

VIGILADO SUPERINTENDENCIA FINANCIERA DE COLOMBIA

El Fogafin
Asociación de
Fogafinistas
de Colombia
Asociación de
Fogafinistas
de Colombia



Grupo
AVAL

Corporate presentation

September 2024

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Disclaimer

Grupo Aval Acciones y Valores S.A. (“Grupo Aval”) is an issuer of securities in Colombia and in the United States (“SEC”). As such, it is subject to compliance with securities regulation in Colombia and applicable U.S. securities regulation. Grupo Aval is also subject to the inspection and supervision of the Superintendency of Finance as holding company of the Aval financial conglomerate.

The consolidated financial information included in this document is presented in accordance with IFRS as currently issued by the IASB. Unconsolidated financial information of our subsidiaries and the Colombian banking system are presented in accordance with Colombian IFRS as reported the Superintendency of finance. Details of the calculations of non-IFRS measures such as ROAA and ROAE, among others, are explained when required in this report.

This report includes forward-looking statements. In some cases, you can identify these forward-looking statements by words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “believes,” “estimates,” “predicts,” “potential,” or “continue,” or the negative of these and other comparable words. Actual results and events may differ materially from those anticipated herein as a consequence of changes in general, economic and business conditions, changes in interest and currency rates and other risk described from time to time in our filings with the Registro Nacional de Valores y Emisores and the SEC.

Recipients of this document are responsible for the assessment and use of the information provided herein. Matters described in this presentation and our knowledge of them may change extensively and materially over time, but we expressly disclaim any obligation to review, update or correct the information provided in this report, including any forward looking statements, and do not intend to provide any update for such material developments prior to our next earnings report.

The content of this document and the figures included herein are intended to provide a summary of the subjects discussed rather than a comprehensive description.

When applicable, in this document we refer to billions as thousands of millions.



Hacemos grupo con todo el país



A leading financial conglomerate in Colombia

Key Consolidated Figures (Jun 24)



311.6 Tn | US 74.6 Bn²
Total assets



408.6 Bn | US 97.9 Bn²
Assets under management



193.2 Tn | US 46.3 Bn²
Gross loans



198.4 Tn | US 47.5 Bn²
Deposits



16.7 Tn | US 4 Bn²
Attributable equity



15.4 MM¹
Banking clients



17.1 MM¹
Pension fund clients

Panama



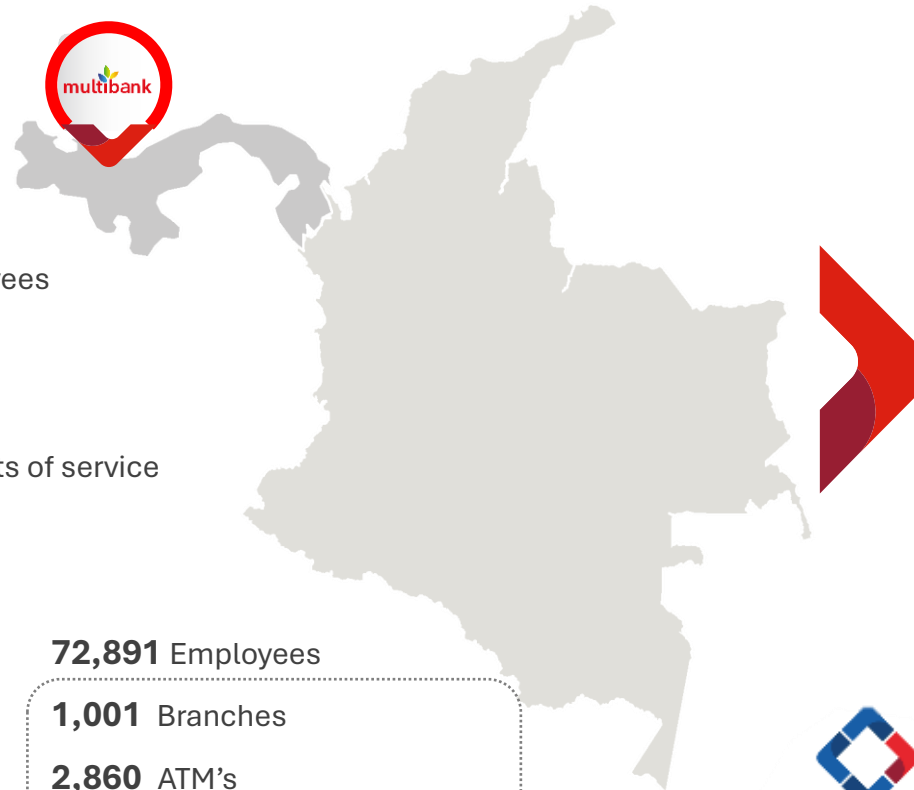
1,145 Employees
19 Branches
49 ATM's
17 Other points of service

