

VIGILADO SUPERINTENDENCIA FINANCIERA DE COLOMBIA

El Fogafin  
Asociación de  
Fogafinistas  
y Emisores  
Financieros S.A. EORF



# 1Q24 Consolidated Earnings Results

IFRS

AVAL  
LISTED  
NYSE



## 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.

# Consolidated key results for the quarter

## Balance Sheet

**Gross loans** \$188.6 Tn  
Q/Q: 1.5%  
Y/Y: 2.2%

**Deposits** \$189.2 Tn  
Q/Q: 4.0%  
Y/Y: 6.1%

**Deposits / Net loans** 1.06x  
Q/Q: 0.03x  
Y/Y: 0.06x

## Loan Quality

**90 days PDLs / Gross loans** 4.1%  
Q/Q: 17 bps  
Y/Y: 70 bps

**Allowances / 90 days PDLs** 1.35 x  
Q/Q: -0.01 x  
Y/Y: -0.13 x

**Cost of risk** 2.9%  
Q/Q: 24 bps  
Y/Y: 118 bps

## Profitability

**Net interest margin** 3.4%  
Q/Q: (49) bps  
Y/Y: (34) bps

**Fee income ratio** 21.5%  
Q/Q: 246 bps  
Y/Y: 253 bps

**Efficiency ratio** 50.4%  
Q/Q: (356) bps  
Y/Y: 369 bps

**Attributable net income** \$113.7 Bn  
Q/Q: 37.2%  
Y/Y: -73.2%

**ROAA** 0.6%  
Q/Q: 13 bps  
Y/Y: (79) bps

**ROAE** 2.7%  
Q/Q: 74 bps  
Y/Y: (768) bps

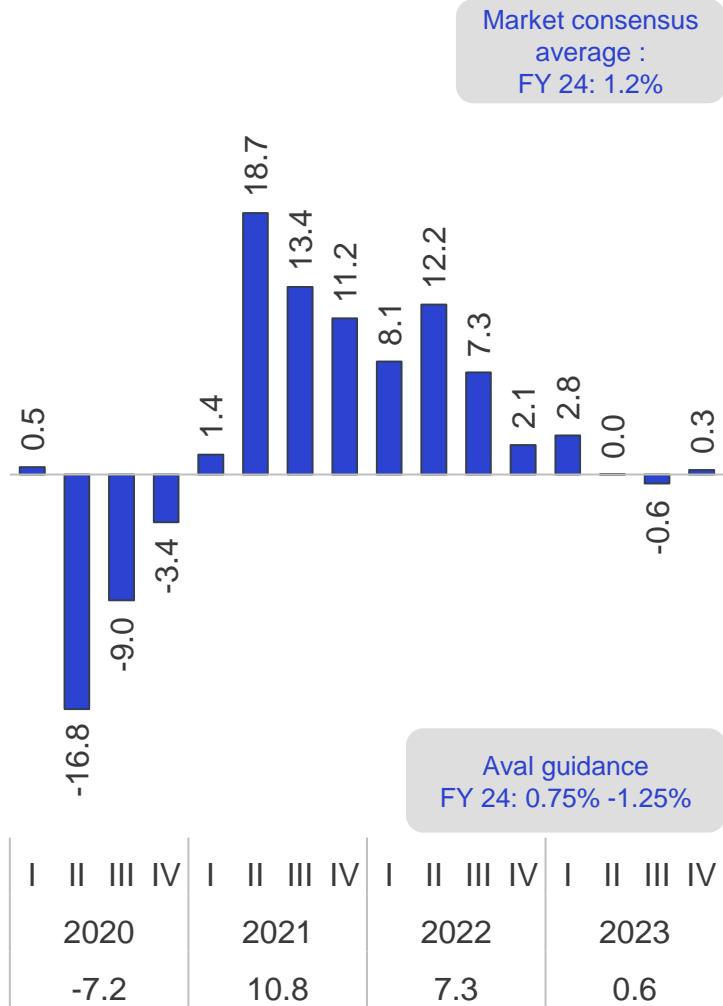
- Gross loans reached 189 trillion pesos, a 1.5% growth versus 4Q23 and 2.2% growth versus 1Q23. Consolidated deposits reached 189 trillion pesos, a 4.0% growth versus 4Q23 and 6.1% growth versus 1Q23.
- Over the quarter, Aval banks gained market shares of 32 bps in total loans, 39 bps in commercial loans, 42 bps in consumer loans, and 17 bps in mortgages.
- The quality of our loan portfolio on a +90 PDLs basis deteriorated 17 bps during the quarter.
- Cost of risk for consumer loans decreased 4 bps over the quarter. Cost of risk for commercial loans increased slightly due to strong loan balance growth. As a result, cost of risk for the quarter stood at 2.9%, 24 bps higher than on 4Q23.
- During 1Q24, NIM on loans increased 16 bps during the quarter to 4.3%. Total NIM decreased 49 bps to 3.4% due to a lower NIM on investments.
- Cost to Assets efficiency ratio improved to 2.8% versus 2.9% observed during 4Q23. OPEX grew 0.8% versus 1Q23.
- Attributable net income for the quarter was 113.7 billion, with a ROAA of 0.6% and an ROAE of 2.7%.

**Gross loans** excludes interbank and overnight funds. **PDLs 90+** defined as loans more than 90 days past due. **Cost of Risk** calculated as Impairment loss on loans and other accounts receivable net of recoveries of charged-off assets divided by average gross loans. **Net Interest Margin** includes net interest income plus net trading income from investment securities held for trading through profit or loss divided by total average interest-earning assets. **Fee income ratio** is calculated as net income from commissions and fees divided by net interest income plus net income from commissions and fees, gross profit from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income. **Efficiency Ratio** is calculated as total other expenses divided by net interest income plus net income from commissions and fees, gross profit from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income. **ROAA** is calculated as annualized Net Income divided by average of total assets.

**ROAE** is calculated as Net Income attributable to Aval's shareholders divided by average attributable shareholders' equity. **NS** refers to non-significant figures

# Macroeconomic context – Colombia (1 | 4)

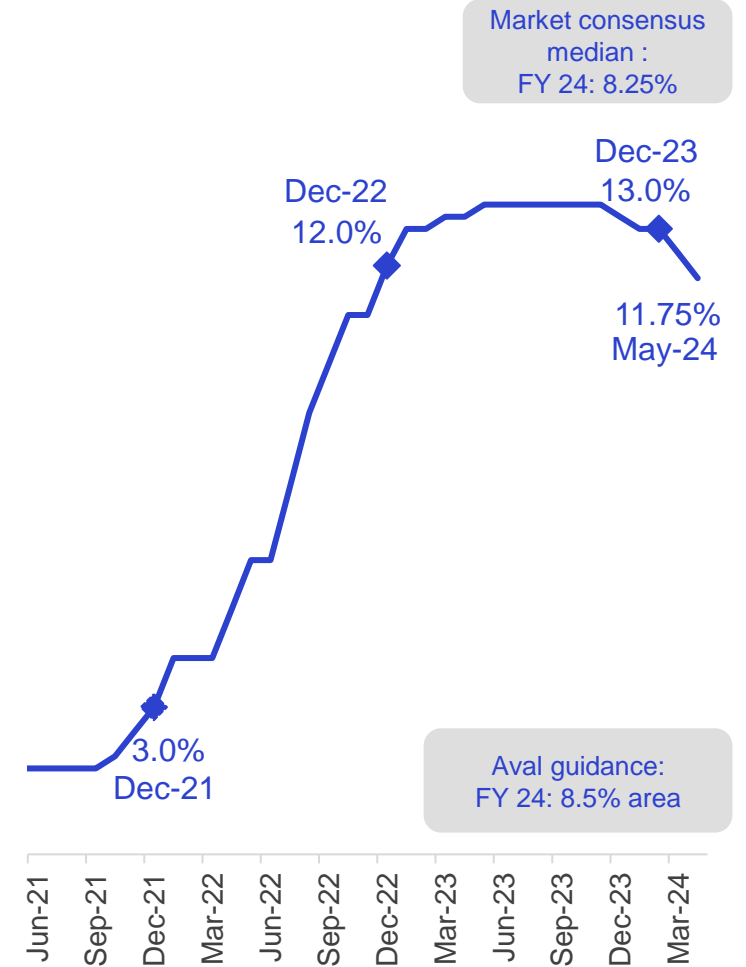
## Real GDP growth (%)



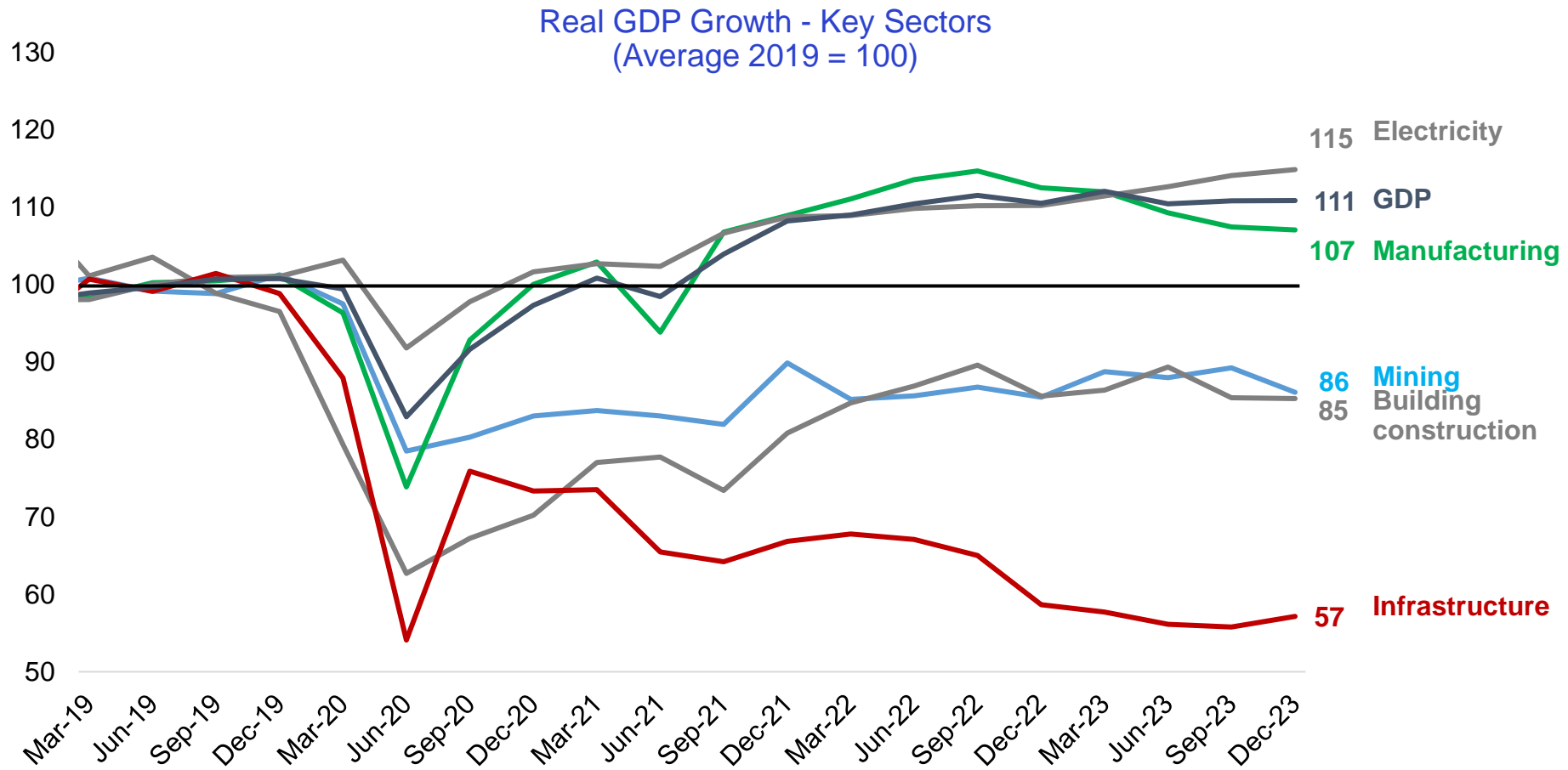
## Inflation (%)



