GRUPO AVAL ACCIONES Y VALORES S.A.
Separate statement of financial position
(Stated in millions of Colombian pesos)

	Note		December 31st 2024		December 31st 2023
Assets					
Current assets					
Cash and cash equivalents	6	Ps.	126,156	Ps.	157,323
Amortized cost investments	7		38,425		18,707
Trading securities	8		452		256
Accounts receivable from related parties	9		1,324,153		444,964
Taxes paid in advance	9		12,695		5,958
Other accounts receivable	9		6		31
Other non-financial assets	10		100		103
Total current assets			**1,501,987**		**627,342**
Non-current Assets					
Investments in subsidiaries and associates	11	Ps.	19,424,206	Ps.	18,645,247
Accounts receivable from related parties	9		-		1,031,954
Property and equipment, net	12		14,051		2,404
Deferred tax assets, net	13		-		278
Total non-current Assets			**19,438,257**		**19,679,883**
Total assets		**Ps.**	**20,940,244**	**Ps.**	**20,307,225**
Liabilities and shareholders' equity					
Current liabilities					
Financial obligations at amortized cost	14	Ps.	1,197,997	Ps.	20,923
Outstanding bonds at amortized cost	14		8,529		237,172
Accounts payable	16		201,250		363,998
Employee benefits	15		2,694		2,880
Tax liabilities	16		11,997		13,335
Other non-financial liabilities	16		1,231		1,214
Total current liabilities			**1,423,698**		**639,522**
Long-term liabilities					
Deferred tax liability	13		24		-
Financial obligations at amortized cost	14	Ps.	347,817	Ps.	1,525,800
Outstanding bonds at amortized cost	14		1,200,000		900,000
Total long-term liabilities			**1,547,841**		**2,425,800**
Total liabilities		**Ps.**	**2,971,539**	**Ps.**	**3,065,322**
Equity					
Subscribed and paid capital	17	Ps.	23,743	Ps.	23,743
Additional paid-in capital	17		9,695,243		9,695,243
Retained earnings	17		7,594,021		7,450,394
Net income			999,886		723,038
Other comprehensive income	17		(344,188)		(650,515)
Total shareholders' equity		**Ps.**	**17,968,705**	**Ps.**	**17,241,903**
Total liabilities and shareholders' equity		**Ps.**	**20,940,244**	**Ps.**	**20,307,225**

The accompanying notes are an integral part of these financial statements

Maria Lorena Gutiérrez Botero
President
(See my report of march 3rd 2025)

María Edith González Flórez
Certified Public Accountant
Registration 13083-T
(See my report of march 3rd 2025)

Diana Alexandra Rozo Muñoz
Revisor Fiscal of Grupo Aval Acciones y Valores S.A.
Registration 120741 T
Member of KPMG S.A.S.
(See my report of march 3rd 2025)

GRUPO AVAL ACCIONES Y VALORES S.A.
Separate income statement
(Stated in millions of Colombian pesos, except earnings per share)

	Note		For the accumulated period December 31st 2024		December 31st 2023
Operating revenue					
Equity method income, net	19	Ps.	952,207	Ps.	731,040
Other revenue from ordinary activities	19		424,982		443,050
Total operating revenue		**Ps.**	**1,377,189**	**Ps.**	**1,174,090**
Expenses, net					
Administrative expenses	20	Ps.	81,084	Ps.	79,766
Other expenses	20		(345)		(467)
revenue from exchange rate differences	20		(4,846)		1,495
Operating income		**Ps.**	**1,301,296**	**Ps.**	**1,093,296**
Financial expenses	20		270,781		326,757
Earnings before taxes		**Ps.**	**1,030,515**	**Ps.**	**766,539**
Income tax expense	13		30,629		43,501
Net income		**Ps.**	**999,886**	**Ps.**	**723,038**
Number of shares outstanding	17		**23,743,475,754**		**23,743,475,754**
Net income per share		**Ps.**	**42.11**	**Ps.**	**30.45**

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

		For the accumulated period		
		December 31st 2024		December 31st 2023
Net income	Ps.	999,886	Ps.	723,038
Other comprehensive income (OCI), net of taxes				
Participation in other comprehensive income reported using the equity method		306,327		586,804
Comprehensive income, net	**Ps.**	**1,306,213**	**Ps.**	**1,309,842**

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GRUPO AVAL ACCIONES Y VALORES S.A.
Separate Statement of Changes in Equity
(Stated in millions of Colombian pesos)

			Retained earnings (losses)						
	Subscribed and paid capital	Paid-in Capital	Legal reserve	Occasional reserve	Retained earnings	Operations with shareholders	Net Income	Other comprehensive income	Total Equity
Balance as of December 31st 2022	**Ps. 23,743**	**Ps. 9,695,243**	**Ps. 11,872**	**Ps. 12,817,186**	**Ps. (245,351)**	**Ps. (6,644,277)**	**Ps. 2,541,179**	**Ps. (1,237,319)**	**Ps. 16,962,276**
Constitution of reserves for future distributions net income 2022				2,541,179			(2,541,179)		-
Reserve appropriation				(7,111,764)	467,487	6,644,277			-
To distribute a cash dividend of $ 3.60 per share per month from April 2023 to March 2024 including those two months, over 23.743.475.754 outstanding shares as of the date of the Shareholder´s meeting.				(1,025,718)					(1,025,718)
Application of the equity method								586,804	586,804
Effect of carrying out Other Comprehensive Income to retained (Equity method)					(759)				(759)
Witholding tax on dividends					(3,738)				(3,738)
Net Income							723,038		723,038
Balance as of December 31st 2023	**Ps. 23,743**	**Ps. 9,695,243**	**Ps. 11,872**	**Ps. 7,220,883**	**Ps. 217,639**	**Ps. -**	**Ps. 723,038**	**Ps. (650,515)**	**Ps. 17,241,903**
Constitution of reserves for future distributions net income 2023				723,038			(723,038)		-
To distribute a cash dividend of $ 2.00 per share per month from April 2024 to March 2025 including those two months, over 23.743.475.754 outstanding shares as of the date of the Shareholder´s meeting.				(569,843)					(569,843)
Application of the equity method								306,327	306,327
Changes in subsidiaries' equity					(6,845)				(6,845)
Witholding tax on dividends					(2,723)				(2,723)
Net Income							999,886		999,886
Balance as of December 31st 2024	**Ps. 23,743**	**Ps. 9,695,243**	**Ps. 11,872**	**Ps. 7,374,078**	**Ps. 208,071**	**Ps. -**	**Ps. 999,886**	**Ps. (344,188)**	**Ps. 17,968,705**

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GRUPO AVAL ACCIONES Y VALORES S.A.
Separate Statement of Cash Flows
(Stated in millions of Colombian pesos)

GRUPO AVAL ACCIONES Y VALORES S.A.
Estados Separados de Flujos de Efectivo
(Expresados en millones de pesos)

	Note		For the accumulated period December 31st 2024		December 31st 2023
Cash flow from operating activity:					
Net Income		Ps.	999,886	Ps.	723,038
Adjustments to reconcile net income with net cash provided (used) by operating activities					
Income tax expense	13	Ps.	30,629	Ps.	43,501
Depreciation and amortization	20		1,774		1,735
Loan Impairment	9		(507)		(689)
Impairment of property and equipment			16		4
Equity method income	19		(952,207)		(731,040)
Changes in operating assets and liabilities:					
(Increase) Decrease in trading securities	7	Ps.	(196)	Ps.	508
Loan collection	9		200,000		-
Receivable interests	9		2,317		(9)
Decrease in other assets and liabilities, net: prepaid taxes, prepaid expenses, taxes, accounts payable, employee liabilities, estimated liabilities and provisions			(38,541)		(38,879)
Derease in interests payable			(15,995)		(405)
Interest paid on lease agreements (IFRS 16)	20		(747)		(490)
Dividends received by subsidiaries			668,521		879,252
Net cash provided by operating activities		**Ps.**	**894,950**	**Ps.**	**876,526**
Cash flow from investing activities:					
Amortized cost investments			(15,029)		(19,146)
Acquisition of property and equipment	12		(1,226)		(145)
Net cash used in investing activities		**Ps.**	**(16,255)**	**Ps.**	**(19,291)**
Cash flow from financing activities:					
Dividends paid			(728,181)		(766,537)
Acquisition of borrowings at amortized cost	14		124,520		-
Payment of other borrowings from banks	14		(282,324)		-
Payment of lease liabilities	14		(1,192)		(1,270)
Bonds Issuance	14		300,000		-
Bonds Payment	14		(224,520)		
Acquisition of permanent investments	11		(93,569)		-
Net cash used in financing activities		**Ps.**	**(905,266)**	**Ps.**	**(767,807)**
Effect of exchange rate difference on cash			(4,596)		456
Change in cash and cash equivalents			(31,167)		89,884
Cash and cash equivalents as of the beginning of the period			157,323		67,439
Cash and cash equivalents as of the end of the period		**Ps.**	**126,156**	**Ps.**	**157,323**
Additional information:					
Payment of Interest		**Ps.**	287,966	**Ps.**	327,624

The accompanying notes are an integral part of these financial statements

Maria Lorena Gutiérrez Botero	**María Edith González Flórez**	**Diana Alexandra Rozo Muñoz**
President	Certified Public Accountant	Revisor Fiscal of Grupo Aval Acciones y Valores S.A.
(See my report of march 3rd 2025)	Registration 13083-T	Registration 120741 T
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(Stated in millions of Colombian pesos, except earnings per share)

(1) Reporting Entity

Grupo Aval Acciones y Valores S.A. (hereinafter referred to as the 'Company' or 'Grupo Aval') is a Stock Corporation established by Public Deed number 0043 on January 7, 1994; Its registered office is located at Carrera 13 No. 26A – 47, Bogotá, D.C., Colombia.

Its corporate purpose is focused on the to buy and to sell of stocks, bonds, and securities of entities belonging to the financial system and other commercial entities. As part of its activities, the Company is authorized to acquire and trade all kinds of marketable securities and securities in general freely circulating in the market; to promote the creation of all kinds of companies related to or complementary to the corporate purpose; to represent natural or legal persons engaged in similar or complementary activities, as well as those previously indicated; to lend or borrow money, with or without interest; to provide as collateral or for management its movable or immovable assets; to issue, endorse, acquire, accept, collect, protest, cancel, or pay bills of exchange, checks, promissory notes, or any other securities titles, either by accepting or providing them as payment, and generally execute or celebrate the exchange contract in all its manifestations, in all their forms, or related, parallel, and/or complementary activities. The total number of employees as at December 31, 2024, and 2023, was 119.

The duration of the Company, as established in its bylaws, is until May 24, 2044, but may be dissolved or extended before that term.

The Law 1870 of 2017 aims to define, supervise, and regulate financial conglomerates to watch over the stability of the financial system. In its Article 3, it defines the scope and responsibility of financial holdings, such as Grupo Aval. This law specifies that these entities will be subject to inspection and supervision by the Financial Superintendent; therefore, all regulatory provisions related to risk management, internal control, information disclosure, conflicts of interest, and corporate governance that they must apply will be applicable.

a. Acquisition of Fiduciaria Corficolombiana and Casa de Bolsa shares

On December 16, 2024, Grupo Aval acquired from Corficolombiana S.A. and Valora S.A.S. 94.5% of the shares of Fiduciaria Corficolombiana S.A., at a price of $2,636.32 pesos per share. The agreement signed between the parties contemplates the possibility for Grupo Aval to acquire the remaining 5.5% of the shares of Fiduciaria Corficolombiana S.A., in an additional term of six (6) months. Likewise, Grupo Aval acquired from Corficolombiana S.A. and Organización Pajonales S.A. 40.77% of the shares of Casa de Bolsa S.A. at a price of $2,421.56 pesos per share. In order to fix the price of the transaction, the participating entities hired the services of an independent appraiser.

The following is a detail of the percentage of Grupo Aval's participation in subsidiaries and the determination of the cost of the investments purchased:

Detail of Grupo Aval's participation in Fiduciaria Corficolombiana after the purchase of shares

Participation of Aval	**% share**
Direct participation	2.23%
Indirect participation	94.50%
Total participation	**96.73%**

Detail of Aval's shareholding in Casa de Bolsa after the purchase of shares.

