

Grupo Aval Acciones y Valores S.A. and Subsidiaries  
Consolidated Statement of Financial Position  
As of December 31, 2023 and 2022  
(Amounts expressed in millions of Colombian pesos)

	Notes	2023	2022
<b>Assets</b>			
<b>Cash and cash equivalents</b>	<b>6, 7</b>	<b>Ps. 18,597,861</b>	<b>Ps. 17,032,857</b>
<b>Trading assets</b>	<b>6, 8</b>	<b>15,451,121</b>	<b>11,841,407</b>
<b>Investment securities</b>	<b>6, 9</b>	<b>34,425,693</b>	<b>33,674,477</b>
<b>Hedging derivative assets</b>	<b>6, 10</b>	<b>48,662</b>	<b>20,854</b>
<b>Loans:</b>			
	<b>4.1, 6, 11</b>		
Commercial		107,440,424	110,742,842
Consumer		59,999,611	59,419,444
Mortgages		18,486,206	17,883,355
Microcredit		277,529	267,720
		<b>186,203,770</b>	<b>188,313,361</b>
Loss allowance	4.1.5	(10,035,715)	(9,197,514)
<b>Total loans, net</b>		<b>176,168,055</b>	<b>179,115,847</b>
<b>Other accounts receivable, net</b>	<b>6, 12</b>	<b>25,617,225</b>	<b>23,380,573</b>
<b>Non-current assets held for sale</b>	<b>13</b>	<b>101,184</b>	<b>92,830</b>
<b>Investments in associates and joint ventures</b>	<b>14</b>	<b>1,290,683</b>	<b>1,423,343</b>
<b>Tangible assets, net:</b>			
	<b>15</b>		
Property, plant and equipment for own-use and given in operating lease		4,521,792	4,812,254
Right-of-use assets		1,336,957	1,329,594
Investment properties		906,469	880,963
Biological assets		230,672	212,630
		<b>6,995,890</b>	<b>7,235,441</b>
<b>Intangibles</b>			
Concession arrangement rights	16	13,557,267	13,242,706
Goodwill	17	2,202,222	2,248,217
Other intangible assets	18	2,382,427	2,040,158
		<b>18,141,916</b>	<b>17,531,081</b>
<b>Income tax assets:</b>			
	<b>19</b>		
Current		2,596,837	1,782,658
Deferred		1,280,912	1,851,218
		<b>3,877,749</b>	<b>3,633,876</b>
<b>Other assets</b>		<b>465,557</b>	<b>608,650</b>
<b>Total assets</b>		<b>Ps. 301,181,596</b>	<b>Ps. 295,591,236</b>

The accompanying notes are an integral part of these Consolidated Financial Statements

**Luis Carlos Sarmiento Gutiérrez**  
President

**María Edith González Flórez**  
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(See my report of February 27, 2024)

Grupo Aval Acciones y Valores S.A. and Subsidiaries  
Consolidated Statement of Financial Position, continued  
As of December 31, 2023 and 2022  
(Amounts expressed in millions of Colombian pesos)