## Central Bank's Monetary Policy (%)

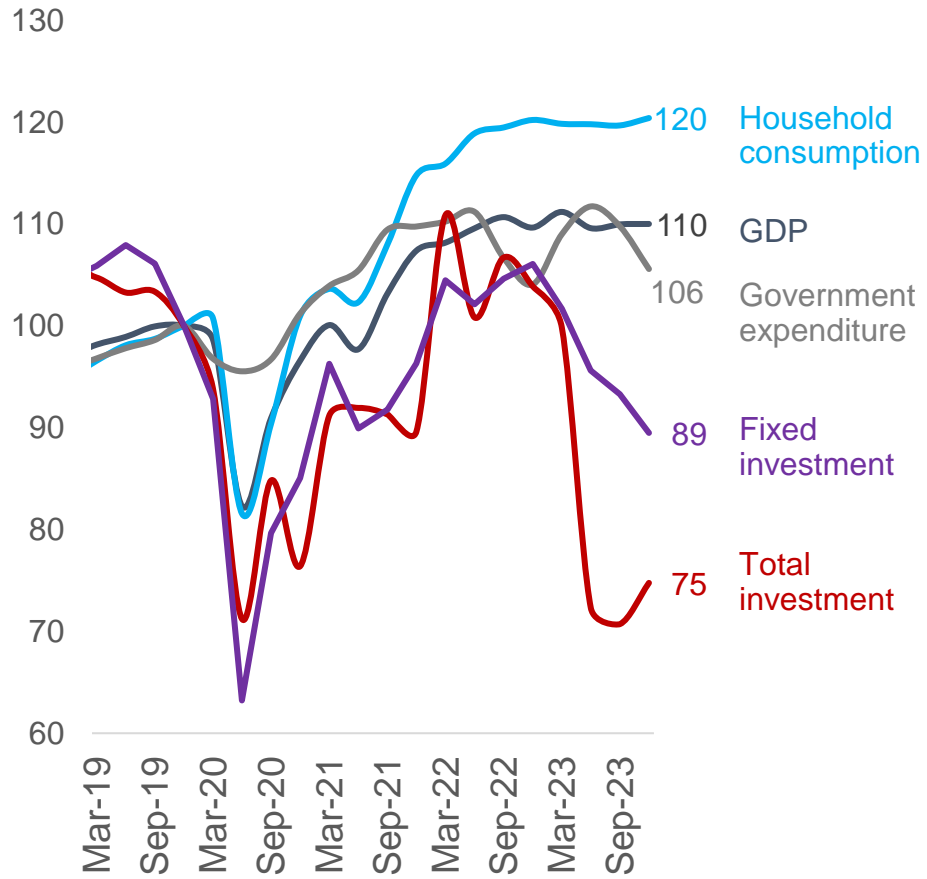


# Macroeconomic context – Colombia (2 | 4)

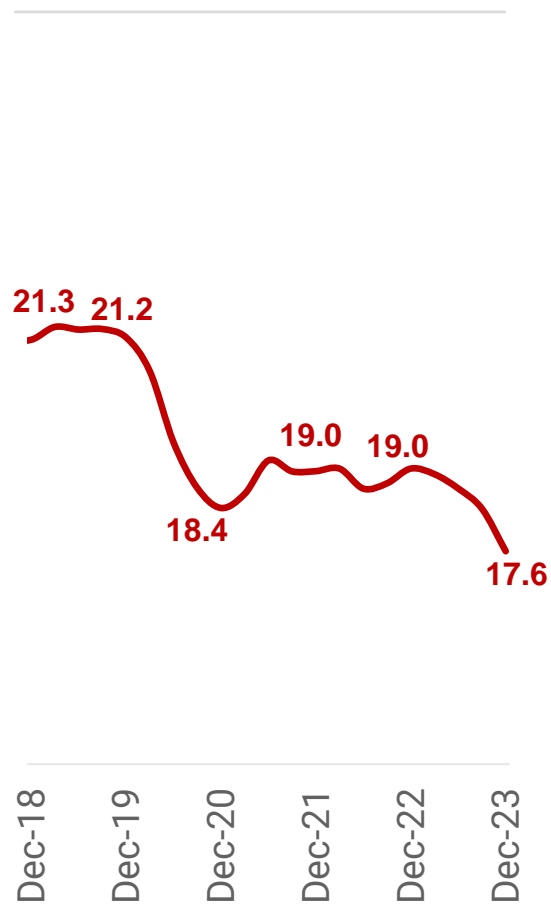


# Macroeconomic context – Colombia (3 | 4)

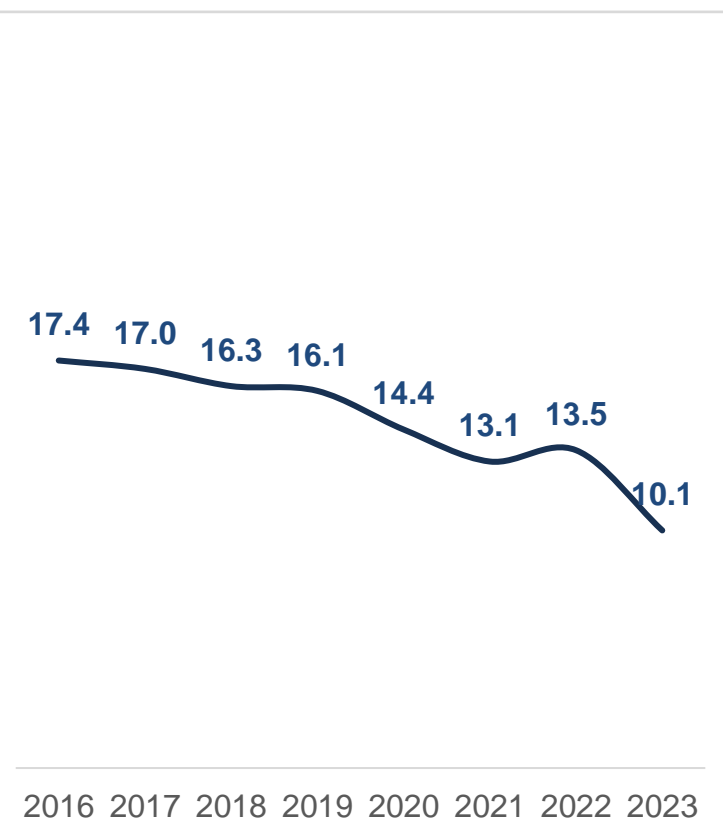
Real GDP Growth – Key Components of Demand-side GDP (December 2019 = 100)



Investment (% GDP)



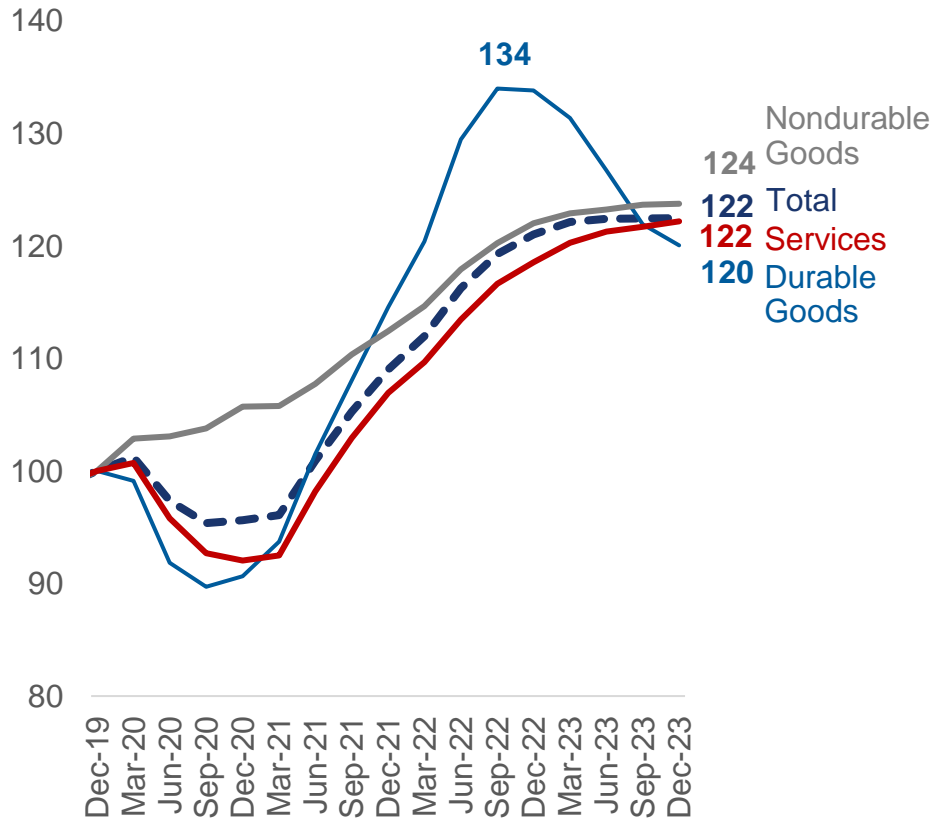
Gross domestic savings (% GDP)