Participation of Aval	**% share**
Direct participation	45.63%
Indirect participation	40.77%

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

Total participation **86.40%**

INVESTMENT	SELLER	N° SHARES PURCHASED	INTRINSIC VALUE	% PURCHASED
CASA DE BOLSA	CORFICOLOMBIANA	6,068,654	3,190	38.95%
	PAJONALES	283,372	3,190	1.82%
FIDUCIARIA CORFICOLOMBIANA	CORFICOLOMBIANA	29,657,829	1,812	94.50%

(2) Basis of presentation of separate financial statements and summary of significant accounting policies.

The annual separate financial statements of Grupo Aval Acciones y Valores S.A. have been prepared in accordance with the Accounting and Financial Reporting Standards accepted in Colombia (IFRS adopted by Colombia) and established in Law 1314 of 2009, regulated in the annex of Decree 2420 of 2015, and the other amending decrees issued by the National Government.

In accordance with Colombian legislation, the Company must prepare separate and consolidated financial statements. The separate financial statements are those that 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 applies to these separate financial statements the following exceptions contemplated in Title 4 - Special Regimes of Chapter 1 of Decree 2420 of 2015 and applies the following guidelines in accordance with laws and other regulations in force in Colombia:

- The following exceptions established in External Circular 036 of 2014 of the Financial Superintendency of Colombia, for supervised and controlled entities:
  - The instructions of the Financial Superintendency of Colombia related to the classification, valuation and accounting of investments, as regards their separate financial statements.

- Book 2 of Decree 2420 of 2015, as amended included in Decree 2496 of 2015:
  - Article 7 - Explanatory notes (Addition of Part 2 to Book 2, Article 2.2.1) establishing that for the determination of post-employment benefits for future retirement or disability pensions, the parameters established in Decree 2783 of 2001 are used as the best market approximation, instead of the requirements determined in accordance with IAS 19.
  - Article 11 - Validity (Amendment to Article 2.1.2 of Part 1 of Book 2) establishing that for the application of Article 35 of Law 222 of 1995, participations in subsidiaries must be recognized in the individual (separate) financial statements in accordance with the equity method, as described in IAS 28.

- Decree 1311 of 2021 regulating Article 50 of Decree Law 410 of 1971:
  - Article 1. Alternative for recognition and presentation of the deferred tax arising from the change in the income tax rate. The value of the deferred tax arising from the change in the income tax rate may be recognized in the entity's equity in the retained earnings of previous years.

The main accounting policies applied in the preparation of the separate financial statements presented under IFRS adopted by Colombia as at December 31, 2024 and 2023, are as follows.

2.1. Presentation Basis

The Company's separate financial statements are those unconsolidated financial statements in which investments in subsidiaries are accounted for by the equity method in accordance with IAS 28. Under the equity method, investments in subsidiaries are recorded at acquisition cost and are periodically adjusted for changes in the parent company's equity interest in the net assets of the subsidiaries, less dividends received from them in cash and the effect of adjustments resulting from the homogenization to the parent company's policies, as well as the elimination of related party transactions. The Company's results for the period include its share in the results for the period of the subsidiaries, and Other Comprehensive Income includes its share in the other comprehensive income of the subsidiaries.

At the end of each year-end the Company performs a qualitative and quantitative evaluation for impairment of its investments, in accordance with the parameters established in IAS 36.

2.2. Functional and presentation currency

Most of the Company's operations are conducted in Colombian pesos (Ps.). The Company's performance is measured and reported to its stockholders and the general public in Colombian pesos. Due to the foregoing, the Company's management believes that the Colombian peso is the currency that most faithfully represents the economic effects of the Company's underlying transactions, events and conditions and, for this reason, the accompanying financial statements are presented in millions of Colombian pesos as their functional currency and the figures have been rounded to the nearest whole number.

2.3. Presentation of separate financial statements

The accompanying separate financial statements were prepared to comply with the legal provisions to which the Company is subject as a legal and independent entity; some accounting principles may differ from those applied in the consolidated financial statements and, additionally, do not include the adjustments and eliminations necessary for the interpretation of the consolidated financial position and the consolidated comprehensive income of the Company and its subsidiaries.

a) According to the Company's bylaws, Grupo Aval performed the accounting closing every six months, with the purpose of distributing profits. As of 2017, Grupo Aval performs annual account closing, in accordance with the approval of the General Shareholders' Meeting, in an extraordinary meeting held on October 25, 2016 with minute number 77.

b) The Statement of Financial Position is presented showing current assets and liabilities as categories, a form of presentation that provides reliable information. In addition, in the development of each of the notes of financial assets and liabilities, the expected amount to be recovered or payable within the next twelve months and after twelve months is disclosed.

c) The Statement of Income and the Statement of Other Comprehensive Income are presented separately as permitted by IAS 1; the Statement of Income is presented classified by function of expenses.

d) The Statement of Cash Flows is presented by the indirect method, in which operating activities begin by presenting net profit, which is then modified by the effect of non-cash transactions for all types of deferred payment items and accruals that do not generate cash flows, as well as by the effect of income items that are classified as investment or financing; interest income and expense, as well as movements in investments in subsidiaries, are presented as components of operating activities.

2.4. Transactions in foreign currency

Transactions in foreign currency are translated into Colombian pesos using the representative market exchange rate at the transaction date. Monetary assets and liabilities in foreign currency are translated to the functional currency using the exchange rate at the reporting date of the statement of financial position. As at December 31, 2024 and 2023, the closing exchange rate was Ps. 4,409.15 and Ps. 3,822.05 per dollar, respectively. Gains or losses resulting from the translation process are included in the separate income statement.

2.5. Cash and cash equivalents

Cash and cash equivalents consist of cash balances, deposits and other liquid investments with original maturities of three months or less that are subject to an insignificant risk of changes in fair value and are used by the Company in the management of its short-term commitments.

2.6. Financial assets

i. Recognition and initial measurement

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity;
- a contractual right:
  - to receive cash or another financial asset from another entity; or
  - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favorable to the entity; or
  - a contract that will or may be settled using the entity's own equity instruments.

Regular purchases and sales of investments are recognized on the trade date, on which the Company and its subsidiaries commit to purchase or sell securities. Financial assets at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed as incurred.

Financial assets classified at amortized cost are recorded at acquisition or grant at their transaction value in the case of investments, or at their nominal value in the case of loans, which, unless there is evidence to the contrary, coincides with their fair value, plus transaction costs directly attributable to their acquisition or grant, less commissions received.

ii. Classification

IFRS 9 (2014 version) contains a classification and measurement approach for financial assets that reflects the business model in which these assets are managed and their cash flow characteristics.

IFRS 9 (2014 version) includes three main classification categories for financial assets: measured at amortized cost (AC), at fair value through other comprehensive income (FVTOCI), and at fair value through profit or loss (FVTPL).

A financial asset is measured at amortized cost and not at fair value through profit or loss if it meets both of the following conditions:

- The asset is held within a business model whose objective is to hold assets in order to obtain contractual cash flows; and
- The contractual terms of the financial asset establish specific dates for cash flows derived solely from payments of principal and interest on the outstanding balance.

A debt instrument is measured at FVTOCI only if it meets both of the following conditions and has not been designated as FVTPL:

- The asset is held within a business model whose objective is achieved by collecting contractual cash flows and selling these financial assets; and;
- The contractual terms of the financial asset establish specific dates for cash flows derived solely from payments of principal and interest on the outstanding balance.

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at fair value through profit or loss (FVTPL)	These assets are subsequently measured at fair value. Net gains and losses, including interest or dividend income, are recognized in income.
Financial assets at amortized cost (AC)	These assets are subsequently measured at amortized cost using the effective interest method. Amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Equity investments with changes in other comprehensive income (FVOCI)	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

iii. Reclassifications

Financial assets are not reclassified after initial recognition, except in the period after the Company modifies its business model for managing financial assets.

iv. Transfers and derecognition of financial assets

The accounting treatment of transfers of financial assets is conditioned by the manner in which the risks and benefits associated with the assets being transferred are transferred to third parties, such that financial assets are derecognized from the separate statement of financial position when the cash flows they generate have been extinguished or when the risks and benefits implicit in them have been substantially transferred to third parties. In the latter case, the transferred financial asset is derecognized from the separate statement of financial position, recognizing simultaneously any right or obligation retained or created as a result of the transfer.

Substantially all the risks and rewards are deemed to be transferred if the risks and rewards transferred represent the majority of the total risks and rewards of the transferred assets.

If substantially all the risks and/or rewards associated with the transferred financial asset are retained:

- The transferred financial asset is not derecognized from the statement of financial position and continues to be measured using the same criteria used before the transfer.
- An associated financial liability is recorded for an amount equal to the consideration received, which is subsequently measured at amortized cost.

- Both the income associated with the financial asset transferred (but not derecognized) and the expenses associated with the new financial liability continue to be recorded.

Financial assets are derecognized from the statement of financial position only when the rights have been legally extinguished or when substantially all the risks and rewards of the asset have been transferred to third parties.

v. Impairment

IFRS 9 (2014 version) replaced the incurred loss model in IAS 39 with an expected credit loss (ECL) model. This model requires considerable judgment to be applied with respect to how changes in economic factors affect the ECL, which will be determined on a weighted average basis.

The impairment model is applicable to the following financial assets that are not measured at FVTPL:

- Debt instruments
- Leases receivable
- Other receivables
- Loan portfolio
- Financial guarantee issued contracts; and
- Commitments of issued loans

IFRS 9 (2014 version) requires recognizing a provision for impairment of financial assets at fair value through profit or loss in an amount equal to an expected impairment loss over a period of twelve months after the reporting date or over the remaining life of the loan. The expected Ioss over the remaining life of the loan is the expected loss resulting from all possible impairment events over the expected life of the financial instrument, while the expected loss over the twelve-month period is the portion of the expected loss that will result from impairment events that are possible within twelve months after the reporting date of the financial statements.

2.6.1. Financial assets at fair value

Financial assets at fair value correspond to deposits in collective investment funds on demand, which are recorded at the value of the deposits and are adjusted daily based on the variations in the value of the equity unit reported by the trust company that manages it, with charge or credit to income, as the case may be.

In accordance with IFRS 13 "Fair value measurement", the fair value is the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Based on the above, fair value valuations of financial assets are performed as follows:

For collective investment funds, the unit value provided by the fund management company is used, which reflects the fair value of the underlying assets. For the valuation of these assets the management company uses:

a) For highly liquid investments, it uses the price provided by price vendors duly authorized by the Financial Superintendence of Colombia, calculated based on the average prices taken on the last trading day on the cut-off date of the financial statements.

b) The fair value of financial assets that are not quoted in an active market is determined using valuation techniques, mainly information provided by the price vendor authorized by the Superintendency of Finance who, in accordance with the approved methodology, makes assumptions based on market conditions existing at each reporting date. The valuation techniques used include the use of recent comparable and arm's length transactions, reference to other instruments that are substantially similar, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants, making maximum use of market data.

2.6.2. Financial assets at amortized cost

These represent rights, investments in TD, accounts receivable such as dividends, fees to entities, advances made to employees, loans granted and suppliers, claims to insurance companies, Health Promoting Entities (EPS) reimbursements and other transactions, which are recorded at amortized cost.

2.7. Property and equipment

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The acquisition cost includes any other costs directly attributable to the process of rendering the asset fit for its intended use.

Depreciation is recognized in income based on the straight-line method over the estimated useful lives of each item of property and equipment.

The Company measures the wear and tear suffered by the assets that are recognized as property and equipment, according to the following estimated useful lives:

Category	Lifetime
Hardware - Technology Infrastructure	
• PCs / Laptops / Mobiles	3 to 7 years
• Servers	3 to 5 years
• Communication	5 to 8 years
Furniture and fixtures	3 to 10 years
Improvements on properties not owned	10 years

2.8. Investments in subsidiaries

Investments in controlled entities are called "Investments in subsidiaries" and are recognized by the equity method, which is a method of accounting whereby the investment is initially recorded at cost, in the separate financial statements, and subsequently adjusted periodically for changes in the investor's interest in the net assets of the investee. The Company's comprehensive income for the period includes its share in the investee's income for the period, and in equity includes its share in the investee's "Other Comprehensive Income" account.