72,891 Employees
1,001 Branches
2,860 ATM's
79,032 Banking correspondents

Colombia

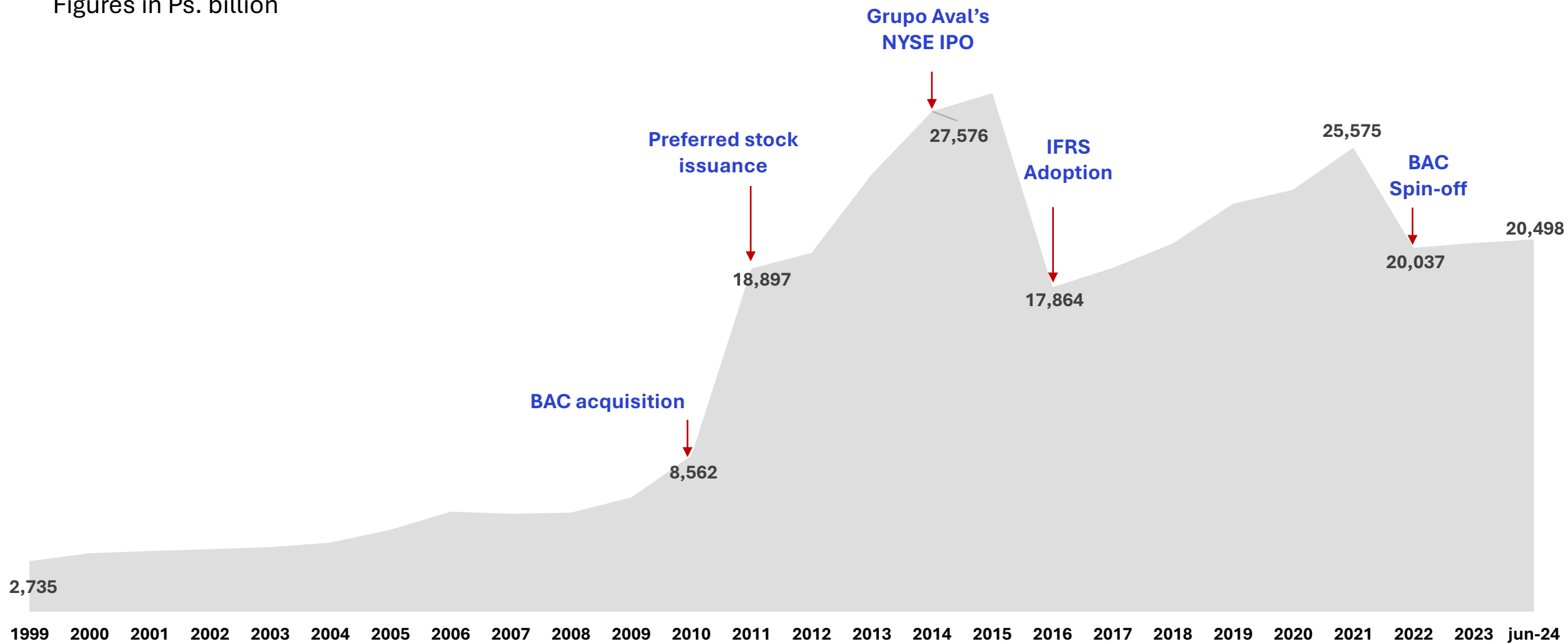


Red Aval
Fully Integrated
and inter-operable network

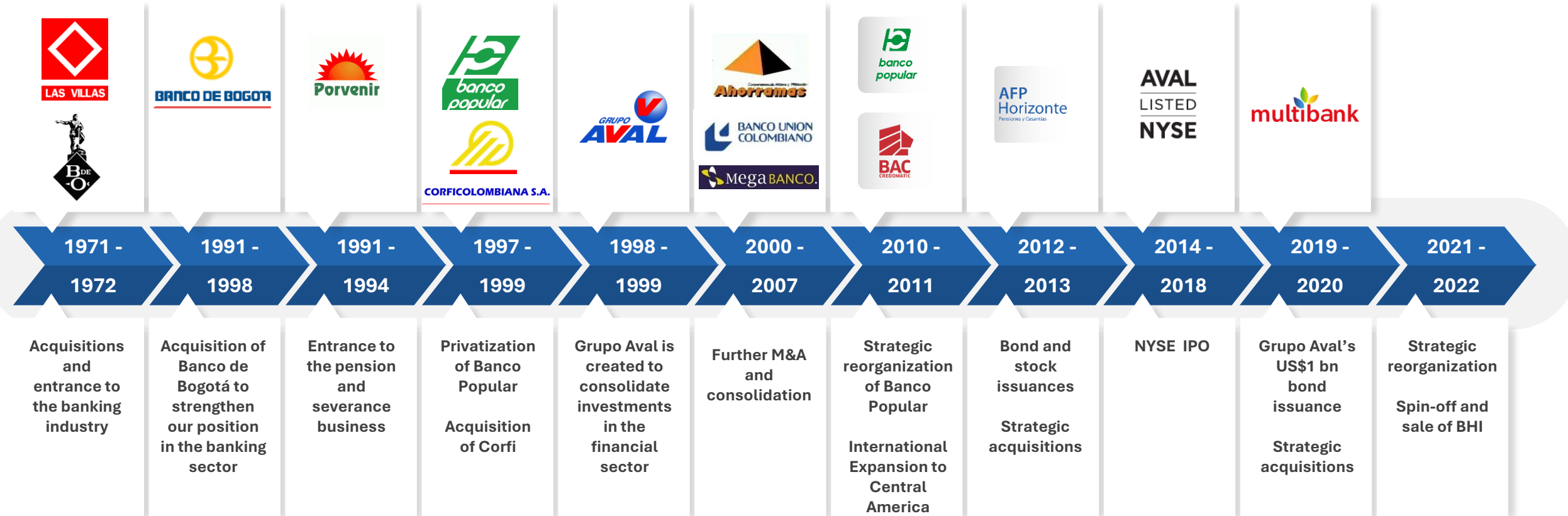


Evolution of Grupo Aval's unconsolidated assets

Figures in Ps. billion

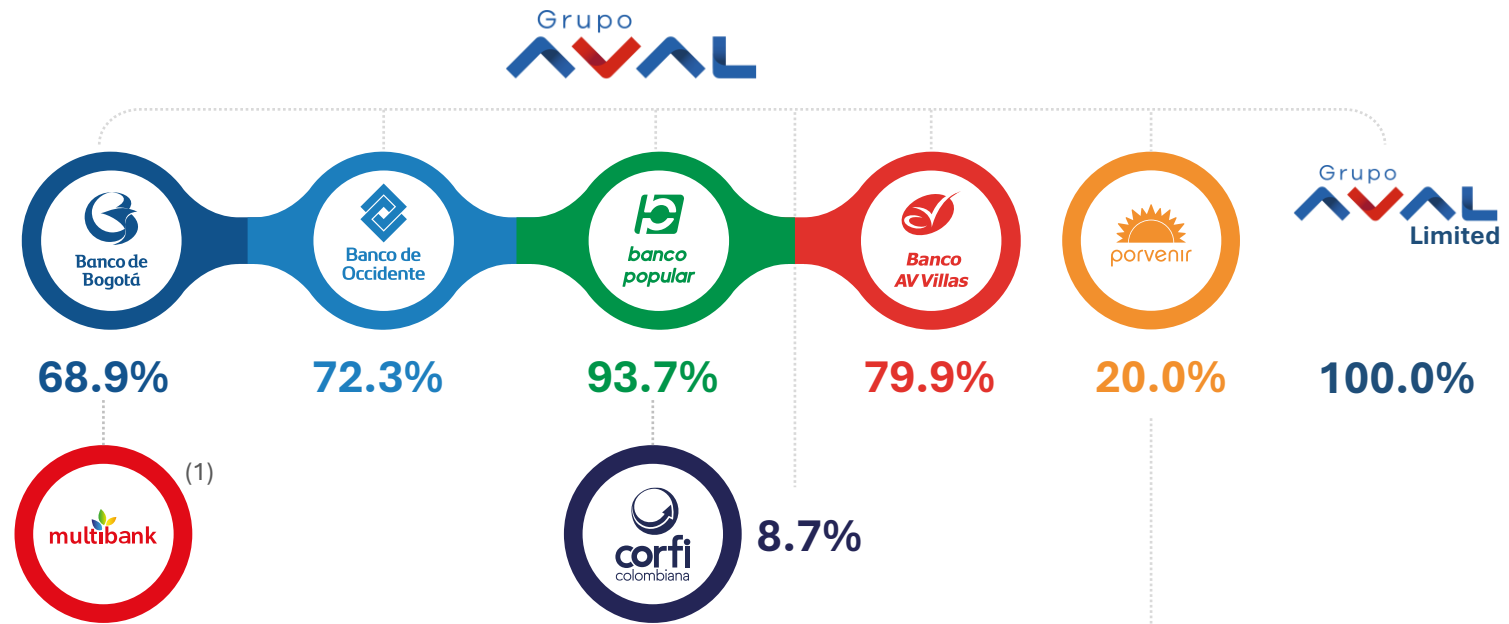


+50 years generating conscious progress throughout Colombia



Acquiring controlling stakes in our main subsidiaries

Direct ownership structure



Direct + indirect ownership		Total Shares	
Grupo Aval		8.7%	20.0%
Banco de Bogotá	99.6%	34.7%	46.9% (3)
Banco de Occidente		4.2%	33.1% (4)
Banco Popular		5.2%	
Total	99.6%	52.8% (2)	100%
% Consolidated by Aval	68.6%	40.5%	75.8%

(1) Ownership in Multibank.

(2) Ownership of voting rights is as follows: Banco de Bogotá 36.6%, Banco de Occidente 4.4%, Banco Popular 5.5% and Grupo Aval 9.2% for an aggregate of 55.7%.

(3) Includes ownership through Banco de Bogotá (36.5%) and Fiduciaria Bogotá (10.4%).

(4) Includes ownership through Banco de Occidente (24.2%) and Fiduciaria Occidente (8.9%).

Generating value through 3 main operating segments

Strategic focus

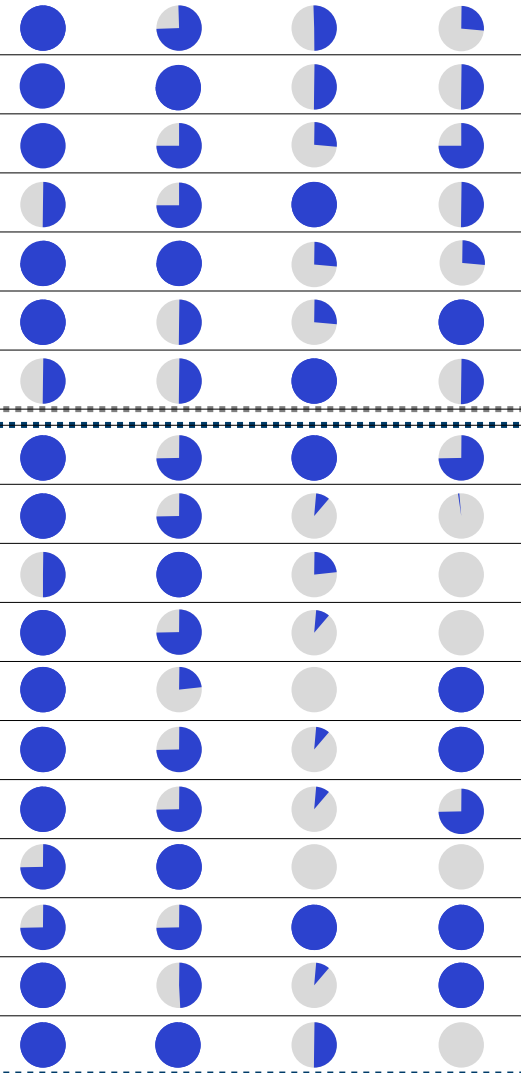
Segments

- Corporate
- Medium enterprises
- SMEs and very small businesses
- Government
- Affluent
- Mass consumer market
- Silver economy and public employees

Products and services

- Term loans and working capital
- Treasury operations
- Financial leases
- International operations
- Factoring
- Personal loans
- Credit cards
- Automobile
- Payroll lending
- Mortgages and housing leases
- Trust services

Banking services



Merchant banking



Equity investments

- Infrastructure
- Energy & gas
- Agribusiness
- Hotels
- Financial services

Treasury

Investment banking

Trust and portfolio management

Pension and severance fund management



Assets under management

- Mandatory pension funds
- Voluntary pension funds
- Severance funds
- Other

Purpose:

“Partnering with Colombia to create conscientious progress”







Figures as June 30th, 2024

Market Share






Complete suite of banking products offered through our four Colombian banks

- 25.1% in gross loans
- 25.7% in deposits 
- 27.5% in commercial loans
- 28.7% in consumer lending 
- 14.9% in mortgage lending
- 28.2% in corporate lending
- 29.6% in medium enterprises 
- 43.4% in payroll lending 
- 24.8% in vehicle loans
- 19.0% in personal lending
- 18.9% in credit cards






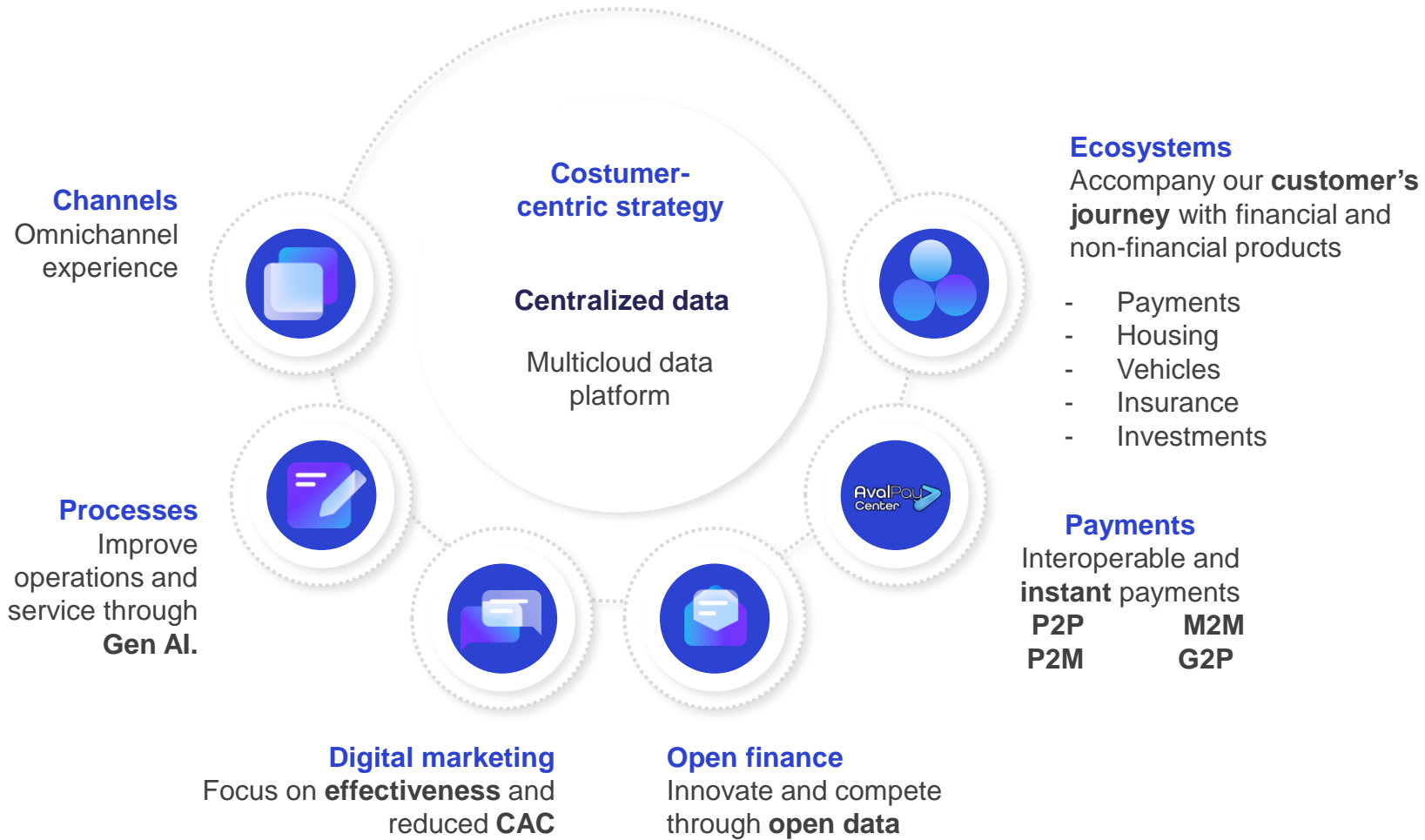
Leading private pension and severance fund manager in Colombia

- 47.6% in assets under management 
- 61.0% in affiliates 
- 44.7% in net income 



Leading merchant bank in Colombia (corporación financiera)

- Largest toll road operator in Colombia 
- Largest gas transportation and distribution company in Colombia 
- Largest business hotel chain in Colombia 
- +26 thousand hectares of agribusiness farmable land