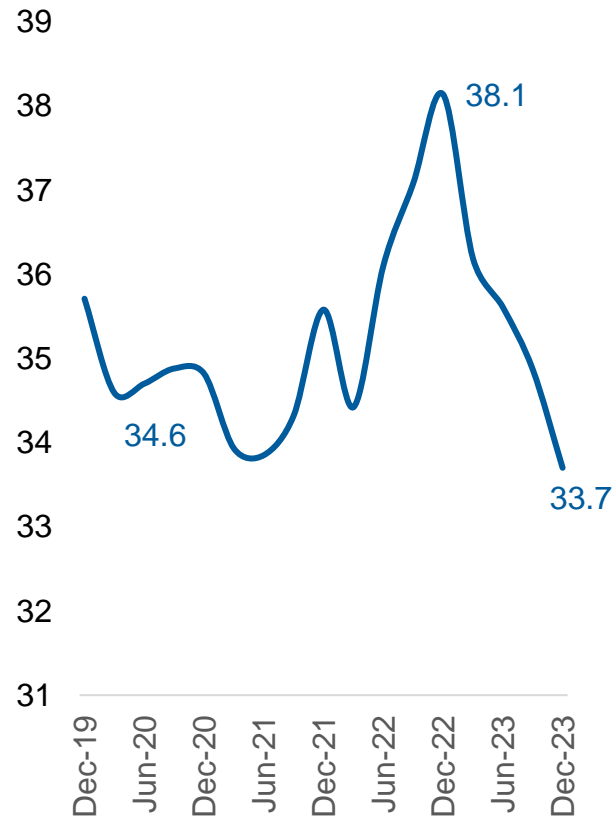


# Macroeconomic context – Colombia (4 | 4)

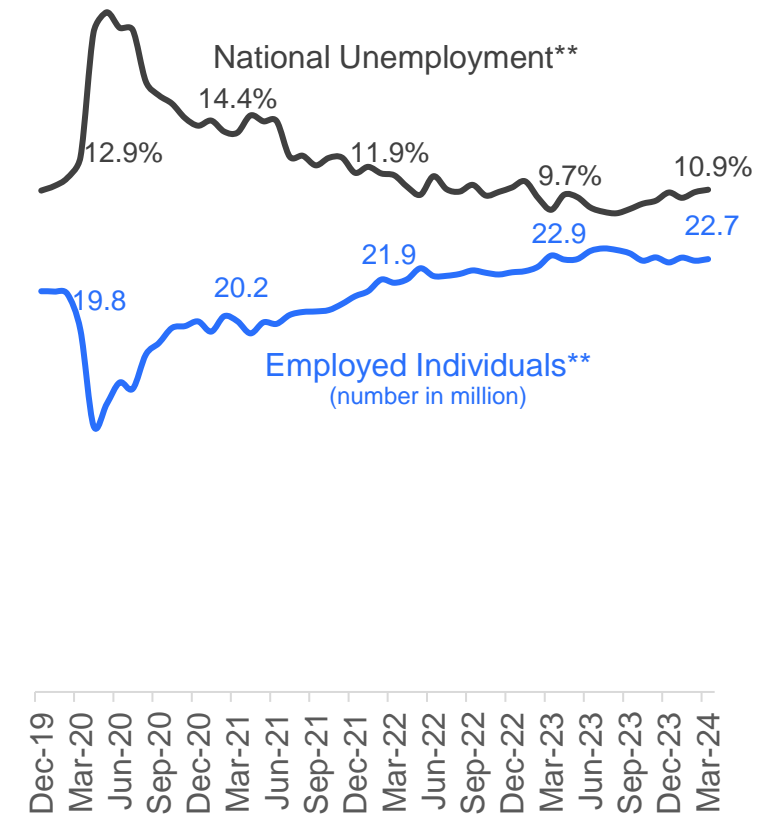
### Consumer Spending (December 2019 = 100)



### Household Financial Burden\*



### Unemployment (%)



Source: DANE and Superintendencia Financiera

\*Financial burden = debt service payments (principal and interest) as a percentage of household income

\*\*Seasonally adjusted series

## Social



"Misión La Guajira" project is a partnership between the Government, the communities and Grupo Aval

La Guajira is Colombia's most vulnerable department with one of the highest poverty indicators

Multidimensional poverty index :

**86.7%**  
Manaure (2018)

**92.2%**  
Uribe (2018)

Phase 1:



Access to water



Food security



Energy

Scope:

**81**  
Communities

Action Plan:



**9**  
Communities

Prioritizing

**487**  
Families

Building of

**2**  
deep water wells



Banco de Occidente was recognized by Great Place to Work as the best women employer in Colombia

## Environmental



Net Zero Banking Alliance: Achieving zero emissions in the credit portfolio through decarbonization by 2050



Our subsidiaries are working on the assessment of physical and transition risks associated with climate change.

Grupo Aval and subsidiaries will be carbon neutral between 2024 - 2025

## Governance

### Board of Directors

Previous

**7** principal members

**7** alternate members

**4 / 14** independent directors (\*)  
**28.6%**



Actual

**9** principal members

**6 / 9** independent directors (\*)  
**66.7%**

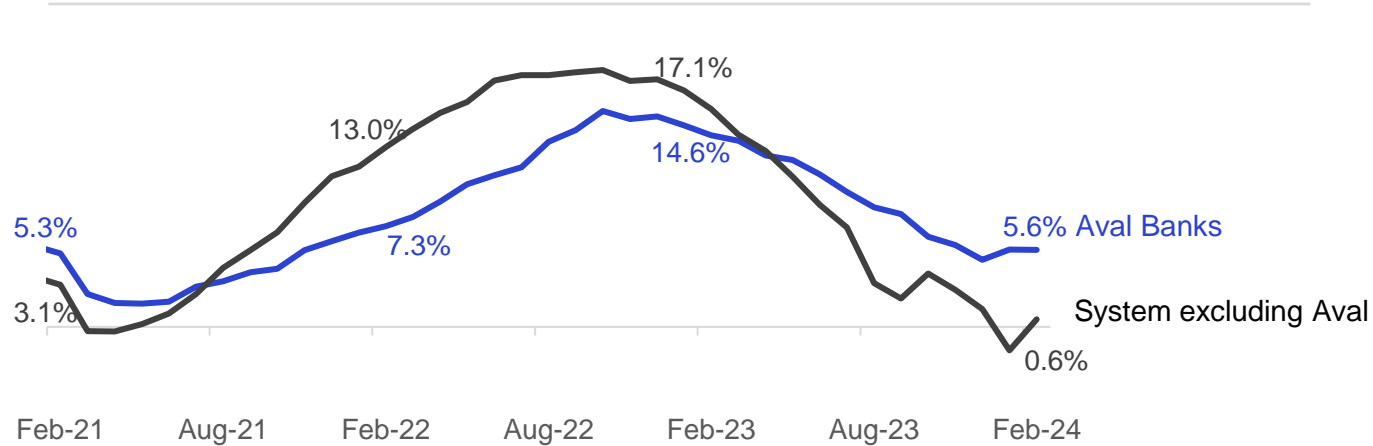


(\*) Independent director under Colombian requirements.

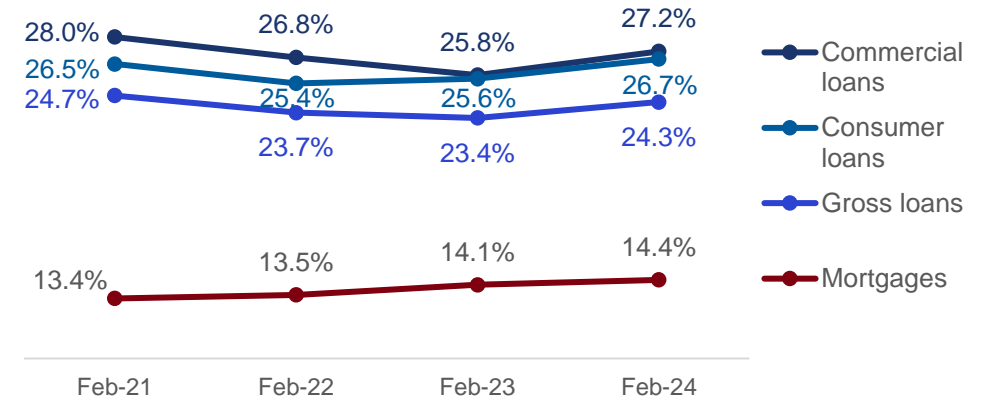


# Colombian Banking System – LTM Loan Growth (Unconsolidated results under Colombian IFRS)

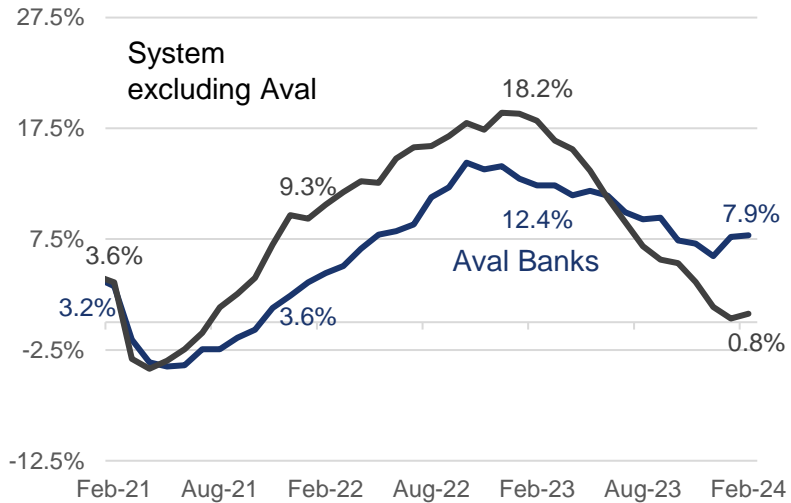
### Gross Loans



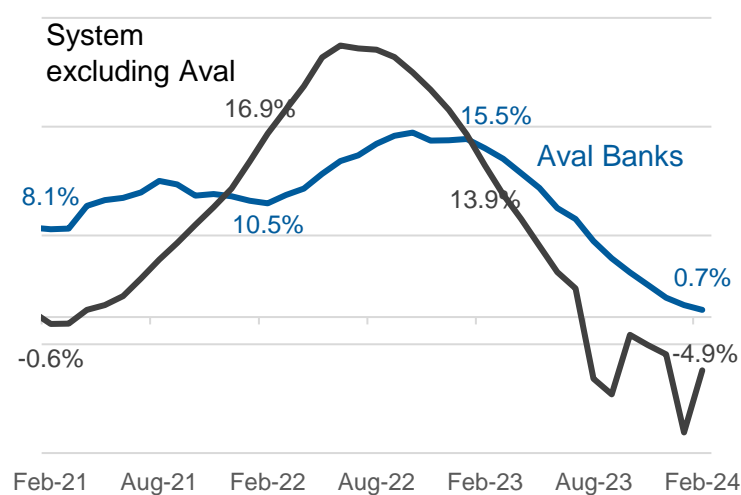
### Market Share (%)