2.9. Investments in associates

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 whereby the investment is initially recorded at cost, and subsequently adjusted periodically for changes in the net assets of the investee in proportion to the Group's interest. The Company's comprehensive income for the period includes its share in the income for the period of the investee and in the "Other comprehensive income of the investor" account, and in equity includes its share in the "Other comprehensive income" account of the investee.

2.10. Financial liabilities

A financial liability is any contractual obligation of the Company to deliver cash or another financial asset to another entity or person, or to exchange financial assets or liabilities under conditions that are potentially unfavorable to the Company, or a contract that will or may be settled using the entity's own equity instruments. Financial liabilities are initially recorded at their transaction value, which, unless otherwise determined, is similar to their fair value less transaction costs that are directly attributable to their issuance. Subsequently, such financial liabilities are measured at amortized cost and their interest is recognized in accordance with the effective interest rate method determined at the initial moment, and its variations are charged or credited to income as financial expenses. The Company's financial liabilities include short-term and long-term financial obligations, outstanding bonds and accounts payable.

Financial liabilities are only derecognized from the statement of financial position when the obligations they give rise to have been extinguished or when the obligations have been settled. The obligations they generate have been extinguished or when they are exchanged (either with the intention of acquiring them or placing them again).

2.11. Employee benefits

In accordance with International Accounting Standard IAS 19 "Employee Benefits", the accounting recognition includes all forms of consideration granted by the Company in exchange for services rendered by employees.

a) Short-term benefits

In accordance with Colombian labor standards, such benefits correspond to salaries, legal and extra-legal bonuses, vacations, severance, and parafiscal contributions to State entities that are paid in the corresponding period for each of the concepts. These benefits are accrued by the accrual system and charged to income.

b) Post-employment benefits

These are benefits paid by the Company to its employees at the time of retirement or after completing their period of employment, other than severance payments. These benefits, in accordance with Colombian labor regulations, correspond to retirement pensions assumed directly by the Company, severance pay pay payable to employees who continue in the labor regime prior to Law 50 of 1990, and certain extra-legal benefits or benefits agreed in collective bargaining agreements. The Company does not have post-employment benefits.

2.12. Taxes

Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss, except to the extent that it relates to a business combination, or items recognized directly in equity or other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes and therefore accounted for them under IAS 37 Provisions, liabilities and contingent assets.

Current Taxes

The current tax is the amount to be paid or to be recovered for the current income tax and supplementary taxes. It is calculated based on the tax laws enacted on the date of the statement of financial position. Management periodically evaluates the position taken on tax returns, with respect to situations in which tax laws are subject to interpretation and, if necessary, makes provisions on the amounts it expects to be paid to the tax authorities.

To determine the provision for income tax and supplementary taxes, the Company makes its calculation based on the higher of taxable income or presumptive income (minimum return on net equity of the previous year that the law presumes to establish income tax).

The Company only offsets assets and liabilities for current income taxes if there is a legal right before the tax authorities and the Company intends to settle the resulting debts for their net amount, or to realize the assets and settle the debts simultaneously.

Deferred Taxes

Deferred tax is recognized using the liability method, determined on the basis of temporary differences between the tax basis and the carrying amount of the assets and liabilities included in the financial statements.

Deferred tax liabilities are the amounts payable in the future as income tax related to taxable temporary differences, while deferred tax assets are the amounts to be recovered as income tax due to the existence of deductible temporary differences, offsetting negative tax basis or deductions pending application. A temporary difference is defined as the difference between the carrying amount of assets and liabilities and their tax base.

Recognition of taxable temporary differences

Deferred tax liabilities arising from taxable temporary differences are recognized in all cases, except those that:

- Arise from the initial recognition of goodwill or an asset or liability in a transaction that is not treated as a business combination for accountability purposes and the date of the transaction does not affect the accounting result or the taxable income;
- The differences associated with investments in subsidiaries, associates and joint ventures over which the Company has the ability to control at the time of their reversal and are not likely to occur in the foreseeable future.

Recognition of Deductible Temporary Differences

Deferred tax assets arising from deductible temporary differences are recognized provided that:

- It is likely that there will be sufficient future tax gains to offset them, except in cases where the differences arise from the initial recognition of assets or liabilities in a transaction that is not a business combination and at the date of the transaction do not affect the accounting result or the tax base;
- It corresponds to temporary differences associated to investments in subsidiaries, associates and joint ventures to the extent that the temporary differences will be reversed in the foreseeable future and are expected to generate positive future tax gains to offset those differences;

Deferred tax assets that do not meet the above conditions are not recognized in the separate statement of financial position. The Company reconsiders at year-end whether the conditions for recognizing deferred tax assets that had not previously been recognized are met.

Tax planning opportunities are only considered in the assessment of the recovery of deferred tax assets if the Company intends to adopt them or is likely to adopt them.

Measurement

Deferred tax assets and liabilities are measured using the tax rates that apply in the years in which the assets are expected to be realized or the liabilities are expected to be paid, based on the regulations approved or about to be approved, and after considering the tax consequences that will arise from the manner in which the Company expects to recover the assets or settle the liabilities.

At the end of the year, the Company reviews the carrying amount of deferred tax assets in order to reduce this value, to the extent that it is unlikely that there will be sufficient future positive tax basis to offset them.

The Company's non-monetary assets and liabilities are measured in terms of its functional currency. If tax gains or losses are calculated in a different currency, the exchange rate changes result in temporary differences and the recognition of a deferred tax liability or asset, and the resulting effect will be charged or credited to profit or loss for the period.

Compensation & Classification

The Company only offsets deferred income tax assets and liabilities if there is a legal right to offset before the tax authorities and such assets and liabilities correspond to the same tax authority, and the same taxpayer, or to different taxpayers who intend to settle or realize current tax assets and liabilities for their net amount or realize the assets and settle the liabilities simultaneously, in each of the future periods in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Deferred tax assets and liabilities are recognized in the separate statement of financial position as non-current assets or liabilities, regardless of the expected realization or settlement date.

Contingent levies

The recognition, measurement and disclosure of contingent levies is made in accordance with IAS 37 and IFRIC 21.

Industry and Commerce tax (ICA)

As from 2023 taxable year, in application of Law 2277 of 2022, the expense for Industry and Commerce tax (ICA) in the determination of net income can only be treated as a deduction and was recognized as an expense for accounting purposes.

2.13. Preferred shares without voting rights

In accordance with IAS 32 "Financial Instruments: Presentation", the issuer of a non-derivative financial instrument must evaluate the terms of the instrument to determine whether it contains liability and equity components. These components are classified separately as financial liabilities or equity instruments for the issuer. Accordingly, the Company has evaluated this requirement in relation to the non-voting preferred shares issued as at December 31, 2024 and has concluded that such shares do not meet the conditions to be recorded as liabilities and therefore are recorded in shareholders' equity.

2.14. Revenue recognition

The Company recognizes revenue mainly from the application of the equity method, interest and rendering of services, when the amount of these can be measured reliably, it is probable that future economic benefits will flow to the entity and when the specific criteria for each of the activities have been met. In accordance with the following:

2.14.1. Equity method income

The Company's main income arises from the recognition of the equity in the profits of subsidiaries in accordance with International Accounting Standard IAS 27 "Separate Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures".

2.14.2. Interest Income

Interest income is recognized when it is probable that the economic benefits associated with the financial asset will be received and can be measured reliably.

2.14.3. Revenue from the rendering of services

Revenue from the rendering of services is recognized in the accounting period in which the services are rendered. When services are rendered through an indeterminate number of acts, over a specified period, revenue from ordinary activities is recognized on a straight-line basis over the agreed time interval.

2.15. Net income per share

To determine net income per share, the Company divides net income for the year by the weighted average number of shares outstanding during the period. During the periods ended December 31, 2024 and 2023, net income per share was Ps. 42.11 and Ps. 30.45, respectively, both years on 23,743,475,754 shares.

The Company has a simple capital structure and does not grant shares to executives and/or employees.

2.16. New accounting standards pronouncements

Decree 1611 of August 2022, added new standards, modifications or amendments issued or made by the International Accounting Standard Board (IASB) to the International Financial Reporting

Standards to be applied in financial years beginning on or after January 1, 2024, although their application could be made earlier.

The following amendments did not have any impact on amounts recognized in prior periods and are not expected to significantly affect current or future periods:

- Technical Annex IFRS 16 Leases.
- Amendments to IAS 1, 8 and 12.

Decree 1271 of October 2024 added to the financial reporting regulatory framework the technical annex containing the Financial Reporting Standard IFRS 17 Insurance Contracts. It establishes a transition regime for IFRS 17 for Group 1 as from January 1, 2027 and urges the Financial Superintendency of Colombia to issue the corresponding instructions for compliance with the standard. Likewise, it repeals the International Financial Reporting Standard IFRS 4 as from January 1, 2027, contained in the compilation and updated technical annex 1-2019 of the financial reporting standards.

The amendments listed above had no impact on amounts recognized in prior periods and are not expected to significantly affect current or future periods.

The following is a list of new and amended standards that have been issued by the IASB and are effective for annual periods beginning on or after January 1, 2023. Grupo Aval has not early adopted the new standards in preparing these financial statements.

Accounting pronouncements issued at international level that have not yet been integrated into Colombian law.

As of December 31, 2024, the following IASB standards and amendments, which are effective for annual periods beginning on or after January 1, 2024, have not been included in the Colombian regulatory framework:

New or updated standard	Title of the standard	Details of the amendment
IFRS 16 Leases	Lease liability on a sale and leaseback sale	Adds subsequent measurement requirements for sale-leaseback transactions. Also explains how to account for a sale and leaseback after the date of the transaction.
IAS 1 - Presentation of Financial Statements	Non-current liabilities with non-agreed covenants	Establishes that entities must disclose information when their right to defer payment of a liability is subject to covenants.
IAS 7 - Statements of Cash Flows - IFRS 7 Financial Instruments: Disclosures	Supplier financing agreements	Requires disclosure of the terms and conditions of agreements with suppliers, the amount of liabilities that are part of the agreements, ranges of payment due dates and information about liquidity risk
IFRS 18 - Financial Statement Presentation and Disclosures	Establishes requirements for financial statement presentation and disclosures.	Introduces new requirements on presentation within the Income Statement, including specific totals and subtotals. Also requires disclosure of performance measures defined by management and includes new requirements for aggregation and disaggregation of financial information based on the identified functions of the main financial statements and notes.
IFRS 19 - Non-Publicly Accountable Subsidiaries: Disclosures	Will allow subsidiaries to apply the recognition, measurement and presentation requirements of IFRS with reduced disclosure requirements.	It allows subsidiaries to disclose information in a simplified manner, instead of following the requirements of other IFRS. In this way, its application will reduce the costs associated with the preparation of the Financial Statements of subsidiaries, without compromising the usefulness of the information for the users of such Financial Statements.

(3) Critical accounting judgments and estimates in the application of accounting policies

The Company's management makes estimates and assumptions that affect the amounts recognized in the separate financial statements and the carrying amounts of assets and liabilities within the next financial year. Judgments and estimates are continually evaluated and are based on management's experience and other factors, including the expectation of future events that are believed to be reasonable under the circumstances. Management also makes certain judgments other than those involving estimates in the process of applying accounting policies. Judgments that have the most significant effects on the amounts recognized in the separate financial statements and estimates that may cause a material adjustment to the carrying amounts of assets and liabilities in the following year include:

Deferred Income Tax

The Company assesses the realization over time of the deferred income tax asset. Deferred tax asset represents income taxes recoverable through future deductions from taxable profits and it is recorded in the statement of financial position. Deferred tax asset is recoverable to the extent that the realization of the relative tax benefits is likely. Future tax revenues and the amount of tax benefits that are likely in the future are based on medium-term plans prepared by management. The business plan is based on management's expectations that are considered reasonable under the circumstances.