Digital Sales (# of products)	51%¹ digital sales ratio
Digitalized products ²	90%
Digital transactions	75.1%
Digital Sales (# of products)	~ 664 thousand
Digital Active Clients	~ 6.9 million 28.1% vs 2Q23



+2,8 M
clients



+129%
YoY transactions



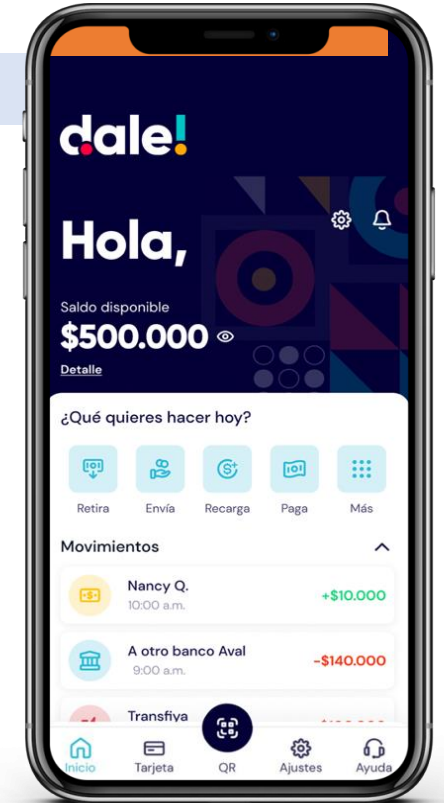
440.000
small businesses and
entrepreneurships

MISSION

Provide a payment solution that is **AGILE, INTEROPERABLE, SECURE AND WITH HIGH UPTIME** (relative to peers), that contributes to **BANCARIZATION** and the **DEVELOPMENT** and **FORMALIZATION** of businesses, discouraging the use of cash.

Features and benefits

- **Free and instant interoperable transfers** to any other bank or wallet
- **Interoperable NFC and QR payments** for individuals and businesses to any entity
- **Savings piggy banks**
- **Free withdrawals** in over 2,800 ATMs and 28,000 correspondents of Red Aval
- **Payments for services and agreements** to over 22,000 agreements including TAT payment buttons and catalog sales
- **Remittances reception** Instant and free to the receptor from 45 countries
- **Payroll reception** With free debit card
- **Deposit** by PSE or cash at any of Red Aval's banking correspondents
- **Credit application of digital personal loans** with Banco de Bogotá - other options coming soon



- Digital and physical
- No handling fees
- Benefits ecosystem
- #ExperienciasAval
- NFC contactless payments
- International acceptance
- Online payments

Co-branded cards:



Awards and recognitions:



A strategy articulated to achieve sustainable growth

ESG Management

Environmental

- ✓ Climate change risk management and mitigation

Social

- ✓ Financial inclusion and education
- ✓ Diversity, Equity, and Inclusion
- ✓ Human Talent

Governance

- ✓ Profitable and sustainable economic performance
- ✓ Ethics, corporate governance, compliance, and internal control
- ✓ ESG risk management
- ✓ Reputation & corporate marketing
- ✓ Security, information privacy and data protection
- ✓ Sustainable Finance



Endorsements and certifications



Indexes and rankings



Standards



Banco de Bogotá issued Ps. 500 billion in Sustainable bonds - energy transition, micro and SMEs, construction

Ps. 17.3 trillion Sustainable portfolio

- Electric vehicles
- Renewable energy
- Green construction
- Female-owned small businesses
- Sustainable agriculture
- Microcredits



+10,000 kids benefited from financial education programs



Our entities have been **recognized for their ESG practices** by different local and international organizations

Sustainable investment

- Solar energy projects
- Energy from biogas generated in agricultural projects
- Sustainable ventures
- Hydrogen-fueled public transportation vehicles
- Biological corridors

+Close to 1 million trees planted in Colombia

Banco de Bogotá y Fiduoccidente Carbon neutral scope 1 and 2

+9,000 senior citizens has benefited by Porvenir's program "Observatorio de Adulto Mayor"

La Misión Guajira

Impact:

- 3,500 people
- 487 families
- 9 communities

On March 20, 2024 the members of the Board of Directors for the 2024 – 2025 period were appointed by our General Shareholders' Meeting

Previous

Current

7 **principal**
members



9 **principal**
members

7 **alternate**
members



4/14 **independent**
28.6% Directors (*)

6/9 **independent**
66.7% Directors (*)

Changes in our executive teams

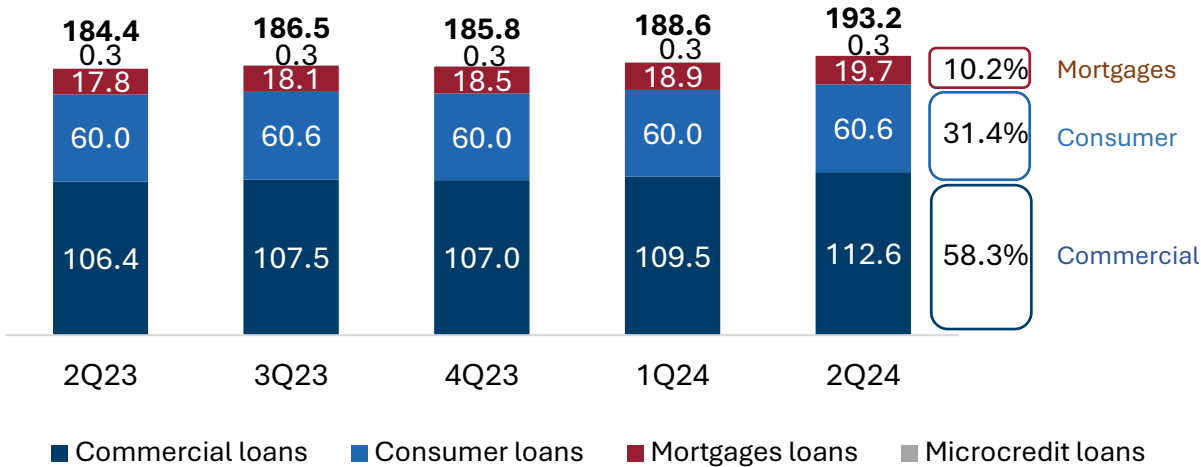
- ✓ We are in the process of **renewing** and **strengthening the management of** our subsidiaries' management teams at the first and second levels, to better **support the execution of our strategy**. Changes in 5 out of the 6 (83%) CEOs of our 6 main subsidiaries in the last year, with ages averaging 56 years
- ✓ 3 out of 7 (43%) CEOs of Grupo Aval and our 6 main subsidiaries are women
- ✓ At the Holding level, two new Corporate Vice-presidencies were created: the Corporate VP of Sustainability and Strategic Projects and the Corporate VP of Financial Assets and Efficiency

- ✓ Starting April 1, 2024, the Boards of Directors of all 6 main subsidiaries are comprised of 9 principal members

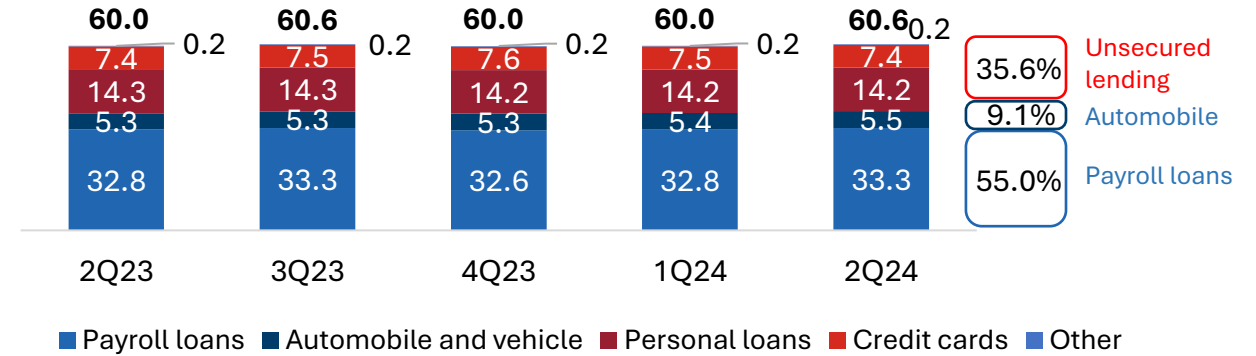
Diversified loan portfolio and deposits base

Figures in Ps. Trillion

Gross loans

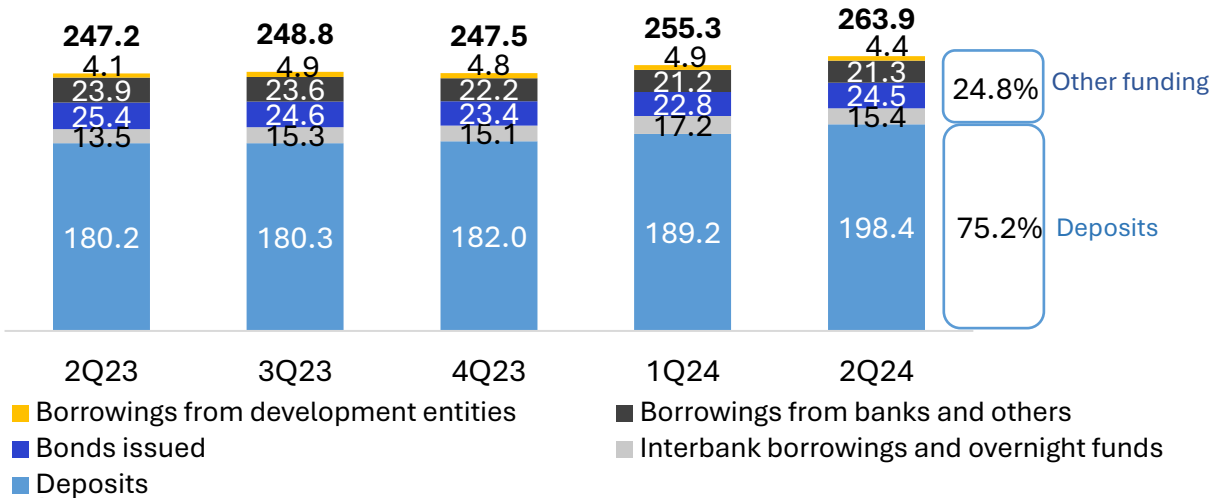


Consumer loans

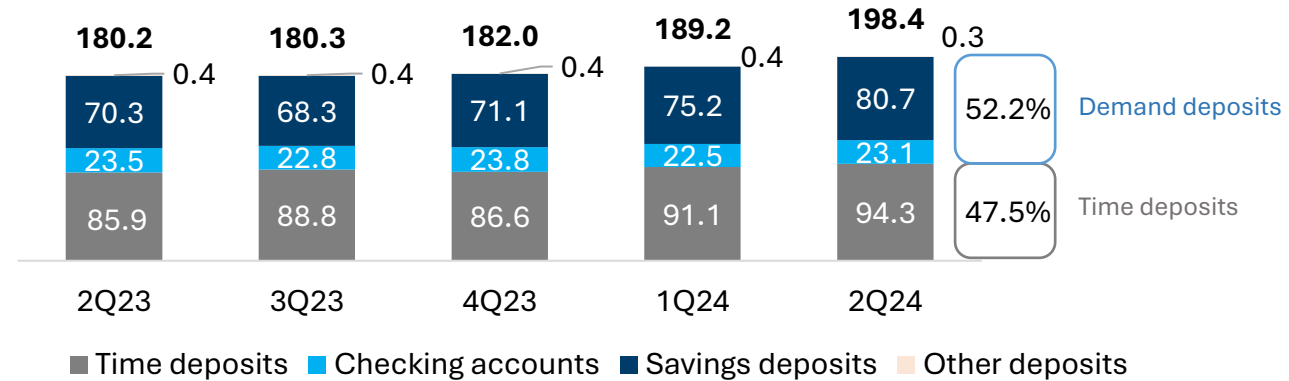


FY24 Guidance:
Gross loans 7.5% - 8.0%
Commercial loans 9.0% - 9.5%
Retail loans 5.0% - 6.0%