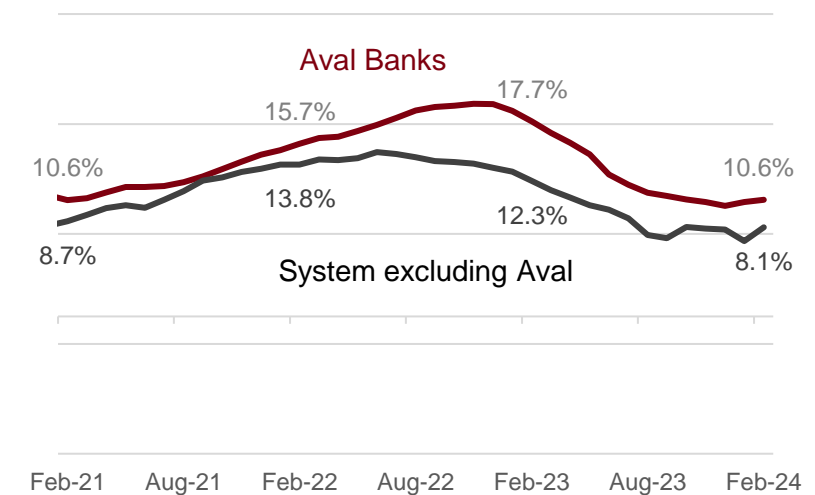
### Commercial loans



### Consumer loans



### Mortgages

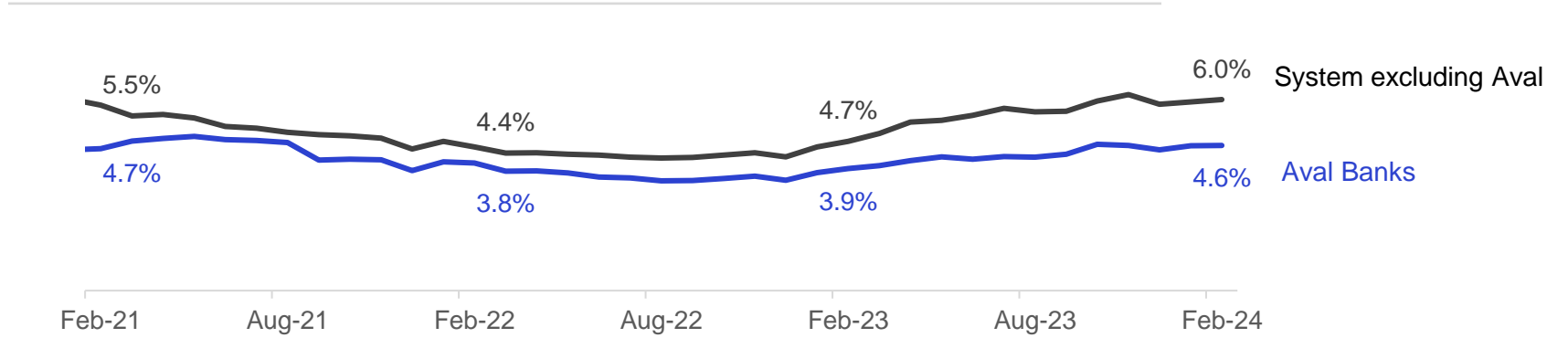


Source: Superintendencia Financiera

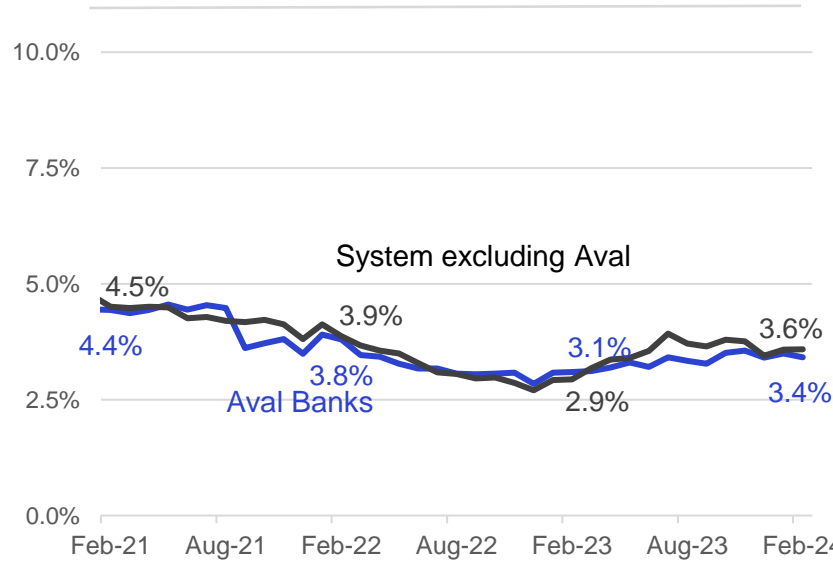
Note: System defined as Banks, market share calculated relative to the defined system based on gross loans (capital). Aval Banks defined as aggregated unconsolidated results of Banco de Bogota, Banco de Occidente, Banco Popular y Banco AV Villas:

# Colombian banking system - Loan portfolio quality: 30 days PDLs / Gross loans (Unconsolidated results under Colombian IFRS)

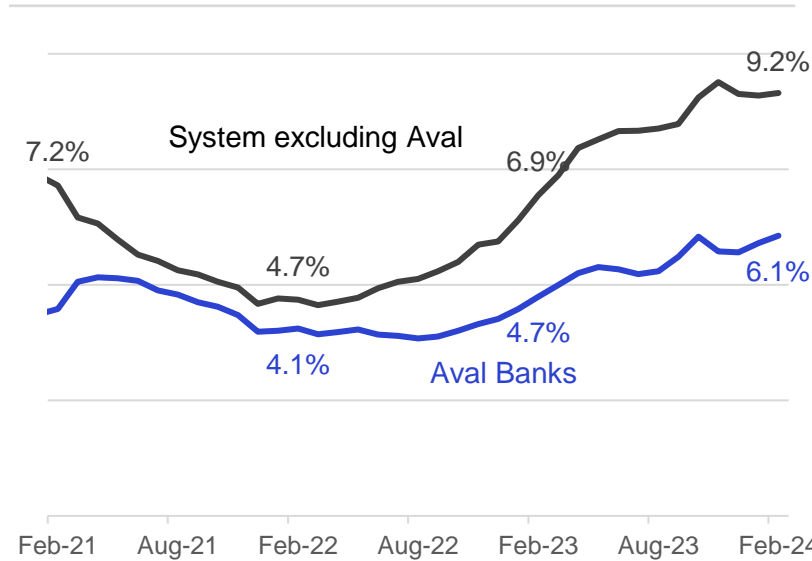
## Gross Loans



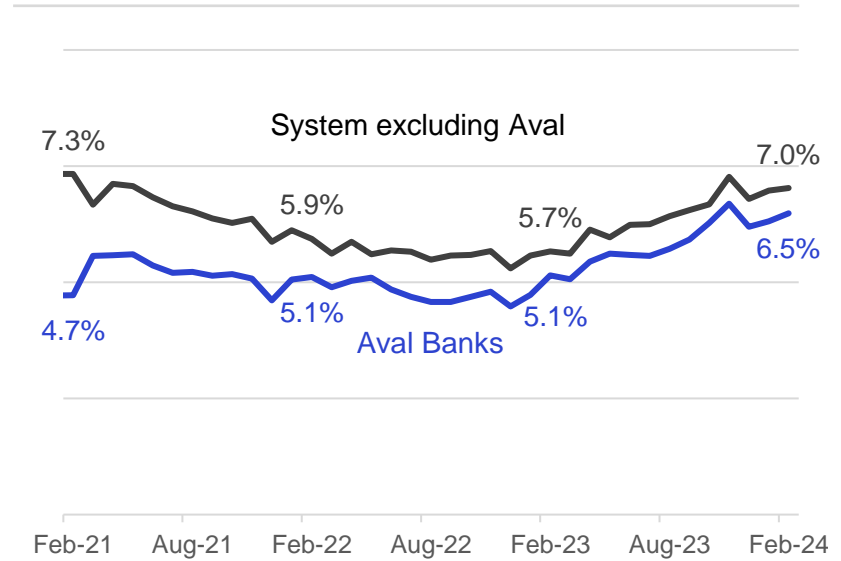
## Commercial Loans



## Consumer Loans



## Mortgages



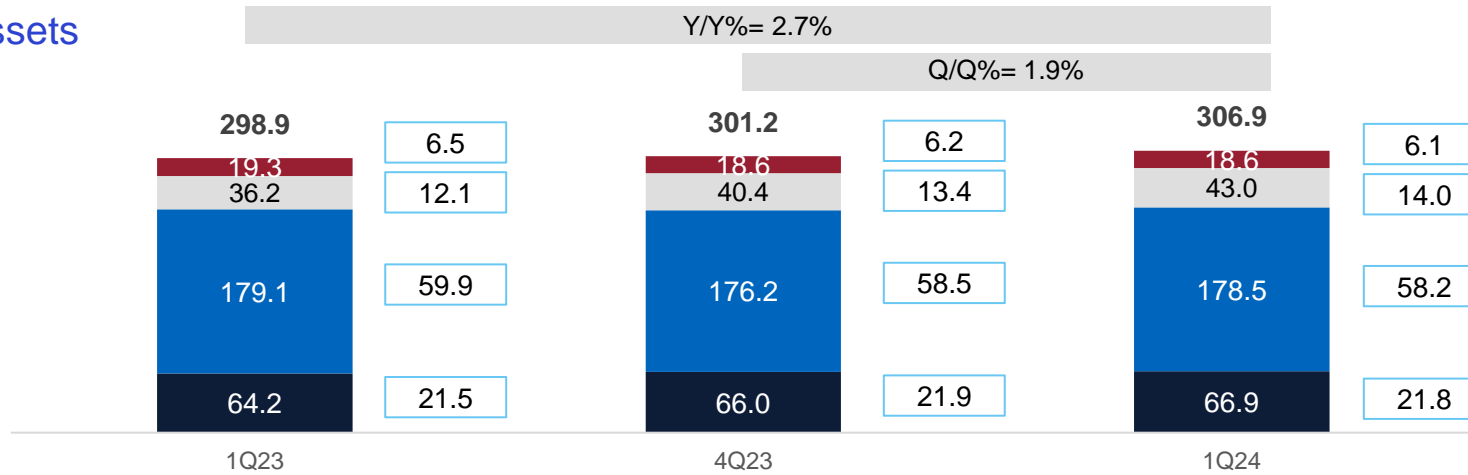
Source: Superintendencia Financiera

Note: System defined as Banks, market share calculated relative to the defined system based on gross loans (capital). Aval Banks defined as aggregated unconsolidated results of Banco de Bogota, Banco de Occidente, Banco Popular y Banco AV Villas:

# Assets and Gross Loans

Figures in Ps. Trillions

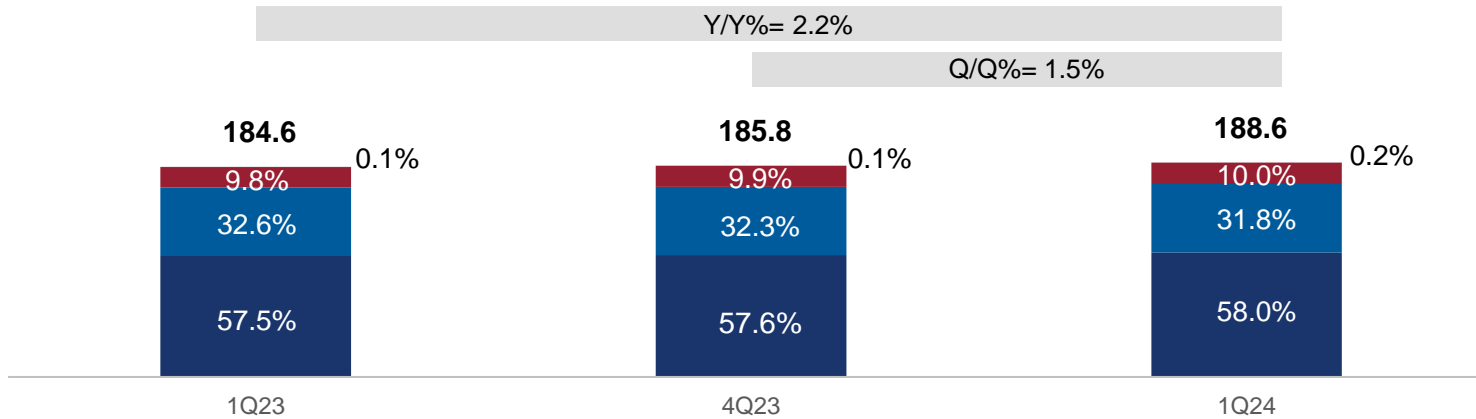
## Total assets



% Asset contribution

- Cash and equivalents
- Fixed income investments
- Net loans and leases
- Other

## Gross loans breakdown

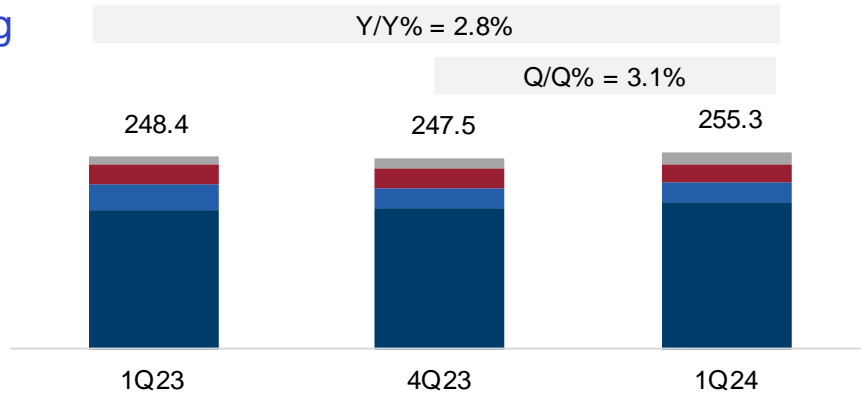


	Y/Y%	Q/Q%
Microcredit	6.4	2.6
Mortgages	4.6	2.0
Consumer	-0.2	0.1
Commercial	3.1	2.3

# Funding

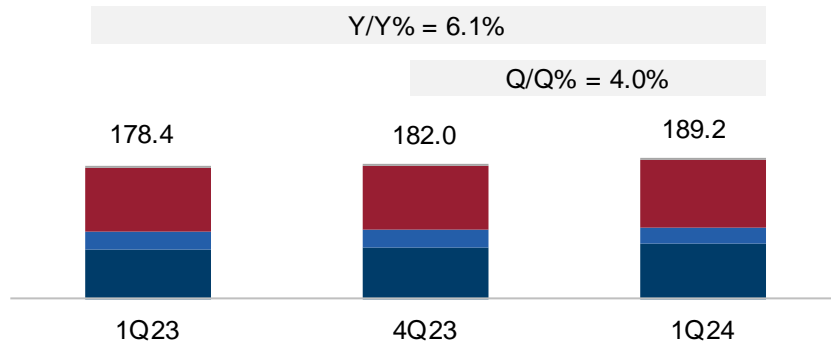
Figures in Ps. Trillions

## Total funding



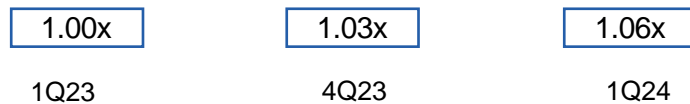
Funding breakdown (%)	1Q23	4Q23	1Q24
Deposits	71.8%	73.5%	74.1%
Banks and others <sup>(1)</sup>	13.6%	10.9%	10.2%
Bonds issued	11.0%	9.5%	8.9%
Interbank borrowings	3.5%	6.1%	6.7%

## Total deposits

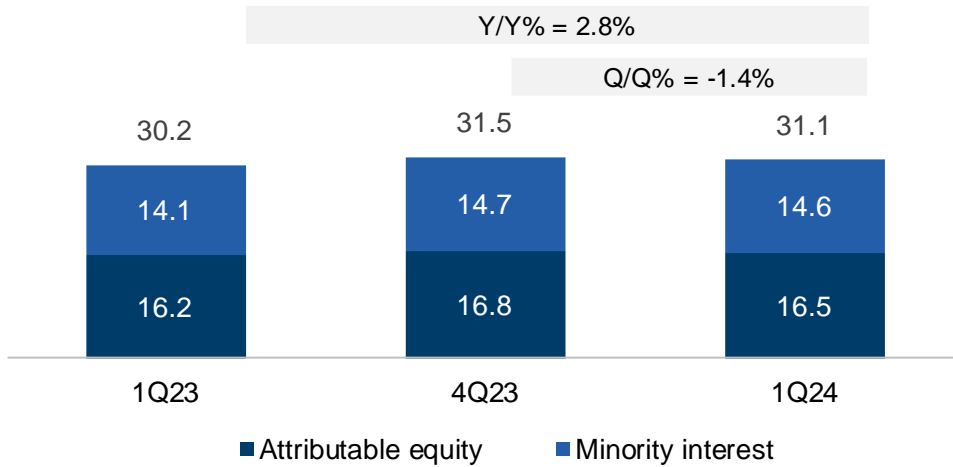


Deposit breakdown (%)	1Q23	4Q23	1Q24
Savings accounts	38.3%	39.1%	39.8%
Checking accounts	13.4%	13.1%	11.9%
Time deposits	47.7%	47.6%	48.2%
Others	0.5%	0.2%	0.2%

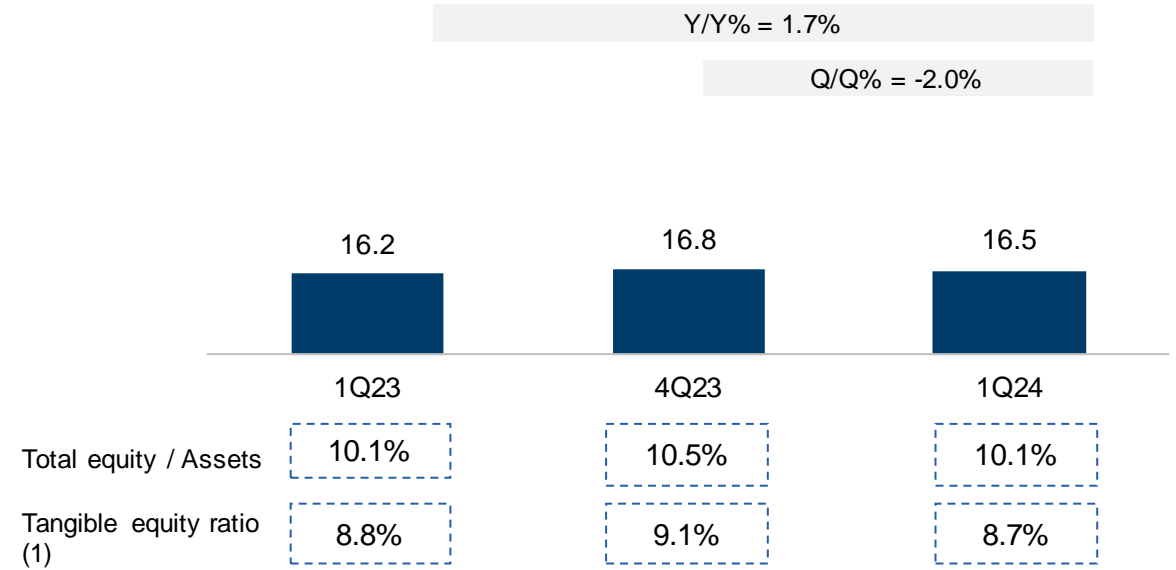
## Deposits / Net loans\*(%)



## Attributable Equity + Minority Interest



## Attributable Shareholders Equity



## Consolidated Capital Adequacy of our Banks (%)



U.S. \$175 million 10.25NC5 Tier 2 Reg. S. Notes issued on May 7 would add around 150 pbs to Total Solvency



	1Q23	4Q23	1Q24	1Q23	4Q23	1Q24	1Q23	4Q23	1Q24	1Q23	4Q23	1Q24
Core Equity Tier 1	9.7	12.9	12.4	10.0	10.9	10.5	11.1	20.3	18.8	10.7	11.4	11.6
AT1	-	-	-	-	-	-	-	-	-	-	-	-
<b>Primary capital (Tier 1)</b>	<b>9.7</b>	<b>12.9</b>	<b>12.4</b>	<b>10.0</b>	<b>10.9</b>	<b>10.5</b>	<b>11.1</b>	<b>20.3</b>	<b>18.8</b>	<b>10.7</b>	<b>11.4</b>	<b>11.6</b>
<b>Additional capital (Tier 2)</b>	<b>3.0</b>	<b>2.4</b>	<b>2.0</b>	<b>1.6</b>	<b>1.4</b>	<b>1.2</b>	<b>0.7</b>	<b>0.1</b>	<b>0.1</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>
<b>Solvency Ratio</b>	<b>12.6</b>	<b>15.4</b>	<b>14.4</b>	<b>11.6</b>	<b>12.3</b>	<b>11.7</b>	<b>11.9</b>	<b>20.4</b>	<b>18.9</b>	<b>10.9</b>	<b>11.6</b>	<b>11.8</b>