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
<b>Trading liabilities</b>	<b>6, 8</b>	<b>Ps. 2,154,361</b>	<b>Ps. 1,757,606</b>
<b>Hedging derivative liabilities</b>	<b>6, 10</b>	<b>217,566</b>	<b>3,568</b>
<b>Customer deposits:</b>	<b>20</b>		
Checking accounts		23,809,859	25,932,053
Savings accounts		71,149,883	74,293,894
Time deposits		86,597,460	72,273,697
Other		430,194	841,505
		<b>181,987,396</b>	<b>173,341,149</b>
<b>Financial obligations:</b>	<b>21</b>		
Interbank borrowings and overnight funds		15,081,920	9,087,921
Borrowings from banks and others		22,218,460	30,309,358
Bonds issued		23,427,826	28,362,221
Borrowings from development entities		4,813,133	4,357,275
		<b>65,541,339</b>	<b>72,116,775</b>
<b>Provisions:</b>	<b>23</b>		
Legal related		217,689	229,193
Non legal related		865,594	997,978
		<b>1,083,283</b>	<b>1,227,171</b>
<b>Income tax liabilities:</b>	<b>19</b>		
Current		268,347	228,817
Deferred		5,546,640	5,062,670
		<b>5,814,987</b>	<b>5,291,487</b>
<b>Employee benefits</b>	<b>22</b>	<b>907,808</b>	<b>890,019</b>
<b>Other liabilities</b>	<b>24</b>	<b>11,954,440</b>	<b>10,141,802</b>
<b>Total liabilities</b>		<b>269,661,180</b>	<b>264,769,577</b>
<b>Equity</b>			
<b>Owners of the parent:</b>	<b>25</b>		
Subscribed and paid-in capital		23,744	23,744
Additional paid-in capital		9,571,374	9,571,374
Retained earnings		7,731,773	8,018,417
Other comprehensive income		(544,219)	(1,146,565)
<b>Equity attributable to owners of the parent</b>		<b>16,782,672</b>	<b>16,466,970</b>
<b>Non-controlling interests</b>	<b>26</b>	<b>14,737,744</b>	<b>14,354,689</b>
<b>Total equity</b>		<b>31,520,416</b>	<b>30,821,659</b>
<b>Total liabilities and equity</b>		<b>Ps. 301,181,596</b>	<b>Ps. 295,591,236</b>

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Grupo Aval Acciones y Valores S.A. and Subsidiaries  
Consolidated Statement of Income  
For the years ended December 31, 2023 and 2022  
(Amounts expressed in millions of Colombian pesos)

Continuing operations	Notes	2023	2022
<b>Interest income calculated using the effective interest method</b>			
Loan portfolio	11	Ps. 26,534,115	Ps. 17,559,516
Investments in debt securities		2,385,289	1,843,516
<b>Total interest income</b>		<b>28,919,404</b>	<b>19,403,032</b>
<b>Interest expense</b>	<b>21.3</b>		
Deposits		(16,214,226)	(7,756,432)
Financial obligations		(6,418,204)	(3,907,963)
<b>Total interest expense</b>		<b>(22,632,430)</b>	<b>(11,664,395)</b>
<b>Net interest income</b>		<b>6,286,974</b>	<b>7,738,637</b>
<b>Impairment (losses) recoveries on financial assets</b>			
Loans and other accounts receivable		(4,751,039)	(3,120,403)
Other financial assets		12,871	(16,723)
Recovery of charged-off financial assets		555,774	643,978
<b>Net impairment loss on financial assets</b>		<b>(4,182,394)</b>	<b>(2,493,148)</b>
<b>Net interest income, after impairment losses</b>		<b>2,104,580</b>	<b>5,245,489</b>
Income from commissions and fees		4,356,336	3,874,439
Expenses from commissions and fees		(1,003,813)	(970,676)
<b>Net income from commissions and fees</b>	<b>28</b>	<b>3,352,523</b>	<b>2,903,763</b>
Income from sales of goods and services		11,223,556	12,141,327
Costs and expenses of sales goods and services		(8,005,597)	(7,596,231)
<b>Net profit from sales of goods and services</b>	<b>28</b>	<b>3,217,959</b>	<b>4,545,096</b>
<b>Net trading (loss) income</b>	<b>29</b>	<b>(916,049)</b>	<b>1,559,626</b>
<b>(Net losses) net income from other financial instruments mandatorily at FVTPL</b>	<b>16</b>	<b>323,685</b>	<b>278,751</b>
<b>Other income</b>	<b>30</b>	<b>3,751,306</b>	<b>(848,571)</b>
<b>Other expenses</b>	<b>30</b>	<b>(8,346,454)</b>	<b>(7,409,783)</b>
<b>Net income before tax expense</b>		<b>3,487,550</b>	<b>6,274,371</b>
Income tax	19	(1,310,434)	(2,271,404)
<b>Net income from continuing operations</b>		<b>Ps. 2,177,116</b>	<b>Ps. 4,002,967</b>
<b>Net income from discontinued operations, net of tax</b>	<b>1.1</b>	<b>—</b>	<b>866,166</b>
<b>Net income for the year</b>		<b>Ps. 2,177,116</b>	<b>Ps. 4,869,133</b>
<b>Net income attributable to owners of the parent</b>			
Net income for the period from continuing operations		739,003	1,888,895
Net income for the period from discontinued operations, net of tax	1.1	—	593,990
<b>Owners of the parent</b>	<b>25</b>	<b>Ps. 739,003</b>	<b>Ps. 2,482,885</b>
<b>Net income attributable to non-controlling interests</b>			
Net income for the period from continuing operations		1,438,113	2,114,072
Net income for the period from discontinued operations, net of tax	1.1	—	272,176
<b>Non-controlling interests</b>	<b>26</b>	<b>Ps. 1,438,113</b>	<b>Ps. 2,386,248</b>
<b>Net income for the year</b>		<b>Ps. 2,177,116</b>	<b>Ps. 4,869,133</b>
<b>Net income per share basic and diluted (in Colombian pesos, see note 25)</b>		<b>31.12</b>	<b>107.29</b>