Funding



Deposits

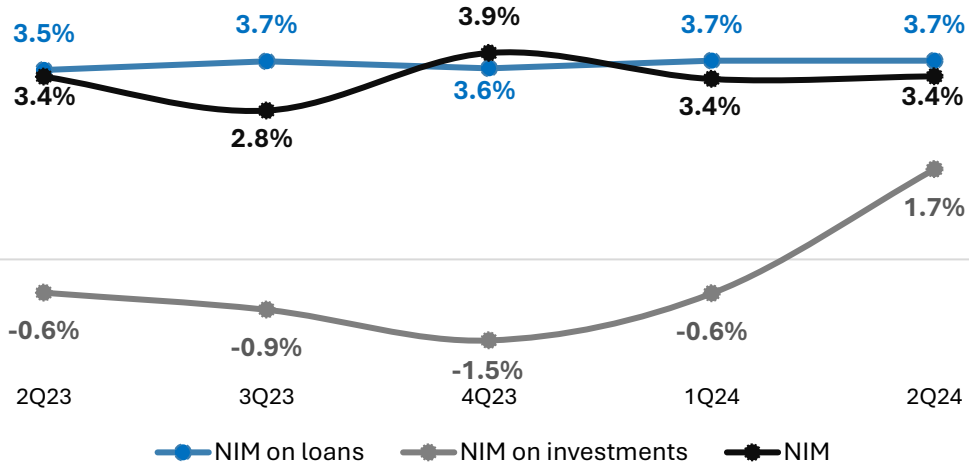


Recovery of NIM components across segments

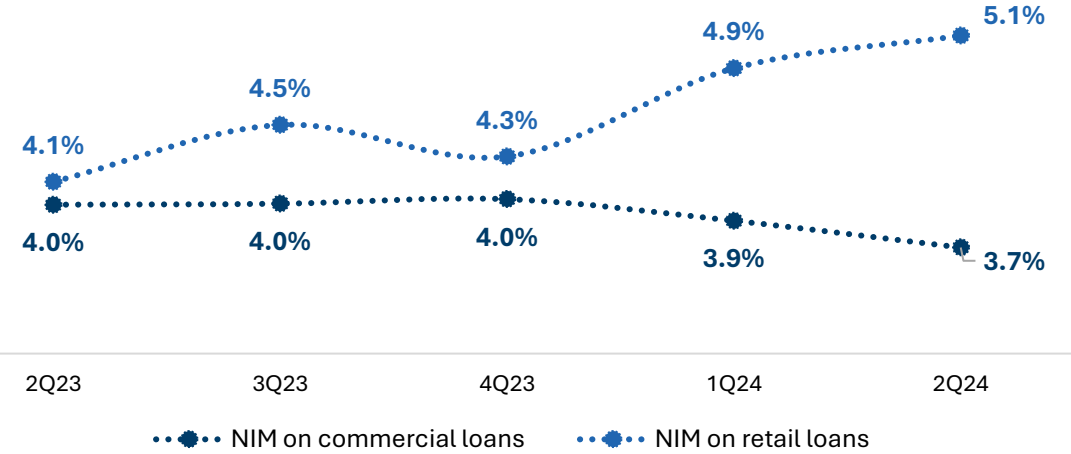
NIM

FY24 Guidance
Total NIM: 3.75% area
NIM on loans: 4.5% area

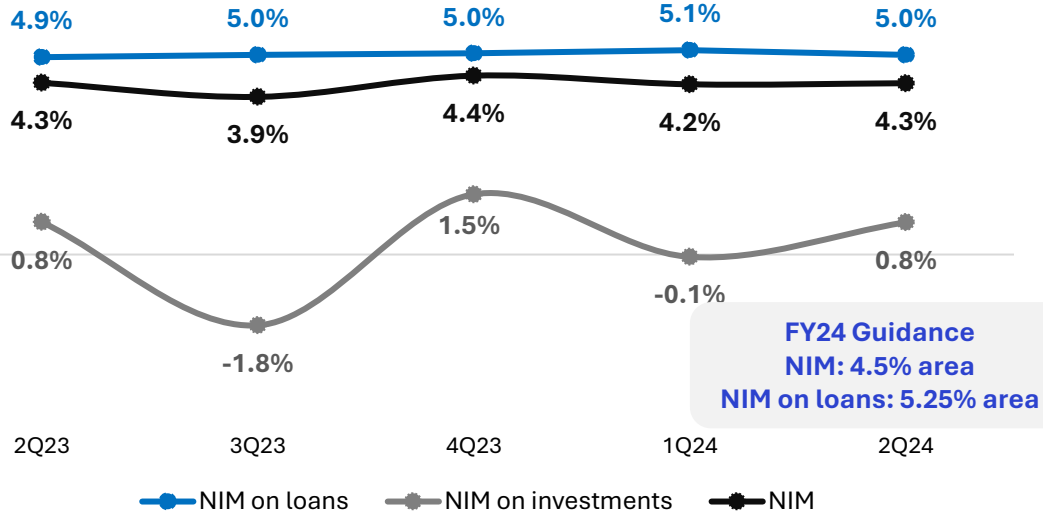
Consolidated



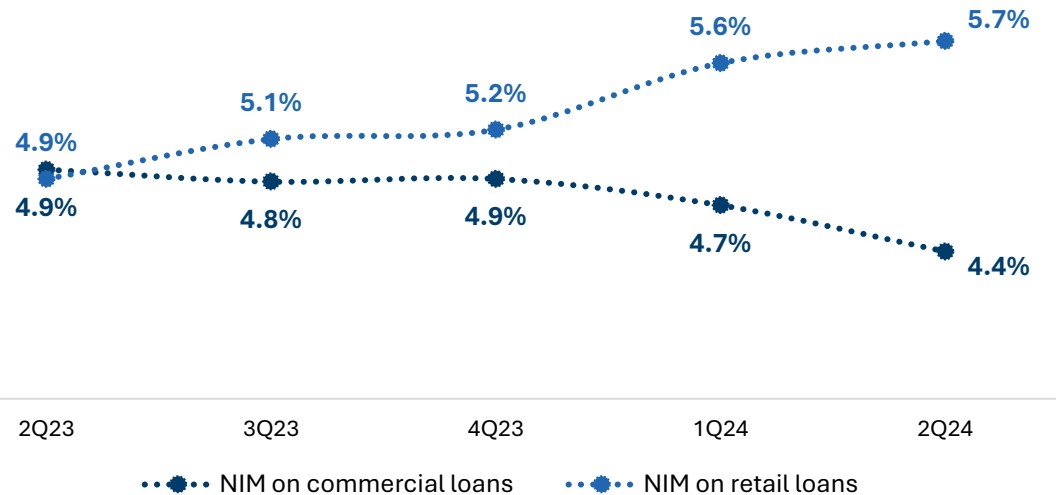
NIM on loans



Banking segment

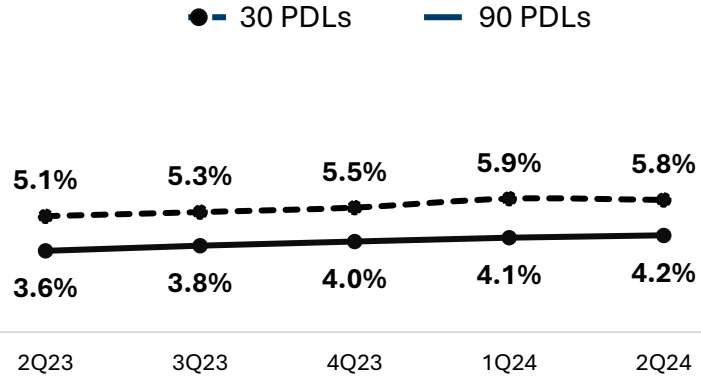


FY24 Guidance
NIM: 4.5% area
NIM on loans: 5.25% area



And favorable asset quality trends in the loan portfolio

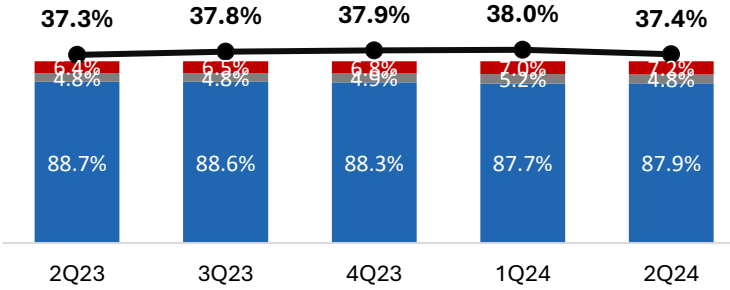
PDLS +30 & PDLS +90



Gross loans

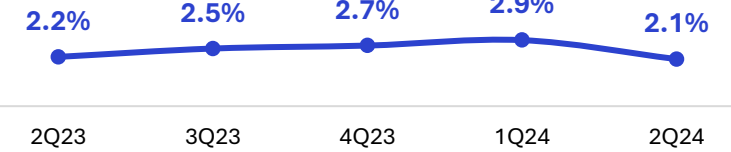
Asset quality measured by stages

■ Stage 1 ■ Stage 2 ■ Stage 3
— Coverage stage 2 & stage 3

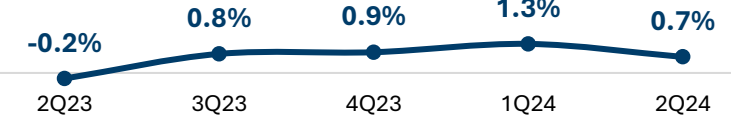
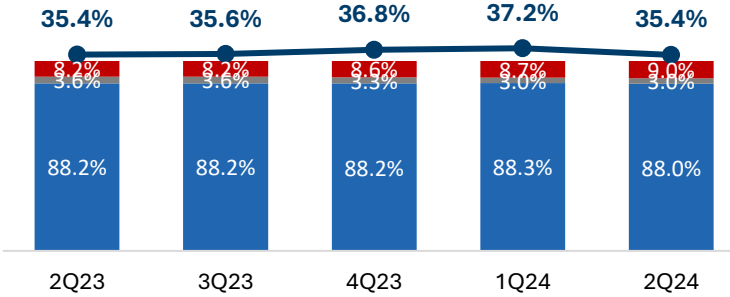
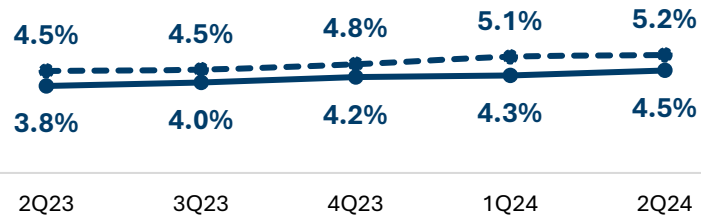


