1,676	1,681	1,684
Accounts payable	442	407	470	466	437	438	438	439	441	443
Total liabilities	2,095	2,061	2,132	2,125	2,108	2,109	2,111	2,116	2,122	2,127
Capital	8,527	8,635	8,635	8,635	8,635	8,635	8,635	8,635	8,635	8,635
Retained earnings	7,603	8,995	10,670	11,723	13,515	15,050	16,778	18,712	20,918	23,312
OCI	709	591	1,030	762	1,133	1,133	1,133	1,133	1,133	1,133
Total equity	16,838	18,222	20,335	21,121	23,283	24,818	26,546	28,480	30,686	33,080

Source: Grupo Aval and projections from Metrix Finanzas

Investments (Ps. Billions)	2,017	2,018	2,019	2,020	2.021p	2.022p	2.023p	2.024p	2.025p	2.026p
Banco de Bogotá	11,009	11,883	13,247	13,537	15,114	16,326	17,518	18,847	20,357	21,997
Banco de Occidente	3,176	3,193	3,433	3,505	3,660	3,823	4,003	4,213	4,449	4,706
Banco AV Villas	1,193	1,267	1,387	1,452	1,461	1,528	1,610	1,698	1,798	1,911
Banco Popular	2,729	2,964	3,114	3,228	3,365	3,526	3,704	3,902	4,130	4,377
Corficolombiana	505	685	831	986	1,076	1,158	1,228	1,296	1,374	1,455
Porvenir	401	441	504	564	547	555	568	575	582	600
Others	(393)	(463)	(438)	(511)	(553)	(553)	(553)	(553)	(553)	(553)
Investments in subsidiaries	18,620	19,971	22,078	22,761	24,670	26,363	28,077	29,978	32,137	34,492

Source: Grupo Aval and projections from Metrix Finanzas

8.2. Valuation Results

8.2.1. Perpetual Growth Rate

Perpetuity growth rate (%)	Colombia	Observations	Source
Methodology 1	6,60%	$g = (1 - Payout) * ROAE$	Metrix calculations
Methodology 2	6,51%	Nominal GDP - Real GDP + Inflation	IMF Data
Average G	6,55%		

Source: Metrix Finanzas

8.2.2. Discount rate

An industry-weighted discount rate was used for each of Grupo Aval's investments.

- + For Porvenir the discount rate defined by Deloitte in its valuation was used. (12,16%).
- + For the investments corresponding to the banking sector, a discount rate was used derived from the Capital Asset Pricing Model (CAPM) methodology. The main variables are presented below:

Banks cost of equity (ke)	Colombia	Observations	Source
Unlevered Beta	0,84	Beta for colombian financial entities	Bloomberg
Risk- free rate	6,8%	Average yield last year Colombia 10Y Bond	Colombian Central Bank (BDBR)
Market return rate	12,7%	According to Damodaran's methodology, this calculation includes the U.S. market return (50-year geometric average) and the CDS for Colombia.	Damodaran
Discount rate for banking entities (Ke Colombian pesos)	11,7%		

Source: Metrix Finanzas

The weighted discount rate of Grupo Aval is 11.92%.

8.2.3. Sociedad Beneficiaria Bogotá S.A.S. valuation

	Value as of June 30, 2021	Updated value as of October 31, 2021	Updated value as of November 30, 2021
Sociedad Beneficiaria Bogotá S.A.S	Equity value	Equity value	Equity value
75%	Ps 9.156 Bn	Ps 10.028 Bn	Ps 10.754 Bn
BHI	Equity value	Equity value	Equity value
	USD 3.250 MM	USD 3.533 MM	USD 3.575 MM
Other subsidiaries and associates			
<div style="display: flex; justify-content: space-around;"> <div style="text-align: center;">  El Salvador </div> <div style="text-align: center;">  Nicaragua </div> <div style="text-align: center;">  Guatemala </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  Honduras </div> <div style="text-align: center;">  Panamá </div> <div style="text-align: center;">  Costa Rica </div> </div>			

Representative market exchange rate (TRM) June 30, 2021 = 3,756.67 / TRM October 31, 2021 = 3,784.44 / TRM November 30, 2021 = 4,010.98

8.2.4. Grupo Aval valuation:

Grupo Aval	Equity value	Share price	Equity / Book Value 2021	Price / Earnings 2020	Price / Earnings 2021
	Ps 30.862 Bn	COP 1.385	1.33x	12.9x	9.6x

8.2.5. Sensitivity analysis:

The following is the sensitivity of the share price in relation to the cost of equity and the perpetual growth rate.

Perpetuity growth rate (%)	Cost of Equity (Ke)				
	10.92%	11.42%	11.92%	12.42%	12.92%
4.6%	1,322	1,225	1,142	1,069	1,005
5.6%	1,474	1,349	1,244	1,154	1,077
6.6%	1,696	1,524	1,385	1,270	1,172
7.6%	2,049	1,790	1,591	1,432	1,303
8.6%	2,703	2,242	1,919	1,679	1,494

9. Terms of exchange:

Considerations

1. Sociedad Beneficiaria Aval S.A.S. is a new company that, prior to the completion of the spin-off, will have 1 outstanding share with a par value of COP 1.
2. Grupo Aval as the Spin-off Company has a total of 22,281,017,159 issued and outstanding shares.
3. Grupo Aval partially spins off its equity (68.74% of the shares of Sociedad Beneficiaria Bogotá S.A.S.) for the benefit of Sociedad Beneficiaria Aval S.A.S. The spun off equity value is COP 7,392,100,768,056* corresponding to 227,710,487 of the outstanding shares of Sociedad Beneficiaria Bogotá S.A.S.

Shareholders	Ps. Value	Ownership
Grupo Aval	7.392.100.768.056*	0.999999999999865
Initial capital Sociedad Beneficiaria Aval S.A.S.	1	0.000000000000135

*Value corresponding at November 30, 2021 (USD 3,575 MM x 0.75 x 0.6874) exchange rate as of November 30, 2021: 4,010.98

Exchange ratio

1. As a consideration for the contributions made by Grupo Aval, Sociedad Beneficiaria Aval S.A.S. will issue in favor of Grupo Aval's shareholders 22,281,017,159 shares, maintaining for the Sociedad Beneficiaria Aval S.A.S. the same stake over the total issued and outstanding shares held by the shareholders of Grupo Aval S.A.S.
2. The value per share delivered the shareholders of Grupo Aval will be: COP 7.392.100.768.056 / 22.281.017.159 = COP 331,77.
3. The initial shareholder of Sociedad Beneficiaria Aval S.A.S. will be entitled for the fraction of its stake in the equity of Sociedad Beneficiaria Aval S.A.S. (COP 1), the fraction of 0.003014 over one single share (COP 1 / 331.77 = 0.003014).

Shareholders	Number of shares	Ownership
Grupo Aval	22,281,017,159	0.999999999999865
Sociedad Beneficiaria Aval S.A.S	0.0030140	0.000000000000135



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