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Grupo Aval Acciones y Valores S.A. and Subsidiaries  
Consolidated Statement of Other Comprehensive Income  
For the years ended December 31, 2023, 2022 and 2021  
(Amounts expressed in millions of Colombian pesos)

	Notes	2023	2022
<b>Net income for the year</b>		<b>Ps. 2,177,116</b>	<b>Ps. 4,869,133</b>
<b>Other comprehensive income</b>			
<b>Items that will be reclassified to profit or loss</b>			
Net gain (loss) on hedges of net investments in foreign operations:	10, 25.5		
Hedged items		(797,514)	(6,675,329)
Hedging derivative instrument		—	4,051,499
Hedging non-derivative instrument		760,997	2,549,821
Cash flow hedges	10, 25.5	(35,923)	(2,396)
Foreign currency translation differences from unhedged foreign operations	25.5	(409,671)	1,356,213
Unrealized gains (losses) on securities at FVOCI			
Debt financial instruments	9, 25.5	1,795,666	(2,187,495)
Investments in associates and joint ventures	14, 25.5	(35,892)	81,730
Income tax	19, 25.5	(818,733)	(1,926,071)
		<b>458,930</b>	<b>(2,752,028)</b>
<b>Items that will not be reclassified to profit or loss</b>			
Transfer from owner-occupied property to investment property	25.5	(1,963)	461
Unrealized gains (losses) on equity securities at FVOCI	9.4, 25.5	156,383	(439,150)
Actuarial (losses) gains from defined benefit pension plans	22, 25.5	(56,324)	95,819
Income tax	19, 25.5	5,501	(67,977)
		<b>103,597</b>	<b>(410,847)</b>
<b>Other comprehensive income, net of taxes</b>	<b>25.5</b>	<b>Ps. 562,527</b>	<b>Ps. (3,162,875)</b>
<b>Total comprehensive income, net of taxes</b>		<b>Ps. 2,739,643</b>	<b>Ps. 1,706,258</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the parent		1,341,349	219,138
Non-controlling interests		1,398,294	1,487,120
		<b>Ps. 2,739,643</b>	<b>Ps. 1,706,258</b>

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Grupo Aval Acciones y Valores S.A. and Subsidiaries  
Consolidated Statement of Changes in Equity  
For the years ended December 31, 2023 and 2022  
(Amounts expressed in millions of Colombian pesos)