As at December 31, 2024 and 2023, the Company estimates that the deferred tax asset items would be recoverable based on its estimates of future taxable earnings. Deferred tax liability is provided on taxable temporary differences that arise, except for the deferred tax liability on investments, when the opportunity for reversal of the temporary differences is controlled by Grupo Aval and it is likely that the temporary difference will not be reversed in the foreseeable future. Generally, the Company has the ability to control the reversal of temporary differences for investments in its subsidiaries and associates. See note 13.

Initial recognition of related party transactions

In the ordinary course of business the Company has transactions with related parties. Judgment is applied in determining whether transactions are carried out at market values of interest rates when there is no active market for such transactions. The basis of the judgement is a valuation of similar transactions with unrelated parties and an analysis of effective interest rates. The terms and conditions of related party transactions are disclosed in note 21.

Contingency estimate

The Company estimates and records contingencies, in order to cover possible losses from labor cases, civil and commercial lawsuits, and tax or other reliefs according to the circumstances that, based on the opinion of internal and external legal advisors, are considered probable losses and can be reasonably quantified. Due to the nature of many of the claims, cases and/or proceedings, it is sometimes not possible to make an accurate forecast or quantify a reasonable amount of loss, so that the actual amount of disbursements actually made for the claims, cases and/or proceedings is different from the amounts originally estimated and provisioned, and such differences are recognized in the year in which they are identified.

The Company discloses information on claims, litigation or litigation against, probable or prejudicial to the Company's position, of relative importance, which require the establishment of reserves or provisions to meet contingencies arising from the nature or uncertainty of such situations. See paragraph (b), note 18.

(4) Risk management and administration

The Senior Corporate Vice Presidency of Risk and Compliance is responsible for establishing and monitoring the risk management policies of Grupo Aval. These policies are established for the risk management systems to which Grupo Aval or its financial subsidiaries are directly exposed. This Vice Presidency reports periodically to Senior Management and the Audit Committee regarding its management.

The risk management policies of Grupo Aval are established to identify, analyze, and monitor the risks they face and their compliance. Both the policies and the risk management systems are subject to periodic reviews to incorporate regulatory changes according to Grupo Aval's inherent activities and its subsidiaries, or market situations that merit such changes. Through instructions or guidelines, they seek to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Additionally, Internal Audit conducts regular reviews of risk management controls and procedures, with the results reported to the Presidency and the Company's Audit Committee. Regarding risk management in the Grupo Aval Holding, the following considerations are made:

- Grupo Aval manages risks considering applicable regulations, its nature, and internal policies.
- Grupo Aval is exposed to variations in the prices of financial products acquired, as well as operational risks, money laundering risk, terrorism financing, and legal risks.

Objectives, Policies, and Processes for Risk Management

Considering the positions assumed during its operations, some of the risks faced by the entity include:

• **Interest Rate:** The interest rate risk corresponds to changes in the value of financial assets and liabilities, income, and expenses due to variations in interest rates and their effect on the company's net financial cost.

• **Exchange Rate:** Group Aval is exposed to foreign exchange risk primarily because it guarantees its overseas subsidiary in bond placements in dollars in international markets, aiming to obtain funds to leverage its subsidiaries. To mitigate currency risk exposure, the subsidiary maintains part of these resources invested in foreign currency assets.

• **Price Risk of Investments and Mutual Fund Assets:** As a Financial Holding Company, Group Aval is exposed to price risk in mutual fund assets. Additionally, it holds proprietary investments whose values depend on the application of the participation method, see Note 2.

4.1.1 Market risk

Market risk refers to the possibility of incurring losses in the treasury as a result of changes in the prices of stocks, interest rates, exchange rates, and other indicators whose values are fixed in a public market. Interest rate risk of the bank book refers to the probability of unexpected changes in net interest income and economic value of equity as a result of a change in market interest rates. The risk can be mitigated through hedging or other products (assets/liabilities or derivatives).

In the development of its businesses, Grupo Aval maintains resources in open collective investment funds, which are characterized by allowing the redemption of their shares at any time, without prejudice to agreeing on a permanence; and in money market funds, which are characterized by being open funds of high liquidity with investments in securities in the national currency and registered in the RNVE. The funds in which Grupo Aval maintains in the first quarter of 2023 are characterized by having an investment-grade rating and making investments in products that allow for high liquidity, mostly fixed-income assets.

The portfolio of these investment funds is made up of securities in the national currency or units representing the national currency, registered in the RNVE, of fixed income, such as TES, Certificates of Deposit, securitization bonds, and bonds that must maintain minimum investment-grade ratings.

The valuation of these investment funds is daily in order to reflect the conditions of the financial markets. It is expressed in pesos and units that represent the share of the net asset value of the Fund. This valuation is carried out in accordance with the methodology and instructions established by the Financial Superintendence of Colombia (Basic Accounting and Financial Circular, 1995, Chapter XI) and is the responsibility of the respective fund administrator.

The variations in the value of the unit are an acceptable risk given that the nature of the investment is to guarantee the availability of resources to meet obligations. Through periodic reports, the respective fund administrator informs Grupo Aval about everything relevant to the work performed, including the composition of the portfolio, the balance sheet, the levels of exposure, and the income statement of the fund.

The fund administrator ensures that the quantification of the risks inherent in the management of the fund portfolio is carried out under the standards established in the corresponding regulations, and its results can be corroborated in the reports provided in the accountability of the funds.

The Board of Directors of the fund administrator is the body responsible for guiding decisions, procedures, guidelines, measures, manuals, or policies, as the case may be, on each aspect inherent to the managed funds (Article 3.1.5.1.1 of Decree 2555 of 2010), as well as being responsible for maintaining an organizational structure that allows for the proper functioning of these. The manager or administrator is responsible for observing compliance with the policies and guidelines defined for each fund, identifying the risks inherent in the investments, informing investors of the results of the management, and ensuring compliance with regulatory requirements regarding concentration limits, governance, duty of administration, among others.

During 2024, the global economic environment was characterized by slower-than-expected economic activity, although with signs of deceleration towards the end of the quarter, especially due to uncertainty about the performance of the European, Chinese and Japanese economies, only contrasted by the better performance of the United States. Towards the end of the year, global inflation rebounded, closing above the targets set by the central banks of the main developed economies.

Against this backdrop, central banks have adopted a moderate monetary stance, but continued to cut interest rates. Thus, financial markets were characterized by implicitly higher monetary policy paths.

The U.S. Federal Reserve (FED) cut the Federal Funds rate range by 100 basis points (bps) from 5.5% to 4.5% in 2024, which was the first rate cut since the beginning of the upward cycle started in March 2022.

On the other hand, emerging economies continued to register net inflows of foreign portfolio investment, extending the trend observed during most of the year. In the commodities market, energy commodities rose in value, driven by increased demand and rising geopolitical tensions.

In Colombia, inflation continued its downward trend, although implied inflation expectations in financial markets rebounded due to higher inflationary risks, remaining above Banco de la República's target. During the year, the central bank lowered its monetary policy rate by 350 basis points, placing it at 9.5% at the end of the year.

With respect to the behavior of the Colombian public debt, it continued to register devaluations, which reflect the persistence of fiscal risks, a trend that continued throughout the year. In this context, foreign investors maintained the selling position initiated in the third quarter of 2024, closing the year as net sellers. This behavior, associated with a lower appetite for emerging economy assets and local uncertainty factors, led their participation in the public debt market to fall to minimums not observed since 2016,

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

4.1.2 Exchange rate risk

Grupo Aval is exposed to the exchange rate risk mainly because it is the guarantor of its subsidiary abroad in the placement of bonds in dollars in international markets, with the purpose of obtaining resources to leverage its subsidiaries. In order to reduce the exposure to exchange rate risk, the subsidiary maintains part of these resources invested in foreign currency assets.

The foreign exchange risk arises mainly from assets and liabilities recognized in investments in subsidiaries and branches abroad, in credit portfolios, in foreign currency obligations, and in future commercial transactions also in foreign currency.

During 2024, the Colombian peso depreciated in line with its regional and emerging market peers. The currency's behavior during the year took place in a context of net portfolio investment outflows and lower net foreign direct investment inflows. In the last quarter of the year, this behavior deepened, explained by: i) the external environment and the moderation of expectations of rate cuts by the FED; ii) the prospects of weakening in fiscal matters due to the implementation of some policies such as the reform to the General Participation System; iii) the variability of oil prices; and iv) the expectations of more moderate reductions in the monetary policy rate for 2025 by the Central Bank (Banco de la República).

The exchange rate for the period between December 31, 2024, and 2023, fluctuated between Ps. 3,763.43 and Ps. 4,478.21 and between Ps. 3,822.05 and Ps. 4,989.58, respectively. As at December 31, 2024, and 2023, the exchange rate was located at Ps. 4,409.15 and Ps. 3,822.05 per US dollar, respectively.

The following is the detail of foreign currency assets and liabilities as at December 31, 2024, and 2023:

		December 31, 2024		
		US dollars		**Colombian pesos**
Assets in foreign currency				
Cash and equivalents	USD	959	**Ps.**	4
Investments in equity instruments		1		-
Amortized cost investments		8,714,855		38,425
Accounts receivable from related parties (1)		271,732,327		1,198,109
Total foreign currency assets	**USD**	**280,448,142**	**Ps.**	**1,236,538**
Foreign currency liabilities				
Long-term loans from third parties		271,256,174		1,196,009
Other liabilities		48,762		215
Total foreign currency liabilities		**271,304,936**		**1,196,224**
Net position (Assets)	**USD**	**9,143,206**	**Ps.**	**40,314**

		December 31, 2023		
		US dollars		**Colombian pesos**
Assets in foreign currency				
Cash and equivalents	USD	8,776	**Ps.**	34

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

Investments in equity instruments		1		-
Amortized cost investments		4,894,501		18,707
Accounts receivable from related parties (1)		271,927,696		1,039,321
Total foreign currency assets	**USD**	**276,830,974**	**Ps.**	**1,058,062**
Foreign currency liabilities				
Long-term loans from third parties		271,361,229		1,037,157
Other liabilities		98,651		377
Total foreign currency liabilities		**271,459,880**		**1,037,534**
Net position (Assets)	**USD**	**5,371,094**	**Ps.**	**20,528**

(1) Corresponds to the loan granted by Grupo Aval to its related party Esadinco S.A. for Ps.1,298,754 indexed to US dollars, with a term of 24 months, an interest rate of SOFR 3M + 3.5%, and quarterly interest payments.

If the exchange rate in Colombian pesos/US dollars had increased by 50 basis points, the expected effect as at December 31, 2024, would have been an increase of Ps.6,183 in assets and Ps.5,981 in liabilities. In contrast, the results obtained as at December 31, 2023, show that with a 50 basis points increase in the exchange rate, there would have been an increase of Ps.5,290 in assets and Ps.5,188 in liabilities. In both cases, if the exchange rates had decreased by the same magnitude as at December 31, 2024, and 2023, there would have been a decrease in assets and liabilities by the same amounts.

4.1.3 Interest Rate Risk

The Company is exposed to the effects of fluctuations in the interest rate market that impact capital and earnings, as they modify the present value and future cash flows of assets, liabilities, and off-balance-sheet items, thereby affecting the Company's net financial cost.

As at December 31, 2024, the Company had financial assets in U.S. dollars at variable interest rates denominated in Colombian pesos of Ps.1,236,534 of which Ps.1,228,766 corresponds to principal and Ps.7,768 to interest. Which includes:

A foreign currency loan granted at SOFR 3M + 3.5% interest rate, for USD 272 million, of which USD 270 million corresponds to principal and USD 2 million to interest.

Four Term Deposit Certificates (CDT) with Banco de Occidente Panama in US dollars; for a total of USD8.69 million with a term between 91 and 120 days with a rate of 4.85% and 4.90%.