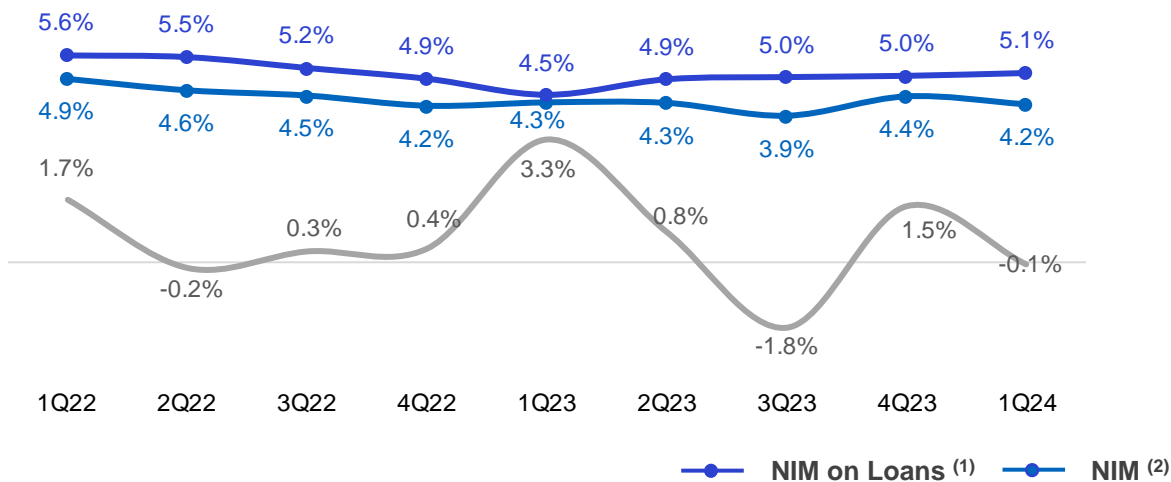


# NIM – Net Interest Margin

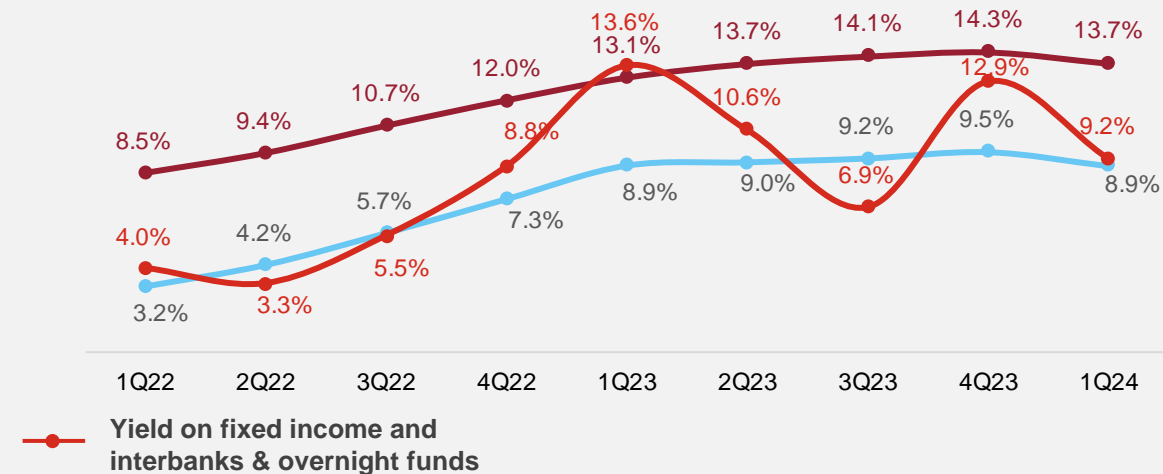
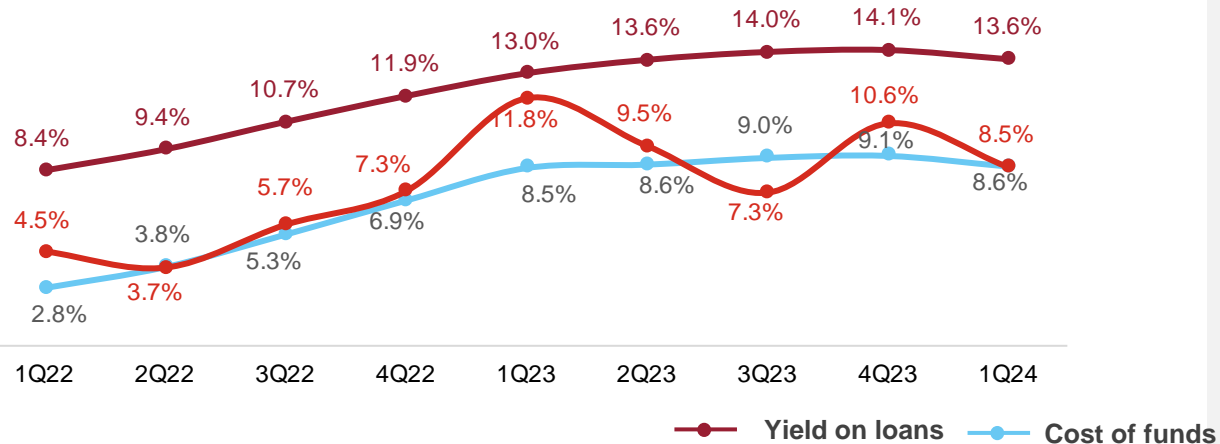
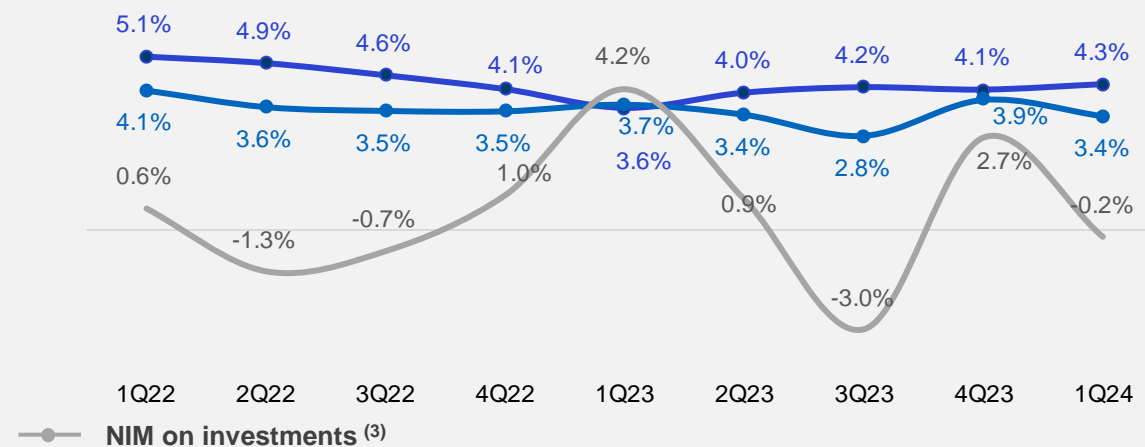
Net Interest Income (2) (Trillions)

1Q23	4Q23	1Q24	1Q24 / 1Q23	1Q24 / 4Q23
2.1	2.2	2.0	-7.4%	-11.5%

## Banking segment



## Grupo Aval



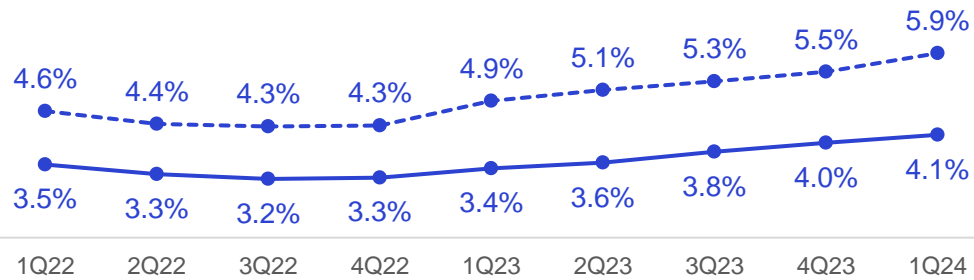
(1) Net Interest Income on Loans to Average loans and financial leases. (2) Includes net interest income plus net trading income from investment securities held for trading through profit or loss divided by total average interest-earning assets. NIM without income from investment securities held for trading through profit or loss was 3.0% for 1Q24, 2.8% for 4Q23, and 2.8% for 1Q23. (3) Net Interest income on fixed income securities, net trading income from equity and fixed income investment securities held for trading through profit and on interbank and overnight funds to Average securities and Interbank and overnight funds.

# Loan portfolio quality (1 | 3)

Figures in Ps. Billions

--○-- 30 days Past Due Loans / Gross loans  
 —●— 90 days Past Due Loans / Gross loans

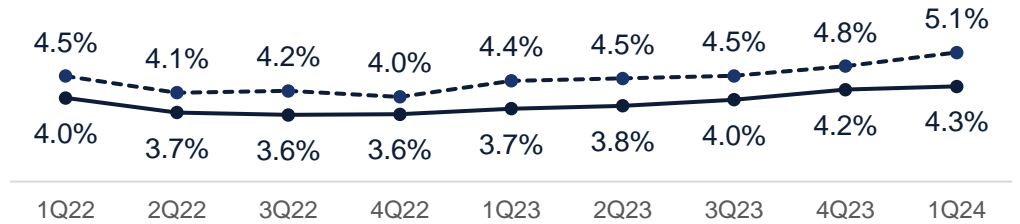
## Credit quality & Coverage ratios



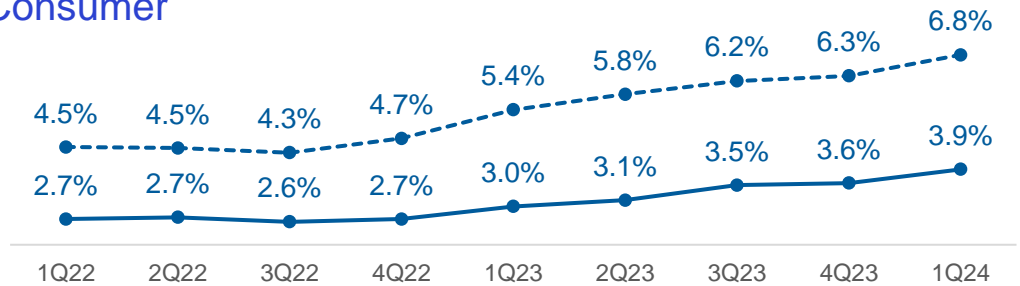
PDL formation + 30 PDLs	1Q23	2Q23	3Q23	4Q23	1Q24
Initial +30 PDLs	7,923	8,973	9,384	9,819	10,155
New +30 PDLs	1,884	1,676	1,306	1,541	2,063
Charge-offs	(834)	(1,265)	(871)	(1,205)	(1,173)
<b>Final +30 PDLs</b>	<b>8,973</b>	<b>9,384</b>	<b>9,819</b>	<b>10,155</b>	<b>11,045</b>
<b>Allowance / +30 PDLs</b>	<b>105.1%</b>	<b>100.5%</b>	<b>100.2%</b>	<b>98.8%</b>	<b>95.6%</b>

PDL formation + 90 PDLs	1Q23	2Q23	3Q23	4Q23	1Q24
Initial +90 PDLs	5,934	6,360	6,575	7,073	7,396
New +90 PDLs	1,261	1,480	1,369	1,529	1,606
Charge-offs	(834)	(1,265)	(871)	(1,205)	(1,173)
<b>Final +90 PDLs</b>	<b>6,360</b>	<b>6,575</b>	<b>7,073</b>	<b>7,396</b>	<b>7,829</b>
<b>Allowance / +90 PDLs</b>	<b>148.2%</b>	<b>143.5%</b>	<b>139.2%</b>	<b>135.7%</b>	<b>134.9%</b>
<b>Charge-offs / Average PDLs + 90s</b>	<b>54.3%</b>	<b>78.3%</b>	<b>51.1%</b>	<b>66.7%</b>	<b>61.7%</b>