Cost of risk, net

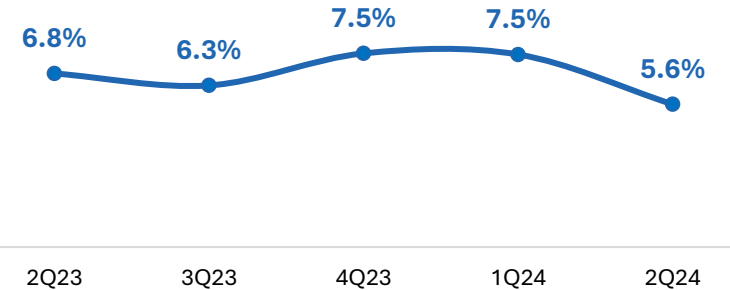
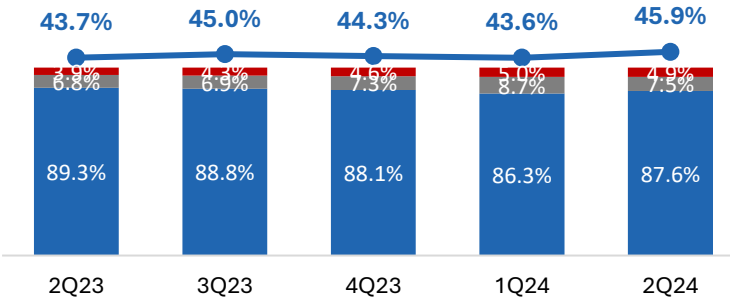
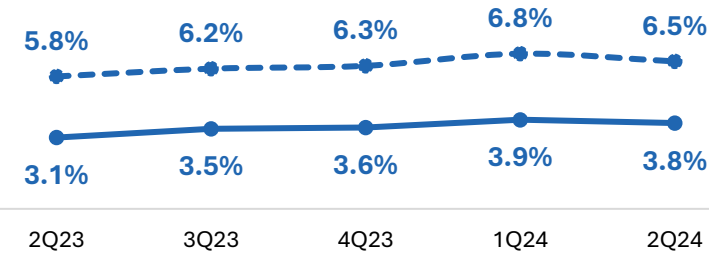
FY24 Guidance:
2.3% area