If prevailing interest rates had increased by 50 basis points for financial assets in Colombian pesos at December 31, 2024 and 2023, the Company's financial yield would have increased by Ps. 6,004 and Ps. 6,309, respectively. On the other hand, if the aforementioned interest rates had decreased by the same basis points for these periods, the financial yield at December 31, 2024 and 2023 would have decreased by Ps. 6,025 and Ps. 6,330, respectively.

At December 31, 2024 the Company has financial liabilities at variable interest rates denominated in Colombian pesos of Ps.1,545,326 of which Ps.1,535,602 correspond to principal and Ps.9,724 to interest.

Likewise, there is a financial liability in U.S. dollars obtained at a SOFR 3M + 2.33% interest rate, for a total amount of USD 271.3 million, of which USD 270 million correspond to principal and USD 1.3 million to interest.

At December 31, 2023, financial liabilities in Colombian pesos at variable interest rates amount to Ps. 1,644,728, of which Ps. 1,617,926 corresponds to principal and Ps. 26,802 to interest.

If current interest rates had increased by 50 basis points for financial liabilities in Colombian pesos at December 31, 2024 and 2023, the Company's financial cost would have increased by Ps. 7,419 and Ps. 7,245, respectively. On the other hand, if the aforementioned interest rates had decreased by the same basis points for these periods, the financial cost at December 31, 2024 and 2023 would have decreased by Ps. 7,448 and Ps. 7,311, respectively.

If the interest rates in effect for financial liabilities in U.S. dollars had increased by 50 basis points for financial liabilities in Colombian pesos at December 31, 2024 and 2023, the Company's interest cost would have increased by the equivalent in pesos of Ps. 5,234 and Ps. 5,482, respectively. On the other hand, if it had been agreed to decrease the aforementioned interest rates by the same basis points for these periods, the financial cost as of December 31, 2024 and 2023 would have decreased by Ps. 5,252 and Ps. 5,502, respectively.

4.1.4 Liquidity risk

Liquidity risk is understood as the inability to fully and timely meet payment obligations on their due dates due to insufficient liquid resources and/or the need to assume excessive funding costs. Liquidity management has always been a fundamental pillar of Grupo Aval's business strategy, along with capital, to support the solidity of its balance sheet.

Grupo Aval's management has established policies, procedures, and authority limits that govern the Treasury function. The Company's Treasury is responsible for ensuring liquidity and managing working capital to guarantee debt service and fund operating costs and expenses. The Treasury prepares and reviews an annual cash budget, a monthly cash projection, and payment projections at different time intervals to maintain the necessary cash level available and plan the investment of surpluses.

As at December 31, 2024, the Company reports negative working capital (current assets minus current liabilities). The Company has conducted an analysis of maturities for financial assets and liabilities, illustrating the remaining undiscounted contractual cash flows as shown below:

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

	December 31, 2024					
	Less than 1 month	1-6 months	6-12 months	More than 1 year	Total	Book Value
Financial assets						
Cash and cash equivalents	Ps. 126,156	Ps. -	Ps. -	Ps. -	Ps. 126,156	Ps. 126,156
Trading securities	452	-	-	-	452	452
Amortized cost investments	-	-	38,425	-	38,425	38,425
Accounts receivable from related parties	-	23,704	1,263,949	-	1,287,653	1,196,398
Accounts receivable	42,585	85,176	-	-	127,761	127,761
Financial assets	**Ps. 169,193**	**Ps. 108,880**	**Ps. 1,302,374**	**Ps. -**	**Ps. 1,580,447**	**Ps. 1,489,192**
Financial liabilities						
Borrowings at amortized cost	2,486	Ps. 51,740	Ps. 1,252,173	Ps. 351,503	Ps. 1,657,902	Ps. 1,532,806
Bonds	-	52,290	43,086	2,035,052	2,130,428	1,208,529
Other accounts payable	66,970	147,508	-	-	214,478	214,478
Total Financial liabilities	**Ps. 69,456**	**Ps. 251,538**	**Ps. 1,295,259**	**Ps. 2,386,555**	**Ps. 4,002,808**	**Ps. 2,955,813**

	December 31, 2023					
	Less than 1 month	1-6 months	6-12 months	More than 1 year	Total	Book Value
Financial assets						
Cash and cash equivalents	Ps. 157,323	Ps. -	Ps. -	Ps. -	Ps. 157,323	Ps. 157,323
Trading securities	256	-	-	-	256	256
Accounts receivable from related parties	-	-	18,707	-	18,707	18,707
Accounts receivable	-	31,349	293,989	1,219,583	1,544,921	1,239,785
Financial assets	**Ps.** 79,044	158,120	-	-	237,164	237,164
	236,623	**Ps. 189,469**	**Ps. 312,696**	**Ps. 1,219,583**	**Ps. 1,958,371**	**Ps. 1,653,235**
Financial liabilities						
Borrowings at amortized cost						
Bonds	19,558	Ps. 52,323	Ps. 71,517	Ps. 1,669,740	Ps. 1,813,138	Ps. 1,544,712
Other accounts payable	-	70,060	295,048	2,505,117	2,870,225	1,137,172
Total Financial liabilities	**Ps.** 41,219	217,315	120,013	-	378,547	378,547
	60,777	**Ps. 339,698**	**Ps. 486,578**	**Ps. 4,174,857**	**Ps. 5,061,910**	**Ps. 3,060,431**

4.1.5 Credit risk

Grupo Aval is exposed to credit risk, which is the risk of financial loss resulting from the debtor's failure to fulfill its contractual obligations in financial transactions in a timely and complete manner.

The exposure to credit risk for Grupo Aval is reflected in the financial assets in the Grupo Aval financial statements as at December 31, 2024, and 2023, as follows:

	December 31, 2023			
Credit	**Capital**	**Interest**	**Impairment**	**Total**
Promissory note 1 – Endor Capital [2]	Ps. 1,190,471	Ps. 7,638	Ps. (1,711)	Ps. 1,196,398
Total	**Ps. 1,190,471**	**Ps. 7,638**	**Ps. (1,711)**	**Ps. 1,196,398**

	December 31, 2022			
Credit	**Capital**	**Interest**	**Impairment**	**Total**
Promissory note 1 – Endor Capital	Ps. 1,031,954	Ps. 7,368	Ps. (1,856)	Ps. 1,037,466
Promissory note 2 – Endor Capital [1]	200,000	2,681	(362)	202,319
Total	**Ps. 1,231,954**	**Ps. 10,049**	**Ps. (2,218)**	**Ps. 1,239,785**

(1) On December 2, 2024, principal and interest were collected on the loan (Promissory Note 2) in the amount of Ps.200,000, agreed for a term of 24 months with a rate of IBR 3M + 4.5%.

(2) On May 24, 2023, the debtor's contractual position was assigned to Endor Capital Assets, S.R.L. for the loans granted to Esadinco and the agreement signed between Grupo Aval Acciones y Valores and Esadinco S.A. was amended.
On December 2, 2022, a loan granted by Grupo Aval to Esadinco S.A. (Promissory Note 1) was subscribed in Colombian pesos equivalent to USD 270 million, for a term of 36 months with a rate of SOFR 3M + 3.5% and quarterly interest payments.
On December 2, 2022, a loan granted by Grupo Aval to Esadinco S.A. (Promissory Note 2) was subscribed in the amount of Ps.200,000, for a term of 24 months with a rate of IBR 3M + 4.5% and quarterly interest payments.

The maximum exposure to credit risk with respect to guarantees and commitments is the amount of the commitment.

The maximum authority for this operation is the Shareholders' Assembly, in accordance with the Conflict of Interest policy of the Aval Financial Conglomerate.

For the approval of the operation, certain considerations were taken into account, including, but not limited to, the probability of default, the percentage of recovery of the guarantees received, the exposure, the term and analysis of compliance with the policy for Exposure and Concentration of risk among the entities comprising Conglomerado Financiero Aval and its related parties; Endor Capital Assets, S.R.L. being related to the financial conglomerate.

4.1.6 Operational risk

The Operational Risk is the risk of losses derived from deficiencies, failures, or inadequate functioning of processes, human resources, infrastructure, technology, and external events.

Grupo Aval maintains an Operational Risk Management System (SARO) developing its management under the reference framework of Chapter XXXI - SIAR of the Basic Accounting and Financial Circular of the Financial Superintendence of Colombia. This system develops its stages of identification, measurement, control and monitoring of the relevant business processes, with policies, roles and responsibilities documented in its corresponding manual, which is disclosed to all personnel.

The annual review ensures the appropriate updating of the manual that includes policies, standards, responsibilities and procedures aimed at keeping business management within defined risk levels according to its nature. This document is disseminated among all company personnel to strengthen their basic understanding of operational risk management models.

In the operational risk management system, the risk and control evaluation cycle has been carried out, resulting in inherent and residual risk maps within the accepted profile and without exceeding the levels defined by the Company. The event reporting channel is available to all personnel, which allows detecting potential risks and anomalous situations that threaten the operation of mission activities.

As at December 31, 2024, there were no reported operational risk events that impacted the Company's financial results.

Grupo Aval has an adequate maturity level of the Business Continuity Management System, which reflects the commitment of the management with its stakeholders. As part of the resilience culture, critical processes have contingency solutions that allow, at levels considered acceptable, to continue providing services, thus strengthening the confidence of our investors and stakeholders in the event of events that interrupt the normal operation of the Company. The Continuity Plan is under constant review, strengthening the strategies that mitigate the possible scenarios of affectation; likewise, the tests scheduled for 2024 have been carried out with satisfactory results.

Grupo Aval executed its continuity tests according to the defined schedules, which presented satisfactory results that show the effectiveness of the strategies and the preparation of both technological and process equipment.

4.1.7 Management of Money Laundering Risk

Grupo Aval Acciones y Valores S.A., acting as a securities issuer, complies with the provisions of Part 3, Title I, Chapter VII of the Basic Legal Circular of the Colombian Superintendence of Finance regarding prevention and control of money laundering and terrorist financing, called SIPLAFT (Sistema Integral para la Prevención de Lavado de Activos y la Financiación del Terrorismo). For the above, the Board of Directors of Grupo Aval has approved the policies for the Prevention and Control of Money Laundering and Financing of Terrorism.

Grupo Aval's Integral System for the Prevention of Money Laundering and Financing of Terrorism (SIPLAFT) complies with the regulations in force and the policies and methodologies adopted by the Board of Directors.

These policies involve, among others:

- Appointing a Compliance Officer for purposes of SIPLA (Sistema Integral para la Prevención de Lavado de Activos).
- Strictly complying with all legal regulations established in Colombia for controlling and preventing this type of crimes.
- Prohibiting conducting commercial transactions with any natural or legal person involved in illicit activities.
- Continuous improvement, along with training all Grupo Aval collaborators concerning laws, regulations, policies, procedures, and guidelines contributing to the prevention and control of criminal activities.
- Adhering to identifying unusual and suspicious operations establishing respective procedures while timely reporting them to the UIAF when necessary, ensuring always confidentiality of the reported information.
- Following up reports submitted by internal and external audit entities to address recommendations aiming at optimizing the system.

The policy is periodically reviewed to incorporate regulatory changes and is disseminated to all Company personnel. Likewise, each year, the evaluation of risks and controls is carried out to update the map of inherent and residual risks, and, as defined, crosses of suppliers and collaborators with restrictive lists are performed, alerts are monitored, and other established activities are executed.

The Company has contracted with the Central Securities Depository of Colombia - DECEVAL, as a service provider, for the comprehensive administration of the Company's shares, the shareholders' registry, and the issuance of fixed-income securities. In accordance with its contractual obligations, this entity has policies, controls, and procedures for the prevention and control of money laundering, including the verification of the Company's shareholders and investors against restrictive lists. The Securities Depository informs Grupo Aval monthly about the effective, efficient, and timely functioning of the measures adopted for the prevention and control of money laundering and terrorist financing, as well as the existence or non-existence of unusual and/or suspicious transactions by Grupo Aval's investors during the month and the corresponding reports to the UIAF.

4.1.8 Management of Risks within Financial Conglomerates

As part of the regulation of Law 1870 of 2017 - Financial Conglomerates Law, which came into effect on February 6, 2019, and its regulatory decrees, significant changes were introduced in the structure of the Colombian financial system, particularly regarding companies that act as financial holdings of their conglomerates.