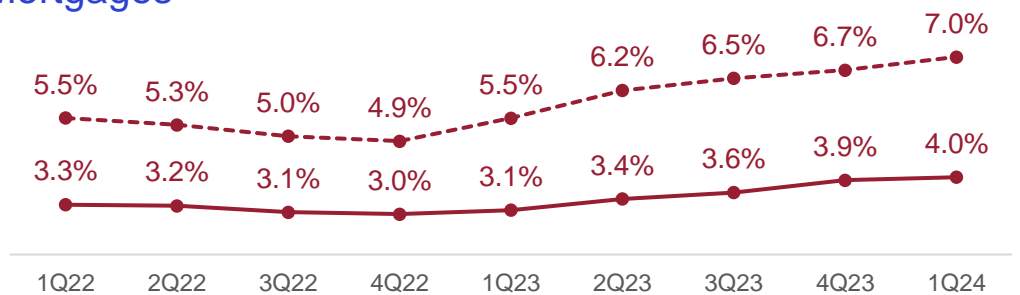
## Commercial



## Consumer

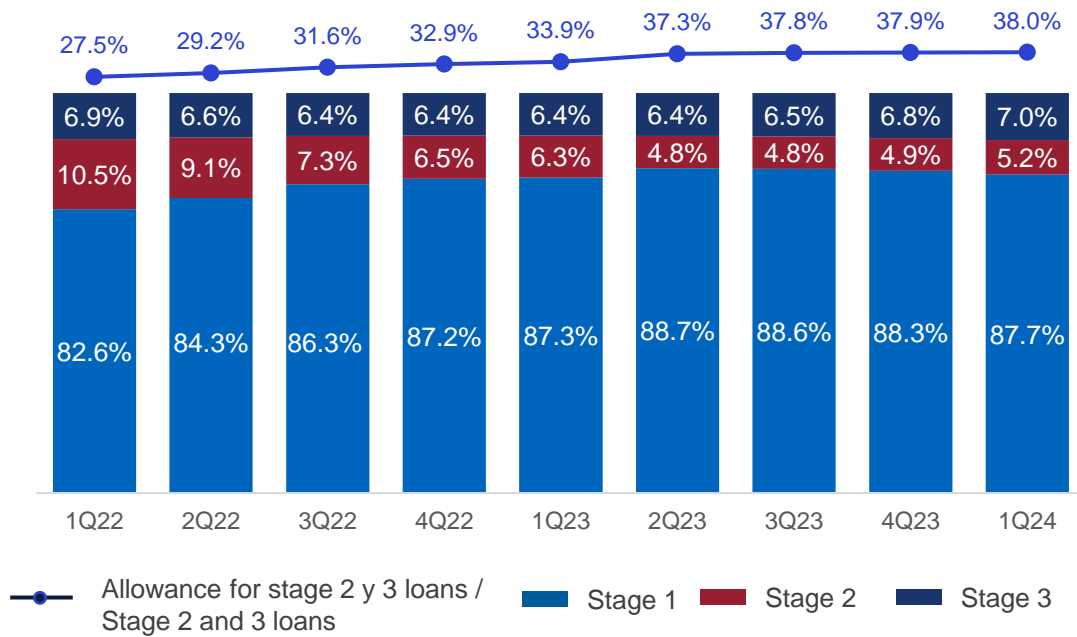


## Mortgages

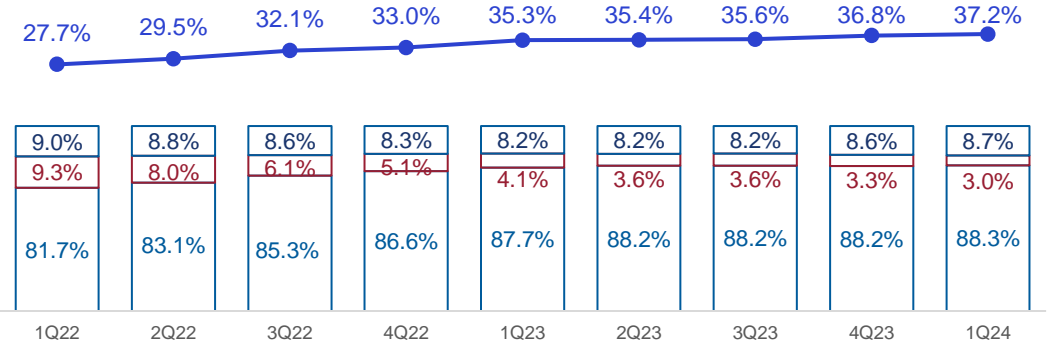


# Loan portfolio quality (2 | 3)

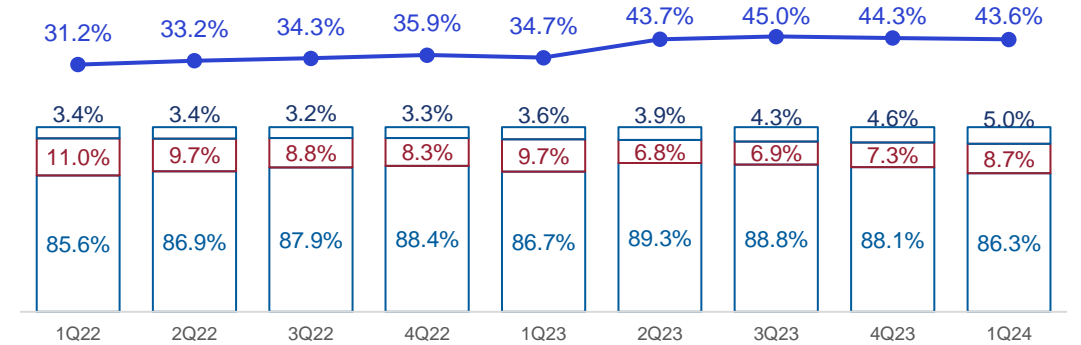
## Loans by stages



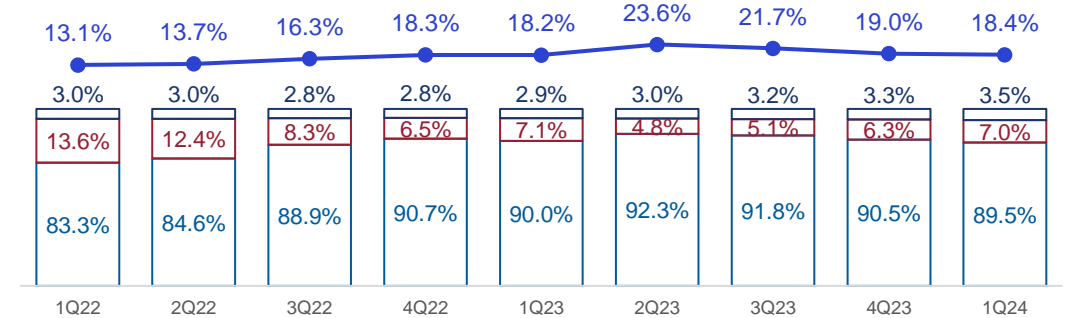
## Commercial



## Consumer

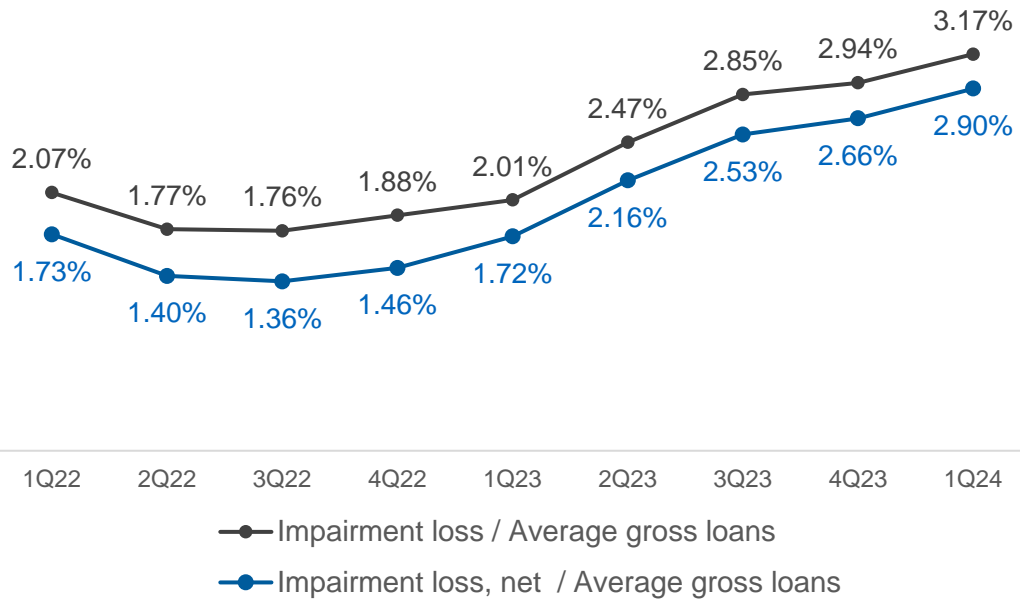


## Mortgages

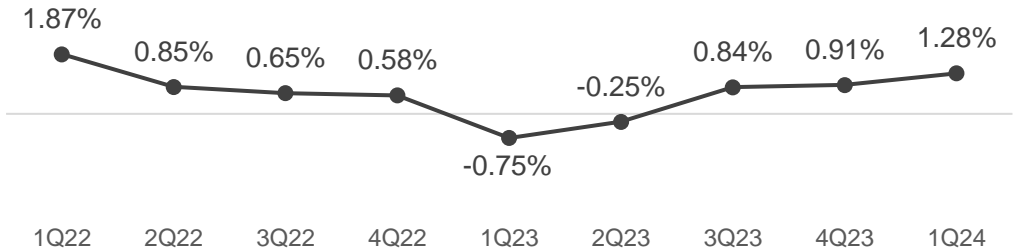


# Loan portfolio quality (3 | 3)

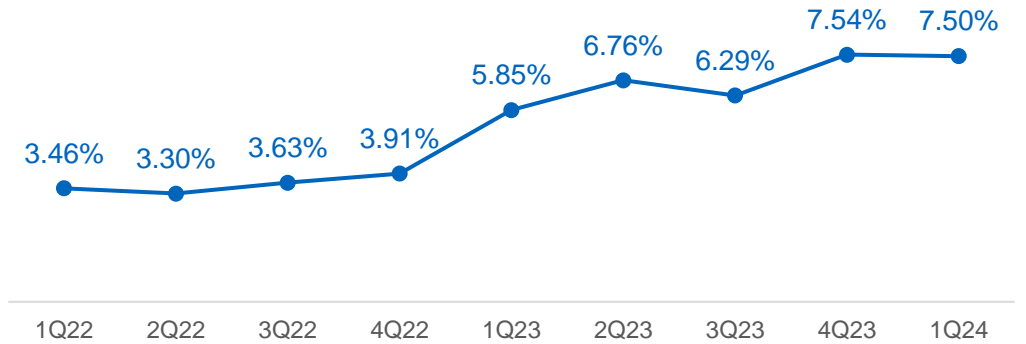
## Cost of risk



## Cost of risk, net - Commercial loans



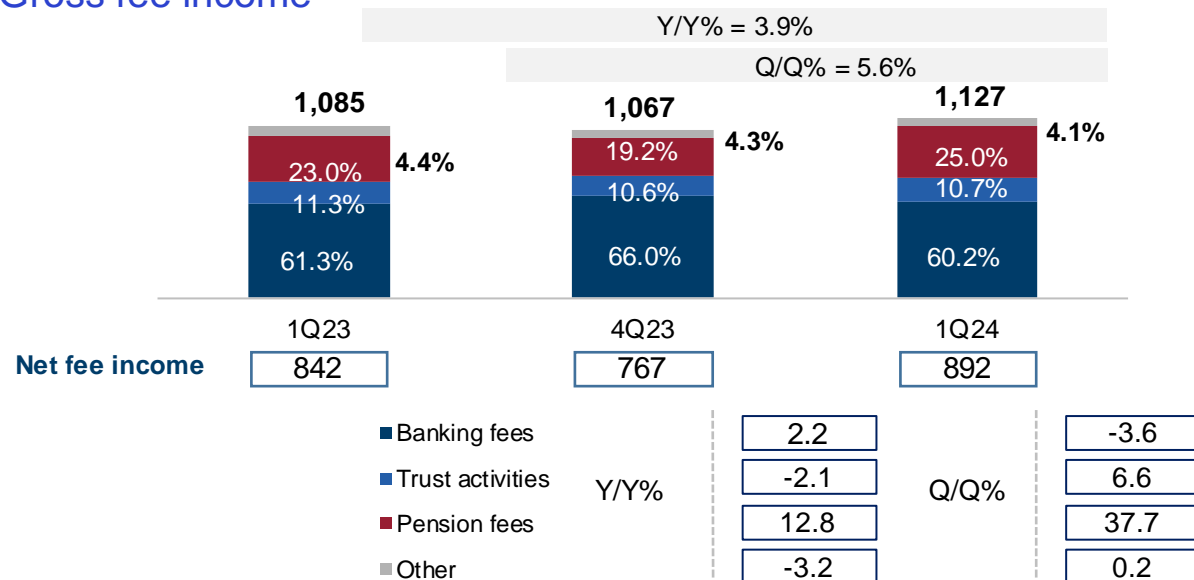
## Cost of risk, net - Consumer loans



# Fees and other operating income

Figures in Ps. Billions

## Gross fee income



## Other operating income

	1Q23	4Q23	1Q24
Total derivatives income	-672	-506	-58
Foreign exchange gains (losses), net	489	251	32
<b>Derivatives and foreign exchange gains (losses), net (1)</b>	<b>-184</b>	<b>-255</b>	<b>-26</b>
Gains on valuation of assets	0	90	8
Net income from other financial instruments mandatory at FVTPL	94	77	104
Net gain on sale of investments and OCI realization	28	44	53
Gain on the sale of non-current assets held for sale	1	12	4
Income from non-consolidated investments (2)	215	86	226
Other income from operations	144	175	87
<b>Total other income from operations</b>	<b>298</b>	<b>229</b>	<b>456</b>

## Non-financial sector (\*)

	1Q23	4Q23	1Q24
Energy & gas	235	266	352
Infrastructure	986	591	532
Hotels	22	26	20