	<u>Subscribed and paid-in capital</u>	<u>Additional paid – in capital</u>	<u>Appropriated retained earnings</u>	<u>Other comprehensive income (OCI)</u>	<u>Equity attributable to owners of the parent</u>	<u>Non- controlling interest (NCI)</u>	<u>Total equity</u>
	Ps. 22,281	Ps. 8,490,799	Ps. 13,383,391	Ps. 1,117,182	Ps. 23,013,653	Ps. 16,457,994	Ps. 39,471,647
<b>Balance at December 31, 2021</b>							
Issuance of shares	1,463	1,082,307	—	—	1,083,770	572,085	1,655,855
Dividends declared in shares <sup>(1)</sup>	—	—	(1,083,770)	—	(1,083,770)	(572,008)	(1,655,778)
Dividends declared in cash <sup>(1)</sup>	—	—	(119,405)	—	(119,405)	(550,390)	(669,795)
Equity transactions	—	(1,732)	—	—	(1,732)	(13,359)	(15,091)
Spin Off <sup>(2)</sup>	—	—	(6,638,961)	—	(6,638,961)	(3,019,613)	(9,658,574)
Effect of realization from OCI to retained earnings	—	—	(5,188)	—	(5,188)	(2,312)	(7,500)
Other comprehensive income	—	—	—	(2,263,747)	(2,263,747)	(899,128)	(3,162,875)
Withholding Tax over dividends	—	—	(535)	—	(535)	(4,828)	(5,363)
Net income	—	—	2,482,885	—	2,482,885	2,386,248	4,869,133
<b>Balance at December 31, 2022</b>	<b>Ps. 23,744</b>	<b>Ps. 9,571,374</b>	<b>Ps. 8,018,417</b>	<b>Ps. (1,146,565)</b>	<b>Ps. 16,466,970</b>	<b>Ps. 14,354,689</b>	<b>Ps. 30,821,659</b>
Dividends declared in cash <sup>(1)</sup>	—	—	(1,025,718)	—	(1,025,718)	(1,014,789)	(2,040,507)
Effect of realization from OCI to retained earnings	—	—	1,423	—	1,423	317	1,740
Other comprehensive income	—	—	—	602,346	602,346	(39,819)	562,527
Deconsolidation of entities	—	—	(1,041)	—	(1,041)	(914)	(1,955)
Withholding Tax over dividends	—	—	(311)	—	(311)	147	(164)
Net income	—	—	739,003	—	739,003	1,438,113	2,177,116
<b>Balance at December 31, 2023</b>	<b>Ps. 23,744</b>	<b>Ps. 9,571,374</b>	<b>Ps. 7,731,773</b>	<b>Ps. (544,219)</b>	<b>Ps. 16,782,672</b>	<b>Ps. 14,737,744</b>	<b>Ps. 31,520,416</b>

<sup>(1)</sup> See note 25.2 “Declared Dividends”.

<sup>(2)</sup> See note 1.1. “Discontinued operations of BAC Holding”.

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Grupo Aval Acciones y Valores S.A. and Subsidiaries  
Consolidated Statement of Cash Flows  
For the years ended December 31, 2023 and 2022  
(Amounts expressed in millions of Colombian pesos)

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities:</b>			
Net income before income tax		Ps. 3,487,550	Ps. 6,274,371
<b>Reconciliation of net income before taxes and net cash (used) provided by operating activities:</b>			
Depreciation of tangible assets and right-of-use assets	15, 28, 30	557,062	559,875
Amortization of intangible assets	28, 30	594,109	530,625
Impairment losses on loans and other accounts receivable	4.1.5, 28	4,802,074	3,179,476
Net interest income		(6,286,974)	(7,738,637)
Accrued dividends	30	(126,274)	(119,888)
Net gains on sales of non-current assets held for sale	30	(47,994)	(9,687)
Gain on sale of property plant and equipment for own-use		(344,742)	(140,229)
Loss on sale of investment property		22,177	17,305
Gain on biological assets		(10,467)	(13,041)
Valuations and interest from concession agreements		(3,916,465)	(5,136,704)
Foreign exchange losses (gains)	30	(2,253,925)	1,825,718
Profit of equity accounted on investments in associates and joint ventures	14, 30	(371,397)	(372,777)
Net (gains) or losses on fair value adjustments of:			
Derivatives	29	2,581,132	(1,529,855)
Non-current assets held for sale	13	268	76
Investment properties	15	(84,958)	(55,930)
Biological assets	15	(18,601)	(56,859)
<b>Changes in operating assets and liabilities:</b>			
Trading assets		(2,764,761)	545,497
Other accounts receivable		(975,734)	(2,376,815)
Derivatives		(2,091,326)	1,379,945
Other assets		(78,251)	121,837
Other liabilities and provisions		1,434,088	462,871
Employee benefits		(27,517)	7,928
Loans		(7,600,446)	(27,840,725)
Customer deposits		15,352,172	17,835,153
Interbank borrowings and overnight funds		5,881,960	(1,352,653)
Borrowings from development entities		(240,498)	408,018
Borrowings from banks and others		(3,864,609)	8,719,782
<b>Interest received</b>		<b>26,104,288</b>	<b>16,944,928</b>
<b>Interest paid</b>		<b>(21,529,719)</b>	<b>(10,608,415)</b>
<b>Interest paid on leases</b>		<b>(202,362)</b>	<b>(146,275)</b>
<b>Income tax paid</b>		<b>(1,974,359)</b>	<b>(1,537,039)</b>
<b>Net cash provided (used in) operating activities</b>		<b>Ps. 6,005,501</b>	<b>Ps. (222,124)</b>