The aforementioned law defined Financial Conglomerates as a set of local and foreign entities with a common controller that includes two or more entities, exercising activities of entities supervised by the SFC (Superintendencia financiera de Colombia) and/or vehicles through which it exercises control, and Financial Holding as a legal entity or investment vehicle that exercises the first level of control or significant influence over the entities that make up the Financial Conglomerate.

Through Resolution No. 0155 of February 6, 2019, the Financial Superintendence identified Grupo Aval Acciones as the Financial Holding and the entities that make up the AVAL Financial Conglomerate.

Likewise, the Colombian Financial Superintendence, through Chapter XXX of the Basic Accounting and Financial Circular, External Circular 100 of 1995, ordered Financial Holdings to design and implement a Risk Management Framework (RMF) that allows them to manage the risks specific to the Financial Conglomerate, i.e., Concentration Risk, Contagion Risk, and Strategic Risk.

a) **Concentration Risk:** Corresponds to the risk that an exposure to the same counterparty has the ability to: (i) generate losses that compromise the financial stability and solidity of the financial conglomerate or the normal development of its businesses; or (ii) generate a material change in the risk profile of the financial conglomerate. For these purposes, possible concentration in service providers or other contractual counterparties must be taken into account.
Concentration risk must be evaluated at least by lines of business, geographical location, economic sector, and counterparties. It must also consider the existence of service providers and shared service centers and the eventual occurrence of natural disasters, among other aspects.

b) **Contagion Risk:** Corresponds to the probability of being compromised by the deterioration of conditions of one or several of the entities that constitute the financial conglomerate, thus affecting its own stability or that of some of its members. To evaluate this risk, factors such as relationships and exposures between the entities that constitute the financial conglomerate and those linked to it, as well as the impact caused by the realization of reputation risk should be considered. Reputation risk refers to the possibility of loss experienced by an entity due to discredit, negative image, unfavorable publicity, certain or not, regarding the institution and its business practices, causing customer loss, reduction of income or legal processes.

c) **Strategic Risk:** Arises from the insufficient consideration of risks in the process of strategic planning of the financial holding and its implementation, as well as the inability to adapt to changes or evolution of economies and markets where the financial conglomerate operates. This risk can also appear when the financial conglomerate enters new markets. The identification of risks derived from acquisitions or creation of new entities should be done prior to.

Among other duties and responsibilities, Grupo Aval, as the Holding of the AVAL Financial Conglomerate, is responsible for complying with Chapter 2 of Decree 1486 of 2018, which establishes that the financial holding, through its Board of Directors, will "define a policy for exposures between the entities that make it up and a policy for exposures between these and their related parties."

4.1.8.1 Risk Management Framework

In compliance with the regulation of Law 1870 of 2017, in 2021 Group Aval implemented the Financial Conglomerate Risk Management Framework called MGR (Marco de gestión de riesgos), which enables managing the risks of concentration, contagion, and strategic nature and provides a general understanding of the risks faced by the entities that make up the Financial Conglomerate. For this purpose, methodologies, governance bodies and reports that adequately meet regulatory requirements were established.

As part of the management of such risks, during 2024, the Risk Committee of the Board of Directors of Grupo Aval met nine times in which, among other issues, the annual review of the general analysis of the structure of the Aval Financial Conglomerate, the Report on compliance with the Risk Exposure and Concentration Policy among the entities that make up the AVAL Financial Conglomerate and between them and their related parties, as well as the analysis of the material risks associated with the exposures among entities of the FC and the exposures with their related parties, were discussed. Followed up on the progress in the implementation of the standards associated with Large Exposures and Interest Rate Risk, Credit Risk management, management of corporate risks of Market, Liquidity, Interest Rate of the Banking Book, Operational risk, Transactional External Fraud risk management, Business Continuity Sarlaft, ABAC, Cybersecurity and Information Security and the results of the application of the methodology for the management of MGR risks, for the March, June and September 2024 cuts, which includes the follow-up of the conglomerate's own risk dashboards and the knowledge of the results of the main entities that make up the conglomerate. Derived from the follow-up of the conglomerate's own risks, it was evidenced that these remained within the levels approved by the Board of Directors.

Additionally, the Risk Committee presented to the Board of Directors the conclusions regarding the evaluation of the effectiveness of the MGR during the period from January 1 to December 31, 2023, and consequently, for the year 2024, it will be presented to the same body in the first quarter of 2025.

4.1.8.2 Policy for exposures between the entities that make up the Financial Conglomerate and between these and their related parties

In accordance with the provisions of Decree 1486 dated August 6, 2018, the Board of Directors of Grupo Aval approved the Policy for exposures between the entities that make up the Financial Conglomerate and between these and their related parties, which includes identifying material risks, transactions between entities of the financial conglomerate and between these and their related parties, responsibilities and obligations of managers and governing bodies, setting quantitative limits and early warning schemes, as well as revealing mechanisms.

Group Aval established mechanisms for interaction through which exposures between the entities that make up the Financial Conglomerate AVAL and between these and their Related Parties are measured, controlled, and monitored using procedures, risk management guidelines, and communication schemes applicable both to the entities that make up the Financial Conglomerate AVAL and to the Financial Holding.

Through the reports established inside Grupo Aval, quarterly follow-up was made on the compliance of consumption levels and during the year 2024, no exposures that attracted attention or found themselves near the alert thresholds defined were identified. Each follow-up presentation took place before the Board of Directors of Grupo Aval.

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

Below are the principal levels of exposure identified during the year 2024:

Type of Exposure	Date (end of month)	Limit consumption level	Limit
Financial Conglomerate Entities	March	1,48%	30%
	June	1,58%	
	September	1,51%	
Linked to the Financial Conglomerate	March	3,22%	10%
	June	3,53%	
	September	3,43%	

Additionally, in compliance with Circular Externa 041 of 2020 issued by the Colombian Financial Superintendence, the Financial Holding made quarterly transmissions of the corresponding Formats 406 - "Report of Related Parties to the Financial Conglomerate and Operations for the control of aggregate exposure limits" and 403 - "Report of exposure limits and risk concentration between entities of the financial conglomerate and their related parties" within the deadlines established by the regulatory entity.

In compliance with the policy, a review of the material risks associated with the exposures between entities of the Financial Conglomerate and the exposures with its related parties was carried out, and it was identified that these are mitigated mainly through compliance with the investment policies, internal procedures and protocols for granting credit established within the entities and which apply to all the entities of the Financial Conglomerate.

Likewise, a review of the material risks associated with exposures between entities of the Financial Conglomerate and exposures with their related parties was carried out, and it was identified that these are mainly mitigated through compliance with investment policies, internal procedures, and credit granting protocols established within the entities and applicable to all entities of the Financial Conglomerate.

(5) Fair Value Estimation

The fair value of financial assets and liabilities traded in active markets (such as financial assets in debt and equity securities and actively traded derivatives on stock exchanges or interbank markets) is based on 'dirty' prices provided by an official price provider authorized by the called SFC (Superintendencia Financiera de Colombia). These prices are determined through weighted averages of transactions occurring during the trading day.

An active market is a market in which transactions for assets or liabilities take place with sufficient frequency and volume to provide continuous price information. A "dirty" price is one that includes accrued and pending interest on the security from the issuance date or the last interest payment until the settlement date of the purchase or sale transaction. The fair value of financial assets and liabilities not traded in an active market is determined using valuation techniques established by the price provider or Grupo Aval entities' management. Valuation techniques for non-standardized financial instruments, such as options, currency swaps, and over-the-counter derivatives, include the use of interest rate or currency valuation curves constructed by price providers from market data and extrapolated to the specific conditions of the instrument being valued. Other valuation methods involve discounted cash flow analysis, option pricing models, and commonly used techniques by market participants. These techniques emphasize maximizing the use of market data and minimizing reliance on entity-specific data.

The Company may use internally developed models for financial instruments that have no active markets. These models are generally based on methods and valuation techniques that are commonly standardized in the financial sector. Some inputs for these models may not be observable in the market, and therefore, they are estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and the valuation techniques employed may not fully reflect all factors relevant to the Company's positions. Therefore, valuations are adjusted, where necessary, to allow for additional factors, including country risk, liquidity risks and counterparty risks.

The fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

The level in the fair value hierarchy within which the fair value measurement is classified in its entirety is determined based on the lowest-level input that is significant for the fair value measurement as a whole. The importance of an input is assessed in relation to the fair value measurement as a whole. Financial instruments quoted in markets that are not considered active but are valued based on quoted market prices, quotes from price providers, or alternative pricing sources supported by observable inputs, are classified in Level 2

If a fair value measurement uses observables inputs that require significant adjustments based on unobservable inputs, it is categorized as a Level 3 measurement. The assessment of the significance of a particular input to the fair value measurement as a whole requires judgment, considering specific factors related to the asset or liability.

The determination of what constitutes "observable" requires significant judgment by the Company. Observable data refers to market data that is already available, regularly distributed or updated by the price provider, reliable and verifiable, without proprietary rights, and provided by independent sources actively participating in the relevant market.

Fair value measurements on a recurring basis

Fair value measurements on a recurring basis are those required or allowed by IFRS accounting standards in the financial statements at the end of each accounting period.

Tradable investments are carried at fair value using the unit value provided by the fund's management company, which reflects the fair value of the underlying assets, incorporating all the risks to which the assets are exposed, in accordance with IFRS 13. The management company, based on observable market data, accounts for the credit risk associated with the asset; therefore, the Company does not analyze or monitor impairment indicators.

The fair value of underlying assets is calculated based on inputs observable by the market, either directly or indirectly, which can be substantially corroborated with observable market data. For this reason, these investments have been classified as Level 2.

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

The fair value of investments primarily reflects changes in market conditions, primarily due to changes in interest rates and other economic conditions in the country where the investment is held. As at December 31, 2024, and 2023, the Company believes that there have been no significant losses in the fair value of investments due to impairment of credit risk conditions for these assets.

The following table analyzes, within the fair value hierarchy, the Company's financial assets and liabilities (by class) measured at fair value as at December 31, 2024 and 2023, on a recurring basis:

	December 31, 2024							
		Level 1		**Level 2**		**Level 3**		**Total**
Assets								
Trading securities at fair value	Ps.	-	Ps.	452	Ps.	-	Ps.	452
Total recurring fair value assets	**Ps.**	**-**	**Ps.**	**452**	**Ps.**	**-**	**Ps.**	**452**

	December 31, 2023							
		Level 1		**Level 2**		**Level 3**		**Total**
Assets								
Trading securities at fair value	Ps.	-		256		-		256
Total recurring fair value assets	**Ps.**	**-**	**Ps.**	**256**	**Ps.**	**-**	**Ps.**	**256**

Fair value information for financial assets and liabilities recorded at amortized cost determined solely for disclosure purposes.

The following is the breakdown of how financial assets and liabilities recorded at amortized cost and valued at fair value solely for the purpose of this disclosure were assessed.

Financial assets

The following table analyzes, within the fair value hierarchy, the financial assets, investments at amortized cost and loans granted by Grupo Aval Acciones y Valores S.A. to Endor Capital Assets S.R.L. as at December 31, 2024, measured on a recurring basis:

		Book Value				Fair Value		
		December 31, 2024		**December 31, 2023**		**December 31, 2024**		**December 31, 2023**
Amortized cost investments								
TD Banco de Occidente Panamá [1]	Ps.	38,425		18,707	Ps.	38,425		18,506
Subtotal Investments to maturity		**38,425**		**18,707**		**38,425**		**18,506**
Credit Portfolio								
Promissory note 1 – Endor Capital [(2) y (3)]	Ps.	1,196,398	Ps.	1,037,466	Ps.	1,162,946	Ps.	1,320,719
Promissory note 2 – Endor Capital [(2) y (3)]		-		202,319		-		213,091
Subtotal Credit portfolio		**1,196,398**		**1,239,785**		**1,162,946**		**1,533,810**
Total	**Ps.**	**1,234,823**	**Ps.**	**1,258,492**	**Ps.**	**1,201,371**	**Ps.**	**1,552,316**

(1) For the calculation of the fair value of investments, the same nominal value is taken because they have a maturity of 90 days.