Commercial

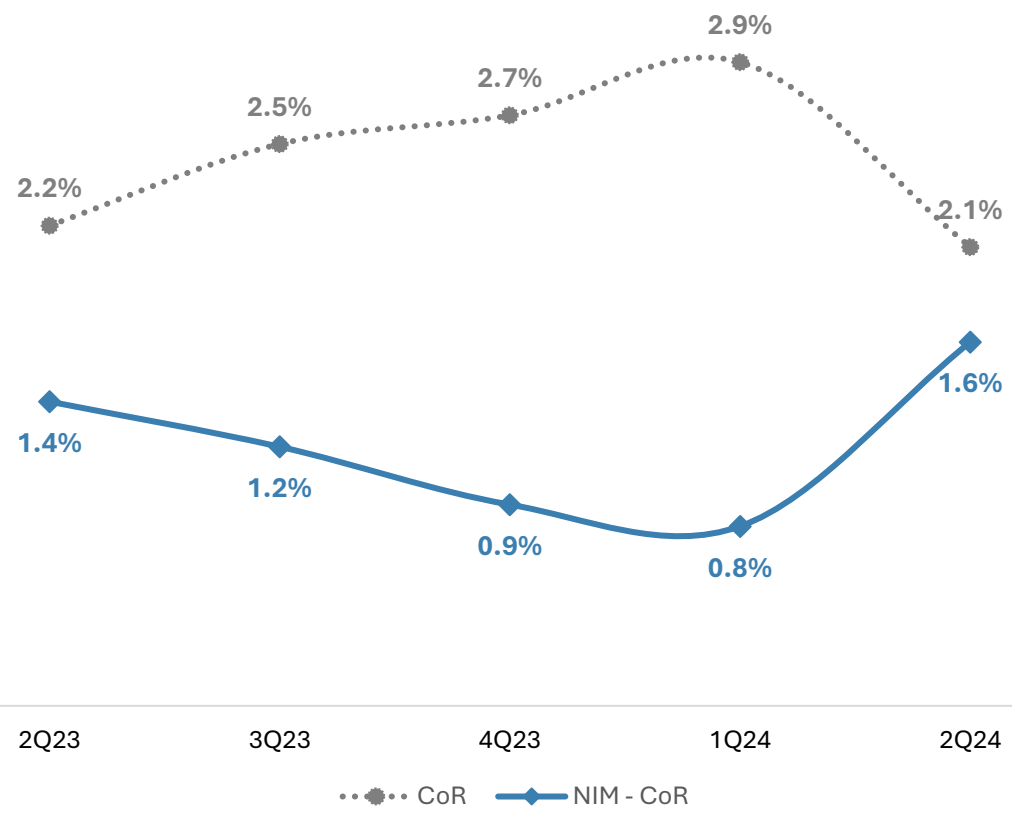


Consumer

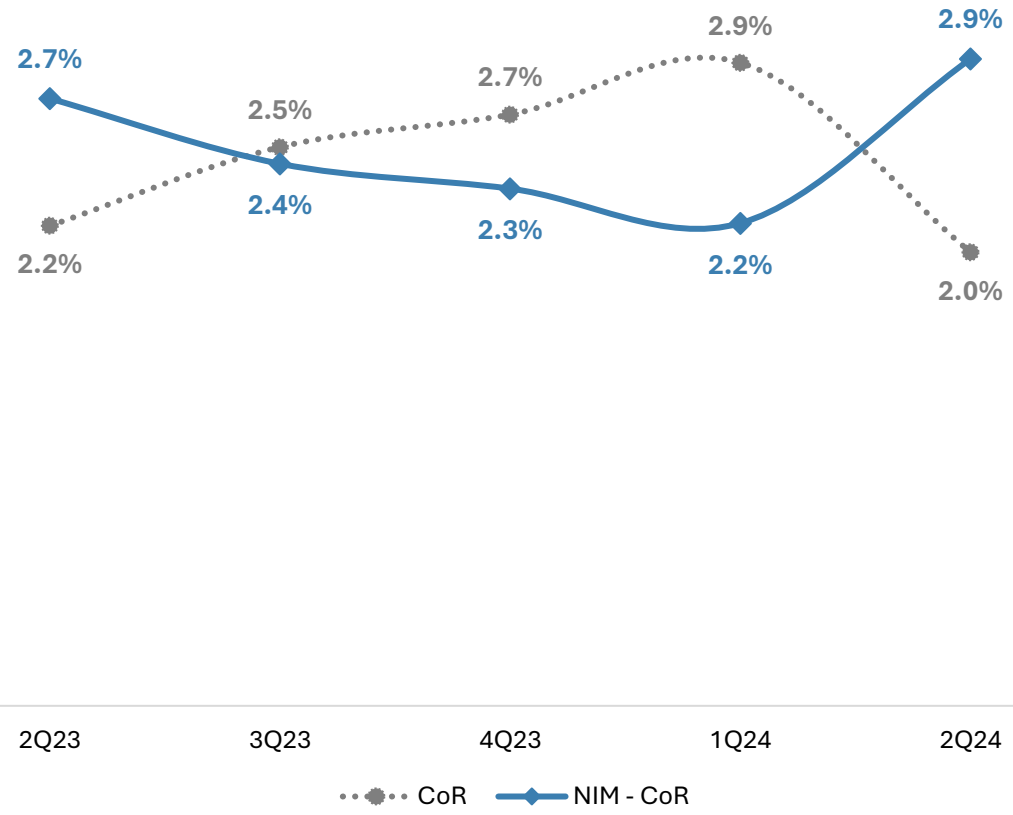


Reflected on a recovery of risk adjusted NIM on loans

Grupo Aval



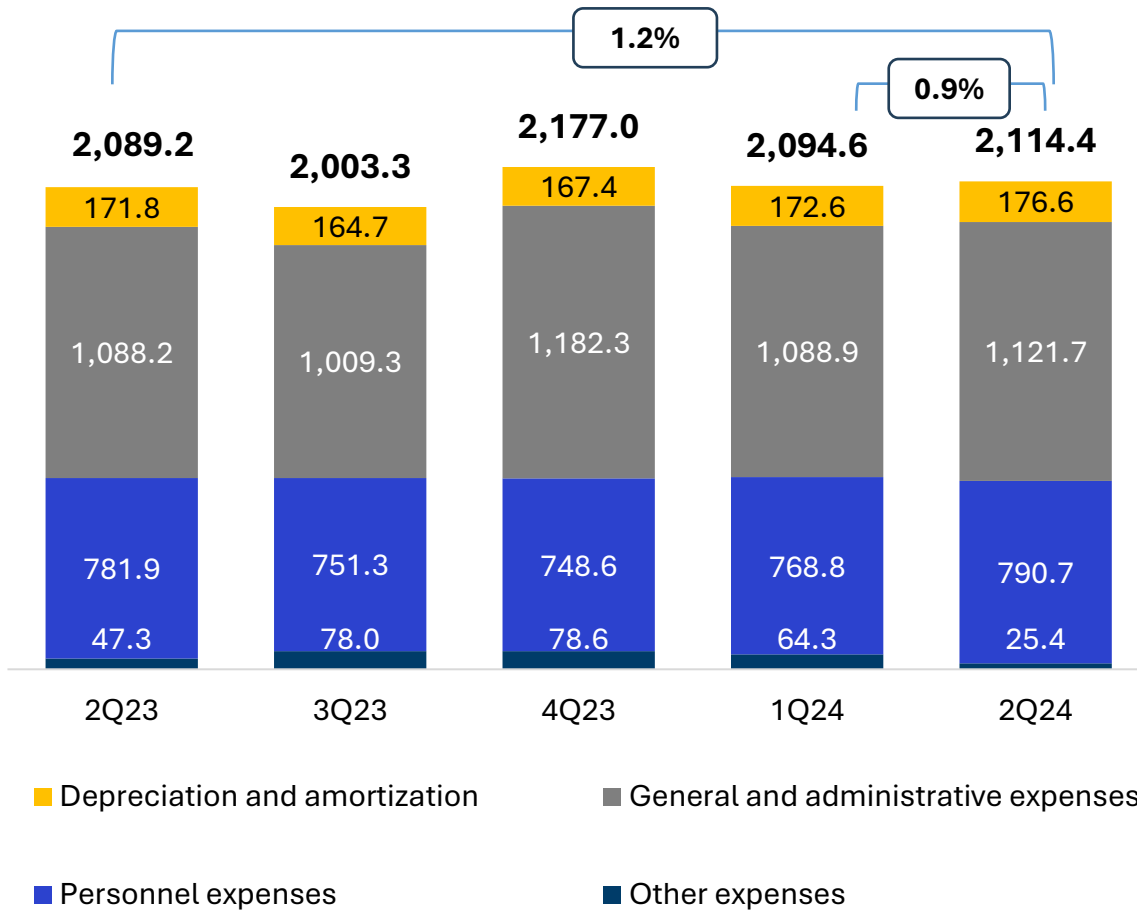
Banking segment



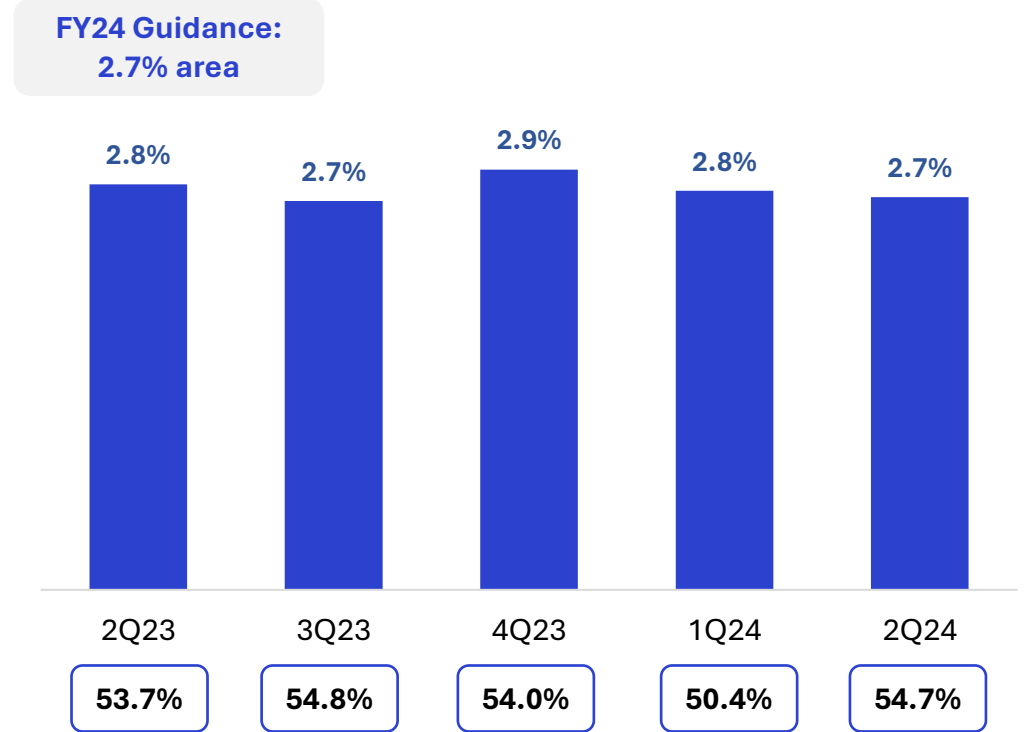
Cost containment initiatives have supported efficiency ratios and profitability

Figures in Ps. Billions

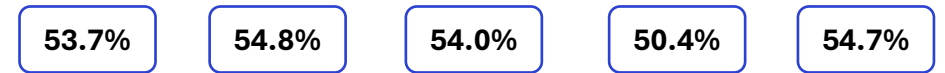
Total other expenses



Cost to assets ⁽¹⁾



Cost to income ⁽²⁾

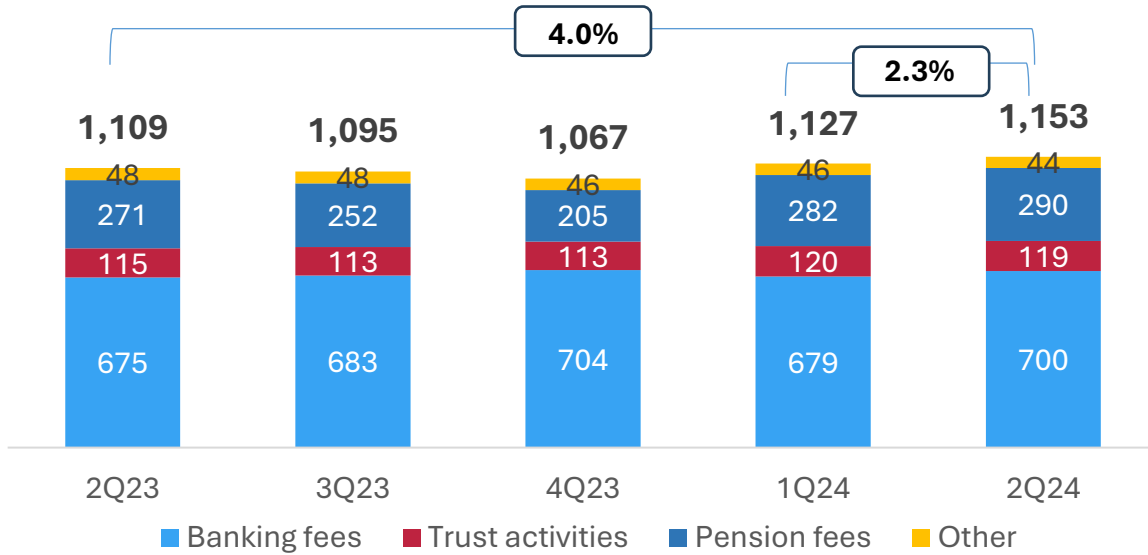


(1) Cost to assets efficiency ratio is calculated as annualized total other expenses divided by average total assets. (2) Cost to income efficiency ratio is calculated as total other expenses divided by net interest income plus net income from commissions and fees, net income from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income.

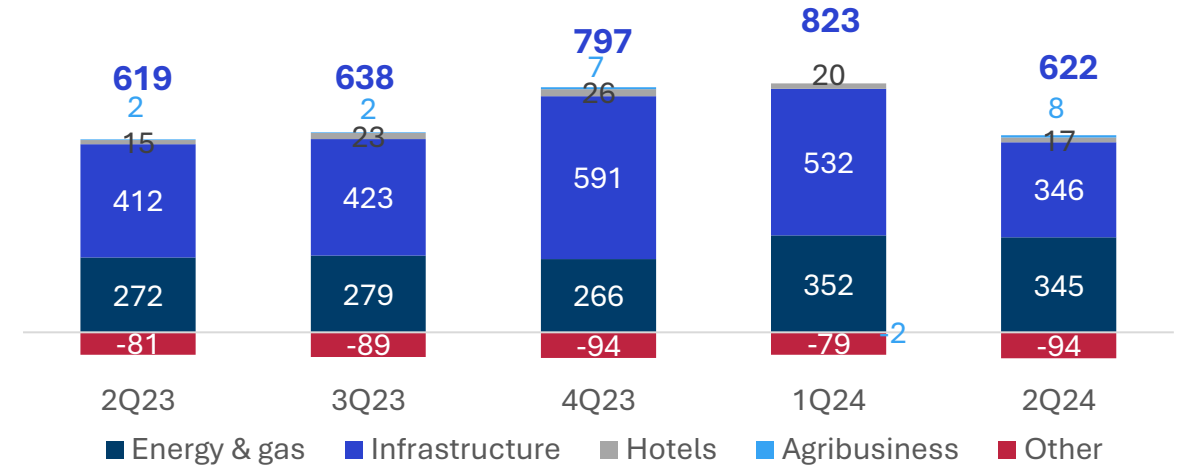
Which add to diversified revenues from pension fund management fees and non-financial sector income (1 | 2)

Figures in Ps. Billions

Gross fee income



Non-financial sector



Other operating income

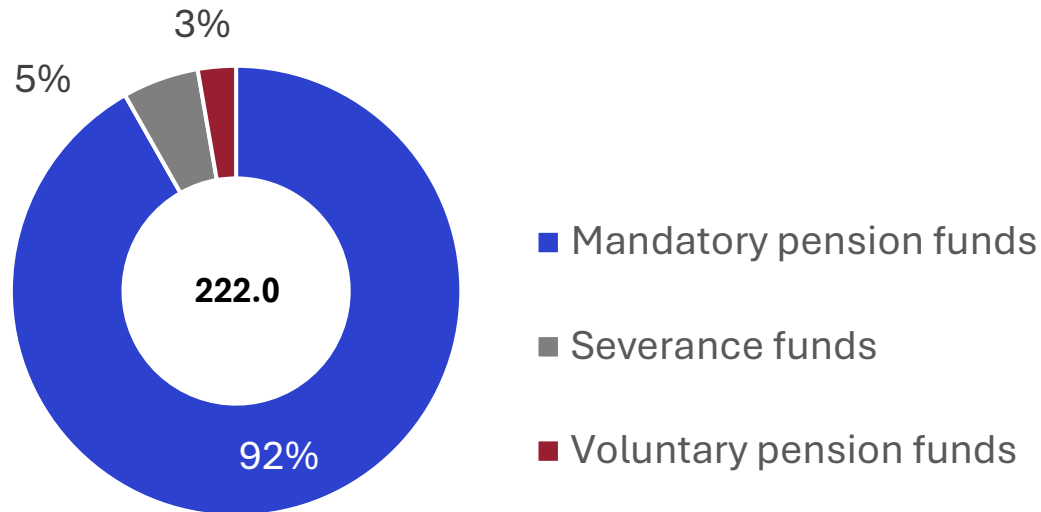
	2Q23	3Q23	4Q23	1Q24	2Q24
Total derivatives income	-1,175	-227	-506	-58	191
Foreign exchange gains (losses), net	1,196	318	251	32	-262
Derivatives and foreign exchange gains (losses), net (1)	21	90	-255	-26	-71
Gains on valuation of assets	-29	14	90	8	17
Net income from other financial instruments mandatory at FVTPL	77	77	77	104	82
Net gain on sale of investments and OCI realization	33	4	44	53	-7
Gain on the sale of non-current assets held for sale	21	15	12	4	5
Income from non-consolidated investments (2)	102	95	86	226	96
Other income from operations	195	254	175	87	152
Total other income from operations	418	550	229	456	275

Which add to diversified revenues from pension fund management fees and non-financial sector income (2 | 2)