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Consolidated Statement of Cash Flows  
For the years ended December 31, 2023 and 2022, continued  
(Amounts expressed in millions of Colombian pesos)

	<u>Notes</u>	<u>2023</u>	<u>2022</u>
<b>Cash flows from investing activities:</b>			
Acquisition of property, plant and equipment for own use and operating lease	15	Ps. (589,071)	Ps. (519,368)
Acquisition of investment property	15	(163)	(2,266)
Additions of cost of biological assets	15	(26,118)	(28,368)
Assets in concession contracts		853,778	452,612
Additions of others intangibles assets		(683,457)	(598,177)
Acquisition of investments at FVOCI		(24,353,596)	(21,008,926)
Proceeds from sale of investments at FVOCI		25,675,840	23,492,758
Proceeds from sale of own property and equipment		76,699	72,991
Proceeds from sale of investment properties		111,542	76,306
Proceeds from sale of biological assets		37,144	40,624
Proceeds from sale of non-current assets held for sale		61,652	41,635
Purchases of financial assets at amortized cost		(8,016,108)	(6,914,604)
Redemptions of financial assets at amortized cost		8,219,792	6,403,372
Dividends received from investments		477,568	411,369
Acquisition of investments in associates	14	(2,433)	(7,267)
Capitalized leasing cost		(132)	(690)
Proceeds from sale of investments in associates	1.1	—	2,645,914
Deconsolidation of entities		(2,290)	—
Discontinued operation	1.1	—	(17,570,390)
<b>Net cash provided (used) in investing activities</b>		<b>Ps. 1,840,647</b>	<b>Ps. (13,012,475)</b>
<b>Cash flows from financing activities:</b>			
Dividends paid to shareholders	21.4	(766,537)	(414,267)
Dividends paid to non-controlling interest	21.4, 26	(915,933)	(615,177)
Issuance of debt securities	21.4	2,609,994	695,136
Payment of outstanding debt securities	21.4	(4,072,742)	(7,837,898)
Leases	21.4	(391,667)	(383,472)
Equity transaction	21.4	—	(15,014)
<b>Net cash used in financing activities</b>		<b>(3,536,885)</b>	<b>(8,570,692)</b>
<b>Effect of foreign currency changes on cash and cash equivalents</b>		<b>(2,744,259)</b>	<b>3,588,921</b>
Decrease in cash and cash equivalents from discontinued operations	1.1	—	(1,393,602)
<b>Increase (decrease) in cash and cash equivalents</b>		<b>1,565,004</b>	<b>(19,609,972)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>7</b>	<b>Ps. 17,032,857</b>	<b>Ps. 36,642,829</b>
<b>Cash and cash equivalents at end of year</b>	<b>7</b>	<b>Ps. 18,597,861</b>	<b>Ps. 17,032,857</b>

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