(2) The fair value of Promissory note 1 was calculated using the Credit Default Swap (CDS) curve for Colombia, along with the Interest Rate Swap (IRS) curve in dollars. Credit spreads (margin) for AA-rated issuers were added, calculated in the market of papers issued in DTF + SWAP DTF minus the zero-coupon curve of TES.For Promissory note 2, the fair value was calculated by taking the credit spread (margin), calculated in the market for rates of papers indexed to DTF and IBR. The implicit rate in the SWAP DTF - Fixed Rate curve, quoted in Precia, was added. The average discount rate used by the promissory note was by 10.1256% and 10.9693% for December 2024 and 2023 respectively, and for the promissory note 2 was by 11.5893% for December 2023. Both promissory notes are classified in Level 2 of the hierarchy.

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

(3) On May 24, 2023, a contract was signed transferring the contractual debtor position to Endor Capital Assets, S.R.L. for the loans granted to Esadinco. An amendment was made to the contract between Grupo Aval Acciones y Valores and Esadinco S.A.

(4) On December 2024, the principal and interest on the loan were accrued for 200,000, agreed for a term of 24 months with an IBR rate 3M+4.5%

Financial liabilities

For financial obligations and other liabilities, their fair value was determined using discounted cash flow models by risk-free interest rates adjusted for entity-specific risk premiums. For outstanding bonds, their fair value was determined based on their quotations on stock exchanges.

The following table provides a summary of the Company's financial liabilities as at December 31, 2024, and 2023, not measured at fair value on a recurring basis, compared with their fair value for those for which fair value is viable to calculate:

		Book Value				Fair Value		
Capital balance and interest		**December 31, 2024**		**December 31, 2023**		**December 31, 2024**		**December 31, 2023**
Bank loans [1]	Ps.	336,797	Ps.	507,556	Ps.	335,722	Ps.	532,678
Third party loans [2]		1,196,009		1,037,157		1,208,694		1,064,408
Bonds outstanding [3]		1,208,529		1,137,172		1,096,425		1,088,765
Total	**Ps.**	**2,741,335**	**Ps.**	**2,681,885**	**Ps.**	**2,640,841**	**Ps.**	**2,685,851**

(1) The fair values of bank loans are calculated by taking the credit spread (margin); in turn, the market-calculated rates of papers indexed to DTF and IBR are used, and to these rates, the implicit rate in the SWAP DTF - Fixed Rate curve quoted in Precia is added. As at December 31, 2024, and 2023, the average discount rates used were 10.1584% and 11.2265%, respectively, and they are classified in Level 2 of the hierarchy.

(2) For the valuation of dollar-denominated credits, the fair value was calculated by taking the CDS (Credit Default Swap) curve for Colombia, plus the IRS (Interest Rate Swap) curve in dollars, adding the credit spreads (margin) of AA issuers calculated in the market for papers issued in DTF + the SWAP DTF rate minus the zero coupon curve of TES. As at December 31, 2024, and 2023, the average discount rates used were 10.1310% and 10.6001%, respectively, and they are classified in Level 2 of the hierarchy.

(3) For the calculation of the fair value of bonds outstanding, the prices from Precia (formerly Infovalmer) were used for each of the cuts, calculated with an estimated price, which corresponds to the "dirty" price, obtained as the result of the present value of the cash flows of a security, discounted with the reference rate and the corresponding margin; likewise, they are classified in Level 2 of the hierarchy.

(6) Cash and cash equivalents

Balances comprise the following as at December 31, 2024 and 2023:

		December 31, 2024		December 31, 2023
In Colombian Pesos				
Cash	Ps.	4	Ps.	3
Bank and other financial institutions on demand		126,248		157,286
		126,152		**157,289**
In foreign currency				
Bank and other financial institutions on demand [1]		4		34
	Ps.	**126,156**	**Ps.**	**157,323**

(1) It includes a balance in US dollars in a current account at Banco de Bogotá Miami Agency for USD 958.72 as at December 31, 2024, converted at the closing exchange rate of Ps. 4,409.15 per dollar.

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

From the total cash, the Company has earmarked specific resources amounting to Ps.1,214 as at December 31, 2024, and 2023, to cover the repayment of undistributed contributions in shares from the 2011 issuance.

Below is the breakdown of the credit quality determined by independent credit rating agencies for the main financial institutions where the Company holds cash funds:

Credit quality		**December 31, 2024**		**December 31, 2023**
Investment grade	Ps.	126,152	Ps.	157,289
Not rated or not available		4		34
Total	**Ps.**	**126,152**	**Ps.**	**157,323**

(7) Trading securities

As of December 31, 2024 and 2023, the balance of marketable securities consists of the following:

		December 31, 2024		**December 31, 2023**
Collective investment funds	Ps.	452	Ps.	256

Investments are measured at fair value using the unit value provided by the fund management company, which reflects the fair value of the underlying assets, incorporating all risks to which the assets are exposed, in accordance with IFRS 13 "Fair Value Measurement" based on observable market data, which also reflects the credit risk associated with the asset and, therefore, the Company does not analyse or monitor indicators of impairment.

The Company's marketable investments can be corroborated by observable data from the reports provided in the fund accounting.

The fair value of investments mainly reflects changes in market conditions, mainly due to changes in interest rates and other economic conditions in the country where the investment is held. As at December 31, 2023 and 2022, the Company considers that there have been no significant losses in the fair value of the investments due to conditions of impairment of credit risk of these assets.
The following is a breakdown of the credit quality determined by independent risk rating agents, of the main investment counterparties in which the Company has investments:

Credit quality		**December 31, 2023**		**December 31, 2023**
Investment grade	Ps.	452	Ps.	256

Fair value includes credit risk, so no further impairment assessments are required.

(8) Amortized cost investments

The balance of investments at amortized cost comprises the following as at December 31, 2023 and 2022:

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

		December 31, 2024		December 31, 2023
TD in foreign currency				
Capital [(1)]	Ps.	38,295	Ps.	18,690
Interest [(2)]		130		17
Total	**Ps.**	**38,425**	**Ps.**	**18,707**

(1) Includes a balance in U.S. dollars in Banco de Occidente Panama for USD4,890,000.00 as at December 31, 2024 converted at the closing exchange rate of Ps. 4,409.15 per dollar.

(2) Includes a balance in U.S. dollars at Banco de Occidente Panama for USD 29,395.52 as at December 31, 2024 translated at the closing exchange rate of Ps. 4,409.15 per dollar.

On December 2024, a TD was opened with Banco de Occidente Panama in U.S. dollars for a term of 181 days and a rate of 5.6% for USD 4,890,000.

On April 2024, TD was opened at Banco de Occidente Panamá, in U.S dollar for a term of 181 days and a rate of 5.43% for USD 1,748,000.

On June 2024, Interests incomed from TD opened on December 2023 was capitalized, increased to USD 4,957,522.19 modify the term to 181 days and a rate of 5.5% for USD. Additionally, a TD was opened at Banco de Occidente Panama for USD 1,747,100 and a rate by 5.5%.

On July 2024, interests incomed on first quarter of the TD opened on April the same year for USD 23,664.09 increased to USD 1,771,664.09.

On October 2024, Interests incomed was capitalized on second quarter of TD opened in April the same year for USD 24,248,01, and it was renovated for USD 1,795,710.12 to 121 days and a rate 4.90%. In addition, a TD at Banco de Occidente Panamá was opened for USD 90,925.70 a term of 119 days and rate of 4.90%.

On December 2024, Interests incomed was capitalized on second quarter of TD opened in June the same year for USD 68,726.01, and it was renovated for USD 5,026,248.40 to 91 days and a rate 4.85%. Additionally interest incomed on second quarter from TD opened in June the same year for USD 25,273.12 and it was renovated and increased to USD 1.772,373.12 a term of 91 days and a rate of 4.85%.

The credit quality of the Company's main investment counterparties, as rated by independent risk rating agencies, is as follows:

		December 31, 2024		December 31, 2023
Credit quality				
Stable outlook	Ps.	38,425	Ps.	18,707

The book value and fair value of investments at amortized cost (calculation methodology included in note 5 - Fair value estimation in the Financial Assets section) are as follows:

	Book Value		Fair Value	
	December 31, 2024	December 31, 2023	December 31, 2023	December 31, 2023
Investments to maturity				

TD Banco Occidente Panamá [1]	Ps.	38,425	Ps.	18,707	Ps.	38,425	Ps.	18,506
Total Financial Assets	**Ps.**	**38,425**	**Ps.**	**18,707**	**Ps.**	**38,425**	**Ps.**	**18,506**

[1] For the calculation of the fair value of the investments, for December 2024 the face value has been applied due TD term is less than 90 days. as at December 2023, the risk curves provided by Banco de Occidente Panama were used, with a discount rate of 8.1066%, converted at the closing exchange rate of Ps. 3,822.05 per dollar.

(9) Accounts receivable

The following is the detail of accounts receivable as at December 31, 2024 and 2023:

		December 31, 2024		December 31, 2023
Dividends receivable from subsidiaries [1]	Ps.	127,755	Ps.	237,133
Accounts receivable from related parties [2]		1,997,831		207,831
Subtotal accounts receivable from related parties		**1,324,153**		**444,964**
Tax assets [3]	Ps.	12,695	Ps.	5,958
Subtotal advance tax payments		**12,695**		**5,958**
Miscellaneous	Ps.	-	Ps.	30
Incapacities		6		1
Subtotal other accounts receivable		**6**		**31**
Subtotal accounts receivable - current portion	**Ps.**	**1.336,854**	**Ps.**	**450,953**
Accounts receivable from related parties [2]		1,336,854		1,031,954
Subtotal accounts receivable - non-current portion	**Ps.**	**-**	**Ps.**	**1,031,954**
Total accounts receivable	**Ps.**	**1,336,854**	**Ps.**	**1,482,907**

[1] In March 2024 the companies in which Grupo Aval has direct investment declared dividends of Ps.567,113.

[2] In May 2023, the contractual position of Esadinco as debtor was transferred to Endor Capital Assets S.R.L..The contract signed between Grupo Aval and Esadinco S.A. was amended, maintaining the same conditions of the loans originally agreed with Esadinco, S.A.

[3] As at December 31, 2024, the tax asset is composed of the net result between the balance in favor of the previous period, plus the withholdings and self-withholdings of the period minus the income tax liability, whose net balance in favor of the period is Ps 12,695, which is transferred to assets for presentation purposes in each period.

Accounts receivable from related parties

		December 31, 2024		December 31, 2023
Current				
Capital [iii]	Ps.	1,190,471	Ps.	200,000
Interest		7,638		10,049
Impairment [1]		(1,711)		(2,218)
Subtotal current		**1,196,398**		**207,831**
Capital [ii]	Ps.	-	Ps.	1,031,954
Subtotal Non-current		**-**		**1,031,954**
Total Accounts receivable from related parties	**Ps.**	**1,196,398**	**Ps.**	**1,239,785**

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

(1) A financial rating model was used for the calculation of the institution's existing credit impairment, which consists of statistical models based on customer financial information. With the Probability of Default (PI Pérdida por incumplimiento in Spanish) and the Loss Given Default (PDI Pérdida dada el incumplimiento) of clients of the same rating, same segment and with the information of the models at the end at December 2024 and 2023, as a result, the percentage of provision was 0.14278% and 0.13136% respectively at one (1) year given that this is an undisturbed credit and there is no evidence of a significant increase in risk, generating a decrease in the deterioration by Ps. 507.