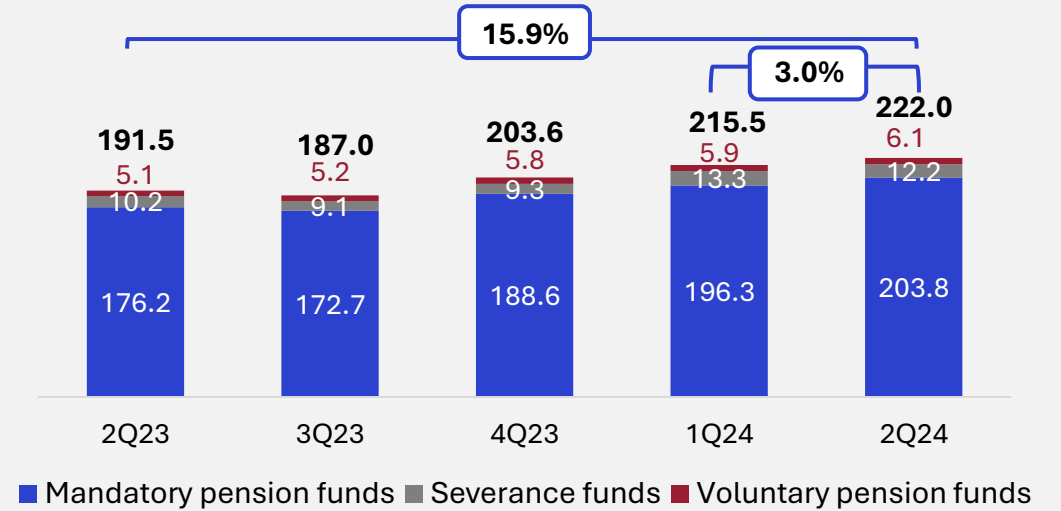
Figures in Ps. Trillion; at June 30, 2024

Porvenir

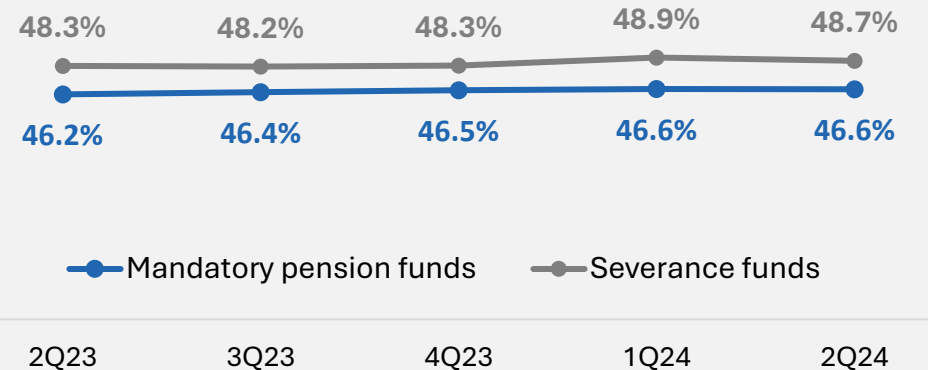
Assets under management



AUMs evolution



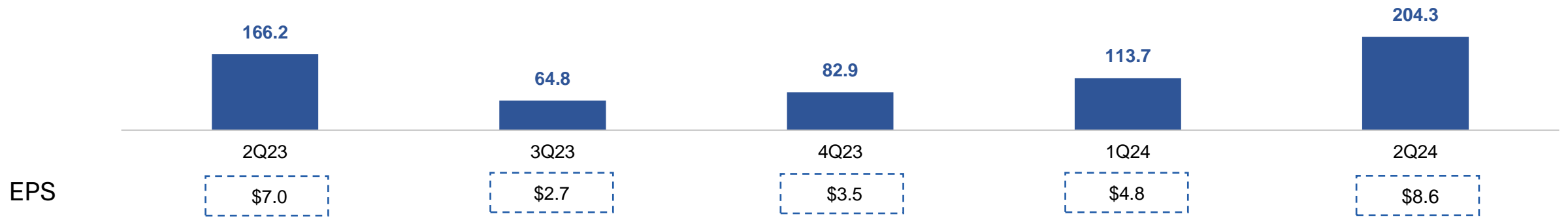
Market share evolution



Profitability has recovered on the back of key business metrics

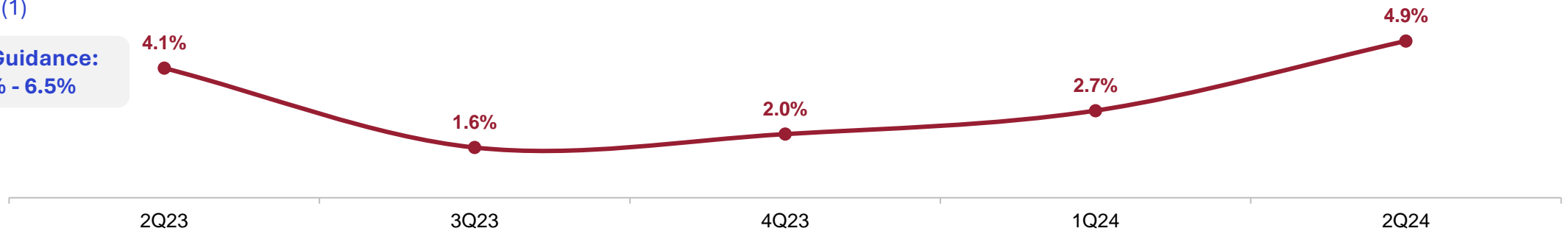
Figures in Ps. Billion

Net income attributable to controlling interest



ROAE (1)

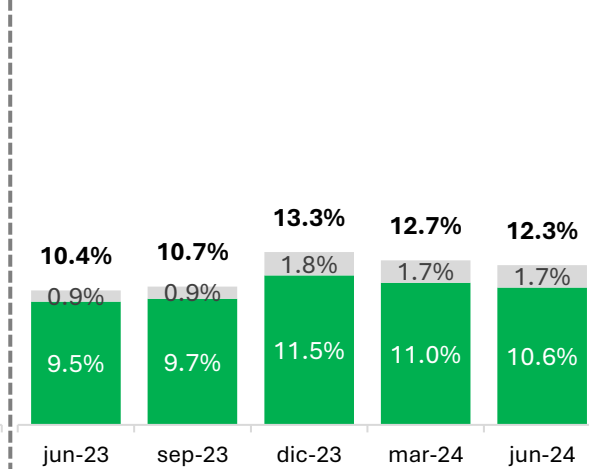
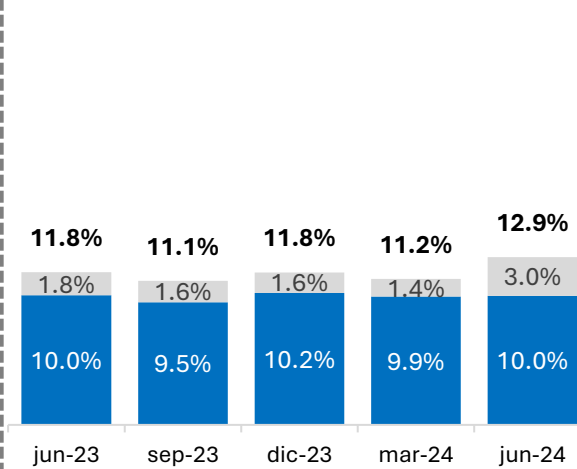
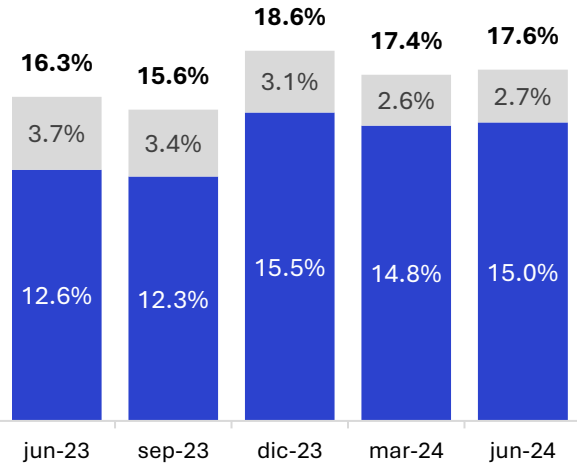
FY24 Guidance:
6.0% - 6.5%



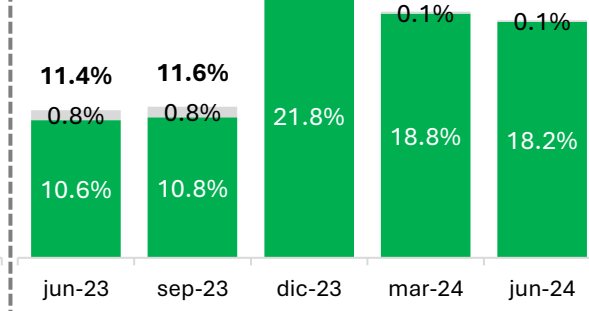
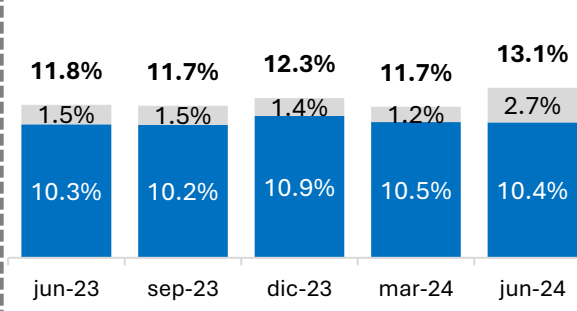
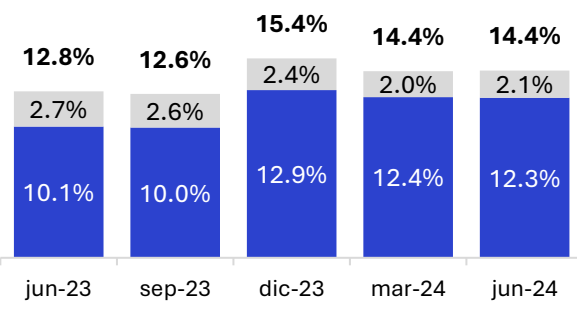
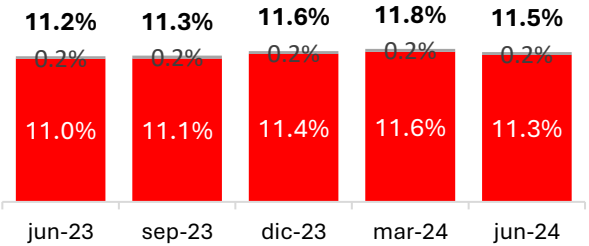
Supported on a sound capital structure

Separate basis

Consolidated basis



Ps 150 billion of subordinated bonds (Tier II) issued during Sep-24



N.A.