Agribusiness	5	7	-2
Other (**)	-85	-94	-79
<b>Total</b>	<b>1,164</b>	<b>797</b>	<b>823</b>

(\*) Net income from sales of goods and services

(\*\*) Reflects net Non-Financial sector from Nexa BPO, Megalinea and Aportes en Línea call-centers and other subsidiaries

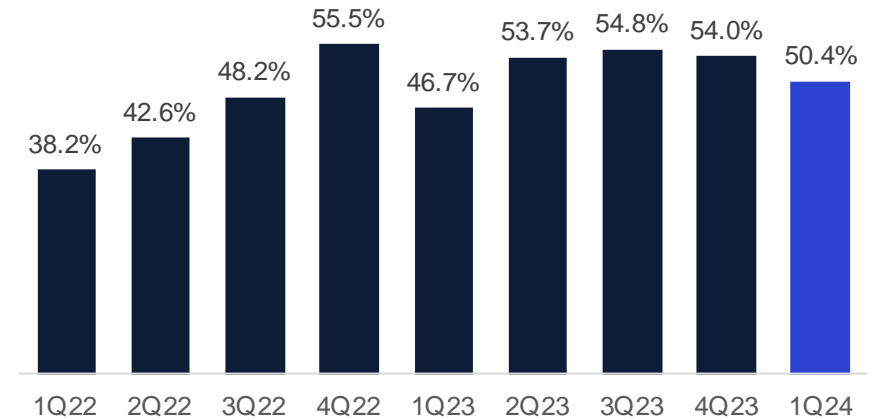


# Efficiency ratios

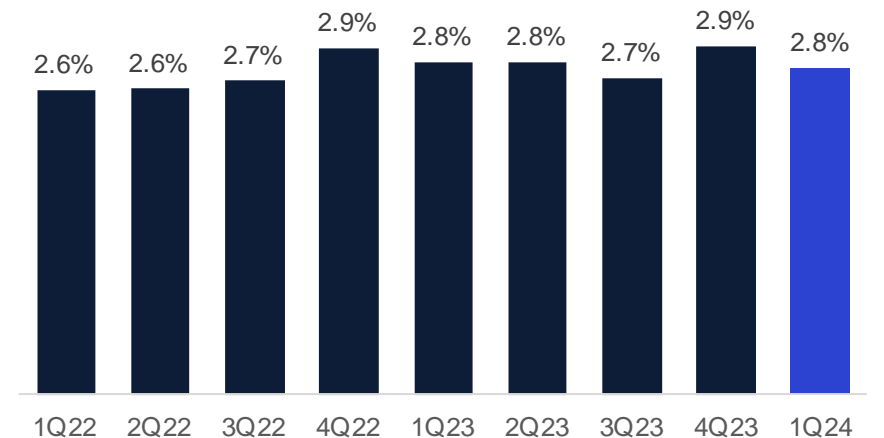
Figures in Ps. Billions

	1Q23	4Q23	1Q24	Y/Y%	Q/Q%
Personnel expenses	773.4	748.6	768.8	-0.6%	2.7%
General and administrative expenses	1,087.2	1,182.3	1,088.9	0.2%	-7.9%
Depreciation and amortization	166.6	167.4	172.6	3.6%	3.1%
Other expenses	49.8	78.6	64.3	29.1%	-18.2%
<b>Total other expenses</b>	<b>2,077.0</b>	<b>2,177.0</b>	<b>2,094.6</b>	<b>0.8%</b>	<b>-3.8%</b>

## Cost to income<sup>(1)</sup>



## Cost to assets<sup>(2)</sup>

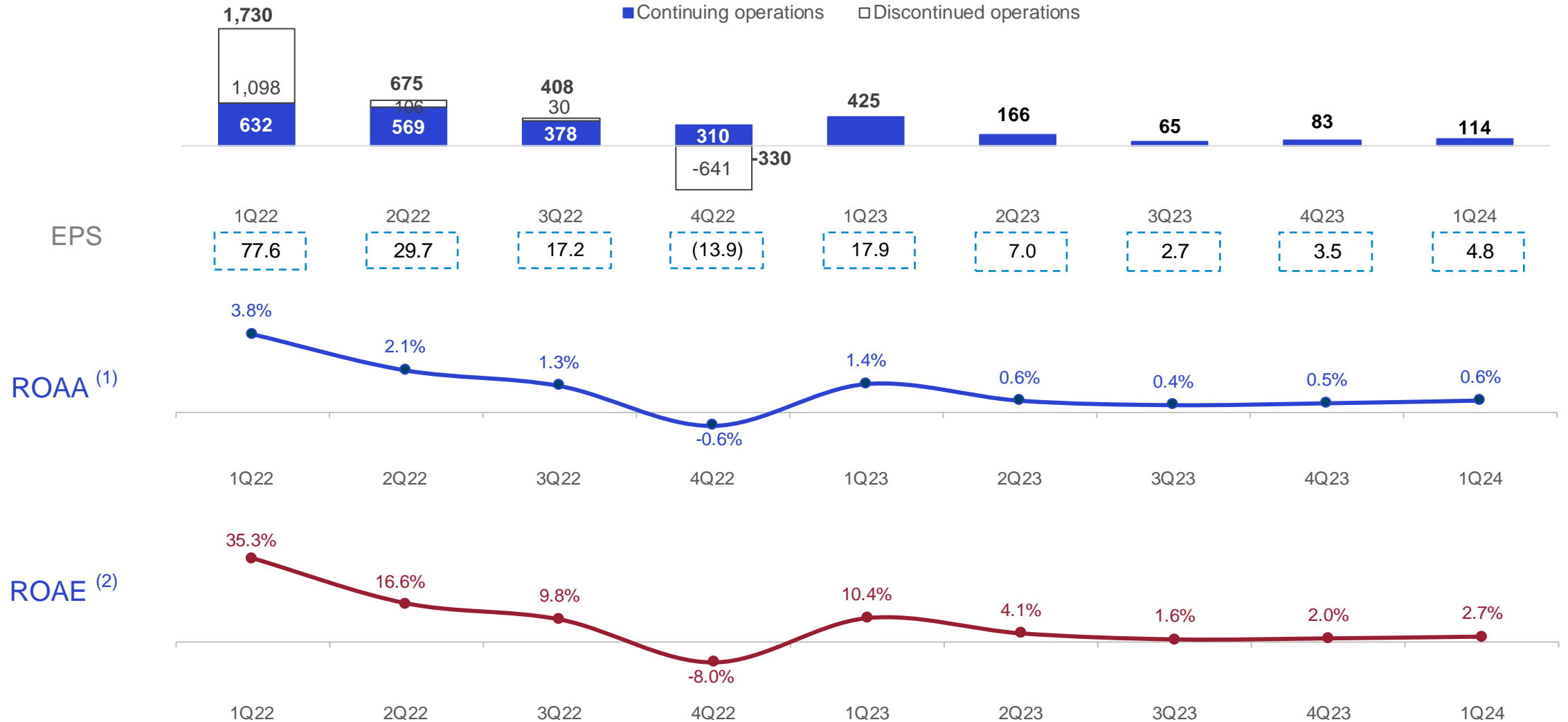


(1) Cost to income efficiency ratio is calculated as total other expenses divided by net interest income plus net income from commissions and fees, net income from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income. (2)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

# Profitability

Figures in P\$. Billions

## Net income attributable to controlling interest



(1) ROAA for each quarter is calculated as annualized Net Income divided by average of total assets. (2) ROAE for each quarter is calculated as annualized Net Income attributable to Aval's shareholders divided by average attributable shareholders' equity.

Grupo