Conventions Tier I Tier II

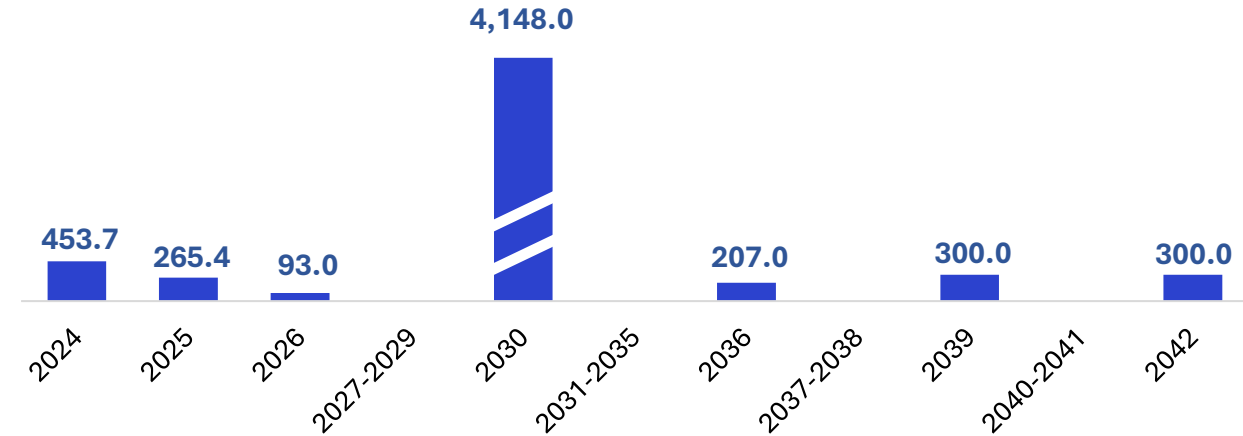
Grupo Aval's debt profile and total assets (combined figures)*

Asset composition (June 30, 2024)

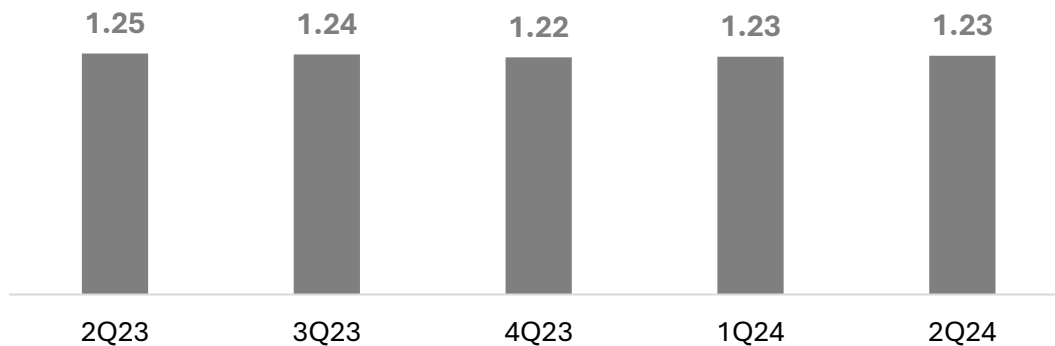
Figures in Ps. Billion

Cash and equivalents	505
Fixed income investments	128
Investments in AT1 instruments	2,167
Loans to related parties	1,320
Subtotal	4,120
Investments in subsidiaries	19,010
Other assets	427
Total assets	23,567

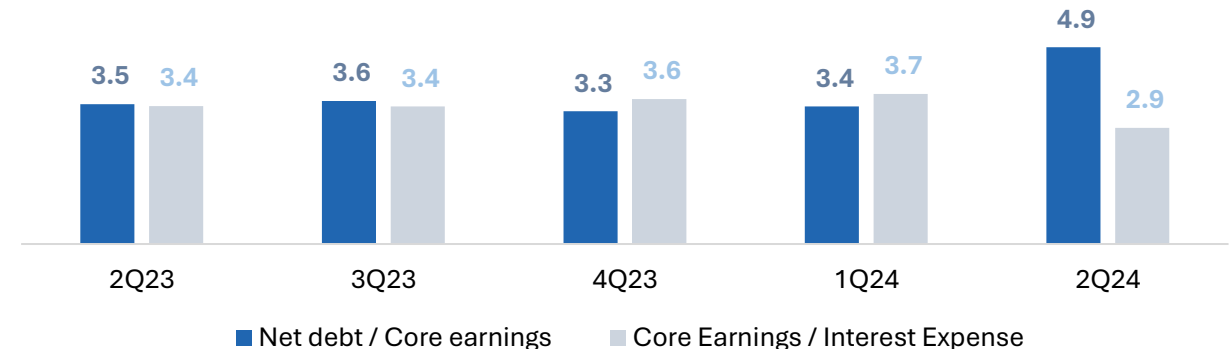
Maturity shedule of our combined gross debt



Double leverage⁽¹⁾



Debt service coverage and leverage metrics



(*)Combined figures for Grupo Aval Acciones y Valores S.A. and Grupo Aval Limited. (1) Double leverage is calculated as investments in subsidiaries at book value (excluding revaluations), subordinated and AT1 instruments extended to subsidiaries and goodwill as a percentage of shareholders' equity. (2) Core earnings are defined as annualized recurring cash flow from dividends, investments and net operating income. (3) Net debt is calculated as total gross debt minus cash and cash equivalents and fixed income investments.

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Hacemos grupo con todo el país



Grupo Aval Acciones y Valores S.A. – Consolidated Financial Statements (1 | 2)

Figures in Ps. Billions

Consolidated Statement of Financial Position	2Q23	1Q24	2Q24	Δ	
				2Q24 vs. 1Q24	2Q24 vs. 2Q23
Cash and cash equivalents	19,195.7	18,568.3	19,296.3	3.9%	0.5%
Trading assets	13,256.1	15,384.5	16,531.2	7.5%	24.7%
Investment securities	32,829.6	36,560.0	37,257.8	1.9%	13.5%
Hedging derivatives assets	69.4	58.9	61.6	4.5%	-11.3%
Total loans, net	177,912.5	178,471.0	184,018.1	3.1%	3.4%
Tangible assets	7,113.6	7,094.4	7,198.3	1.5%	1.2%
Goodwill	2,215.2	2,203.0	2,214.1	0.5%	0.0%
Concession arrangement rights	13,558.6	13,568.4	13,881.7	2.3%	2.4%
Other assets	31,910.8	34,983.5	36,156.4	3.4%	13.3%
Total assets	298,061.6	306,892.0	316,615.6	3.2%	6.2%
Trading liabilities	1,859.9	1,193.1	1,375.5	15.3%	-26.0%
Hedging derivatives liabilities	8.9	160.0	66.6	-58.3%	N.A.
Customer deposits	180,244.5	189,212.2	198,365.4	4.8%	10.1%
Interbank borrowings and overnight funds	13,459.9	17,222.0	15,427.4	-10.4%	14.6%
Borrowings from banks and others	23,916.9	21,170.2	21,276.5	0.5%	-11.0%
Bonds issued	25,424.8	22,829.1	24,462.3	7.2%	-3.8%
Borrowings from development entities	4,122.4	4,864.3	4,363.2	-10.3%	5.8%
Other liabilities	18,262.4	19,165.0	19,599.3	2.3%	7.3%
Total liabilities	267,299.6	275,816.0	284,936.4	3.3%	6.6%
Equity attributable to owners of the parent	16,465.4	16,452.2	16,719.8	1.6%	1.5%
Non-controlling interest	14,296.6	14,623.9	14,959.4	2.3%	4.6%
Total equity	30,762.0	31,076.0	31,679.2	1.9%	3.0%
Total liabilities and equity	298,061.6	306,892.0	316,615.6	3.2%	6.2%

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Figures in Ps. Billions

Consolidated Statement of income	YTD 2023	YTD 2024	Δ 2024 vs. 2023	2Q23	1Q24	2Q24	Δ	
							2Q24 vs. 1Q24	2Q24 vs. 2Q23
Total interest income	14,162.9	14,475.1	2.2%	7,154.6	7,236.2	7,238.9	0.0%	1.2%
Total interest expense	11,038.6	10,873.4	-1.5%	5,579.1	5,555.8	5,317.6	-4.3%	-4.7%
Net interest income	3,124.3	3,601.7	15.3%	1,575.5	1,680.4	1,921.3	14.3%	21.9%
Impairment losses (recoveries) on financial assets								
Loans and other accounts receivable	2,059.1	2,611.4	26.8%	1,138.6	1,485.4	1,126.1	-24.2%	-1.1%
Other financial assets	(9.9)	3.3	-133.0%	(9.6)	3.3	(0.0)	-101.1%	-99.6%
Recovery of charged-off financial assets	(274.5)	(268.4)	-2.2%	(140.8)	(128.6)	(139.8)	8.7%	-0.7%
Net impairment loss on financial assets	1,774.8	2,346.3	32.2%	988.3	1,360.1	986.2	-27.5%	-0.2%
Net interest income, after impairment losses	1,349.5	1,255.3	-7.0%	587.2	320.3	935.1	191.9%	59.2%
Income from commissions and fees	2,193.4	2,279.7	3.9%	1,108.9	1,126.9	1,152.9	2.3%	4.0%
Expenses from commissions and fees	467.2	486.8	4.2%	225.0	234.6	252.2	7.5%	12.1%
Net income from commissions and fees	1,726.2	1,792.9	3.9%	883.9	892.3	900.6	0.9%	1.9%
Income from sales of goods and services	5,603.3	5,218.8	-6.9%	2,675.8	2,592.5	2,626.3	1.3%	-1.8%
Costs and expenses from sales of goods and services	3,820.4	3,773.6	-1.2%	2,056.6	1,769.1	2,004.5	13.3%	-2.5%
Gross profit from sales of goods and services	1,782.9	1,445.2	-18.9%	619.2	823.4	621.8	-24.5%	0.4%
Total trading investment income	983.1	447.6	-54.5%	392.1	301.4	146.1	-51.5%	-62.7%
Total derivatives income	(1,847.5)	132.8	-107.2%	(1,175.2)	(57.8)	190.6	N.A	-116.2%
Net trading income	(864.4)	580.4	-167.1%	(783.1)	243.6	336.7	38.2%	-143.0%
Net income from other financial instruments mandatory at FVTPL	170.5	186.6	9.4%	76.6	104.5	82.1	-21.4%	7.3%
Total other income	2,392.4	411.9	-82.8%	1,516.6	409.3	2.6	-99.4%	-99.8%
Total other expenses	4,166.2	4,209.1	1.0%	2,089.2	2,094.6	2,114.4	0.9%	1.2%
Net income before income tax expense	2,391.0	1,463.3	-38.8%	811.2	698.8	764.5	9.4%	-5.8%
Income tax expense	883.1	540.9	-38.7%	350.6	225.7	315.3	39.7%	-10.1%
Net income for the period	1,507.8	922.4	-38.8%	460.6	473.1	449.2	-5.1%	-2.5%
Net income for the period attributable to:								
Non-controlling interest	916.5	604.3	-34.1%	294.4	359.4	244.9	-31.9%	-16.8%
Net income attributable to owners of the parent	591.3	318.1	-46.2%	166.2	113.7	204.3	79.6%	22.9%