Loans granted to Endor Capital Assets S.R.L. (i) for two and three years, with a single final principal payment:

Accounts receivable from related parties - agreed interest rates	
Credits to:	SOFR + 3.5% T.V.
Amount:	USD 270,000,000 (1)

i) In December 02 of 2024, Capital and interests was collected (promissory note 2) for Ps. 200.000, agreed to a term of 24 months with a rate IBR 3M + 4.5%.

ii) On May 24, 2023, the contractual position of Esadinco as debtor was transferred to Endor Capital Assets S.R.L..The contract signed between Grupo Aval and Esadinco S.A. was amended, maintaining the same conditions of the loans originally agreed with Esadinco, S.A.

iii) On December 2, 2022, Grupo Aval subscribed a loan granted to its related party Esadinco S.A. (Promissory note 1) in Colombian pesos equivalent to USD 270 million U.S. dollars, for a term of 36 months with a rate of SOFR 3M + 3.5% and quarterly interest payments.

iv) On December 2, 2022, Grupo Aval subscribed a loan granted to its related party Esadinco S.A. (Promissory note 2) for Ps.200,000, for a term of 24 months with a rate of IBR 3M + 4.5% and quarterly interest payments.

The credits granted by Grupo Aval to Endor Capital Assets S.R.L. are secured with share guarantee contracts as follows:

Guarantees on accounts receivable from related parties as at December 31, 2024

	Loan value	Number of shares under guarantee	Company issuing the shares
Ps.	**200,000**	**1,167,513**	Femisal S.R.L
USD	89,293,306	3,263,511,681	Femisal S.R.L
	180,706,694	6,604,508,624	Femisal S.R.L
USD	**270,000,000**	**9,868,020,305**	

The breakdown of the principal and interest components of accounts receivable from related parties is as follows:

	December 31, 2024							
Credit		**Capital**		**Interest**		**Impairment**		**Total**
Promissory note 1 – Endor Capital (1)	Ps.	1,090,471	Ps.	7.638	Ps.	(1,711)	Ps.	1,196,398
Total	**Ps.**	**1,190,471**	**Ps.**	**7,638**	**Ps.**	**(1,711)**	**Ps.**	**1,196,398**

	December 31, 2023							
Credit		**Capital**		**Interest**		**Impairment**		**Total**
Promissory note 1 – Esadinco S.A.	Ps.	1,031,954	Ps.	7,368	Ps.	(1,856)	Ps.	1,037,466
Promissory note 2 – Esadinco S.A.		200,000		2,681		(390)		202,319
Total	**Ps.**	**1,231,954**	**Ps.**	**10,049**	**Ps.**	**(2,218)**	**Ps.**	**1,239,785**

The book value and fair value of accounts receivable from related parties at amortized cost (calculation methodology included in Note 5 - Estimation of fair values in its Financial Assets section) are as follows:

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

		Book Value				Fair Value		
Capital balance and interest		**December 31, 2023**		**December 31, 2022**		**December 31, 2023**		**December 31, 2022**
Promissory note 1 – Endor Capital [2]	Ps.	1,196,398	Ps.	1,037,466	Ps.	1,162,946	Ps.	1,320,719
Promissory note 2 – Endor Capital [2]		-		202,319		-		213,091
Total	**Ps.**	**1,196,398**	**Ps.**	**1,239,785**	**Ps.**	**1,162,946**	**Ps.**	**1,533,810**

[1] The fair value of Promissory note 1 was calculated by taking the CDS (Credit Default Swap) curve for Colombia, plus the IRS curve in dollars, adding the credit spreads (margin) of the AA issuers, calculated in the market of papers issued in DTF + the SWAP DTF rate minus the zero coupon curve of the TES. In the case of Promissory note 2, the fair value was calculated by taking the credit spread (margin), the rates of papers indexed to the DTF and IBR are calculated in the market and to these the implicit rate in the SWAP DTF - Fixed Rate curve, quoted in Precia, is added. the average discount rate used for promissory note 1 was 10.1256% and 10.9693% for December 2024 and 2023 respectively, and for promissory note 2 was 11.5893% to December 2023. Both promissory notes are classified in hierarchy level 2.

[2] On May 24, 2023, it was signed cession of the contractual position of debtor to Endor Capital Assets, S. R. L. for the loans granted to Esadinco and the contract signed between Grupo Aval and Esadinco S. A. was amended, maintaining the same conditions as the loans initially agreed with Esadinco S. A.

[3] On December 02, 2024, Capital for Ps. 200.000 and interests of the Loan (Promissory note 2) was collected, agreed a term of 24 months and with a IBR 3M + 4.5% rate.

Maturities of loans granted as at December 31, 2024

Credit		**2025**		**Total**
Promissory note 2 – Endor Capital [1]		1,198,109		1,198,109
Total	**Ps.**	**1,198,109**	**Ps.**	**1,198,109**

[1] Include principal and interest.
Contractual maturities are presented in accordance with the provisions of Appendix B11C of IFRS 7.

Type of currency of accounts receivable from related parties

		December 31, 2024		**December 31, 2023**
Colombian pesos	Ps.	-	Ps.	202,681
Colombian pesos per loan in U.S. dollars		1,198,109		1,039,322
Total	**Ps.**	**1,198,109**	**Ps.**	**1,242,003**

Annual interest rates on accounts receivable from related parties

	December 31, 2024	
	In Colombian pesos	
	Minimum rate	**Maximum rate**
Promissory note 1 – Endor Capital	8,21%	9,16%

	December 31, 2023	
	In Colombian pesos	
	Minimum rate	**Maximum rate**
Promissory note 1 – Esadinco S.A.	8,17%	9,19%
Promissory note 2 – Esadinco S.A.	16,55%	18,08%

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

(10) Other non-financial assets

Include items primarily composed of licenses, maintenance, updates, and software support that are amortized using the straight-line method based on a useful life ranging from 1 to 5 years.

The following is the breakdown of other non-financial assets as at December 31, 2024 and 2023:

Description		December 31, 2024 Cost		Amortization		Book Values
Licenses [2]	Ps.	388	Ps.	(388)	Ps.	-
Software and computer applications [1]		120		(20)		100
Total	**Ps.**	**508**	**Ps.**	**(408)**	**Ps.**	**100**

Description		December 31, 2023 Cost		Amortization		Book Values
Licenses	Ps.	395	Ps.	(395)	Ps.	-
Software and computer applications		113		(10)		103
Total	**Ps.**	**508**	**Ps.**	**(405)**	**Ps.**	**103**

(1) The book balance corresponds to the acquisition of the Human Resources modules (Software applications), which will be transitioned from the development and implementation stage. Amortization will be began once modules being production at 100%.

(2) On December 20, 2024, Grupo AVAL made derecognize intangible assets, for licenses with historical cost for Ps. 8 millions, .

(11) Investments in subsidiaries and associates

The value of investments in subsidiaries and associates as at December 31, 2024 and 2023 is as follows:

	Percent of Participation		Number of shares			Book value		
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023		December 31, 2024		December 31, 2023
Subsidiaries								
Banco de Bogotá S.A. [1]	68.93%	68.93%	244,858,322	244,858,322	Ps.	9,688,667	Ps.	9,005,759
Banco de Occidente S.A.	72.27%	72.27%	112,671,465	112,671,465		4,204,839		4,026,825
Banco Comercial AV Villas S.A.	79.86%	79.86%	179,459,557	179,459,557		1,252,784		1,322,954
Banco Popular S.A.	93.74%	93.74%	7,241,936,738	7,241,936,738		2,643,505		2,938,542
Corporación Financiera Colombiana S.A. [1]	8.71%	8.71%	31,833,029	31,833,029		1,279,039		1,235,453
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A. [2]	20.00%	20.00%	21,842,531	21,842,531		683,266		609,657
Grupo Aval Limited	100.00%	100.00%	1	1		(439,219)		(506,174)
Fiduciaria Corficolombiana S.A. [3]	95.50%	0.00%	29,657,829	-		78,187		-
Casa de Bolsa S.A. [4]	40.77%	0.00%	6,352,026	-		15,382		-
Subtotal Subsidiaries					**Ps.**	**19,406,450**	**Ps.**	**18,633,016**
Associates								
ADL Digital Lab S.A.S	34.00%	34.00%	408	408		17,756		12,231
Subtotal Associates					**Ps.**	**17,756**	**Ps.**	**12,231**
Total investments in subsidiaries an associates					**Ps.**	**19,424,206**	**Ps.**	**18,645,247**

(1) On November 22, 2023 a shareholders' agreement was subscribed between Grupo Aval, Banco de Bogotá S.A., Banco de Occidente S.A. and Banco Popular S.A., as a result of which Banco Popular S.A. became the controlling company of Corporación Financiera Colombiana S.A. (“Corficolombiana”) under the terms of articles 260 and 261 of the Code of Commerce.

(2) In July 2021 a shareholders' agreement was subscribed between Grupo Aval, Banco de Bogotá, Banco de Occidente, Fiduciaria Bogotá and Fiduciaria de Occidente in which Grupo Aval acquires the quality of direct controller of Sociedad

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

Administradora de Fondos de Pensiones Porvenir SA, in the terms of articles 260 and 261 of the Code of Commerce. The subscription of the referred agreement does not imply for Grupo Aval any variation in the shareholding it currently holds.

(3) In December 2024 94.499988% of the participation in Fiduciaria Corficolombiana is acquired from Corficolombiana. See note to reporting entity literal a.

(4) In December 2024, 38.951529% of the participation in Casa de Bolsa is acquired from Corficolombiana. Additionally, 1.818817% of the participation in the Brokerage House was acquired from the Pajonales organization. Obtaining in total a 40.770346% participation in the Brokerage House entity. See note to reporting entity literal a.

Restriction on investments

As at December 31, 2024 and 2023, there was a restriction on 15,589,972 shares of Banco de Occidente S.A., pledged as collateral to guarantee financial obligations with Banco de Bogotá S.A.

As at December 31, 2024 and 2023, there was a restriction on 772,532,650 shares of Banco Popular, granted as pledge to guarantee financial obligations with Banco de Bogotá S.A.

As at December 31, 2024 and 2023, there was a restriction on 6,537,470 shares of Corficolombiana, pledged as collateral to secure financial obligations with Banco de Bogotá S.A.

As at December 31, 2024 and 2023, there was a restriction on 4,519,247 and 3,427,867 shares of Banco de Bogotá, respectively, pledged as collateral to guarantee financial obligations with Banco de Occidente S.A.

The aforementioned guarantees cover loans for Ps.335,605. Included in Note 14 - Financial obligations at amortized cost.

Subsidiaries and associates

The following is a detail of the assets, liabilities and equity of subsidiaries and associates accounted for by the equity method as at December 31, 2024 and 2023**:**

	December 31, 2024							
	Asset	Liability	Equity					
Subsidiaries			**Subscribed and paid capital**	**Reserves**	**Aditional paid-in capital**	**Retained earnings**	**Net income**	**Total Equity**
Banco de Bogotá S.A.	Ps. 128,823,660	Ps. 115,405,692	Ps. 3,553	Ps. 8,389,455	Ps. 5,174,814	Ps. (1,233,141)	Ps. 1,083,287	Ps. 13,417,968
Banco de Occidente S.A.	72,909,054	67,212,153	4,677	4,423,690	576,373	219,398	472,763	5,696,901
Banco Comercial AV Villas S.A.	19,044,372	17,475,581	22,473	1,284,736	128,923	282,469	(149,810)	1,568,791
Banco Popular S.A.	29,020,257	26,582,752	77,253	2,566,421	(48,235)	156,075	(314,009)	2,437,505
Corporación Financiera Colombiana S.A.	26,987,598	14,366,902	3,656	6,009,156	6,124,725	291,246	191,913	12,620,696
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.	3,866,009	642,119	109,211	1,373,917	1,148,247	(60,033)	652,548	3,223,890
Grupo Aval Limited	4,024,285	4,463,504	-	-	(259,879)	(304,459)	125,119	(439,219)
Fiduciaria Corficolombiana S.A.	281,814	224,934	31,384	15,692	4,259	5,545	-	56,880
Casa de Bolsa S.A.	188,932	139,239	15,580	31,856	4,380	(2,123)	-	49,693
Subtotal Subsidiaries	**Ps. 285,145,981**	**Ps. 246,512,876**	**Ps. 267,787**	**Ps. 24,094,923**	**Ps. 12,853,607**	**Ps. (645,023)**	**Ps. 2,061,811**	**Ps. 38,633,105**
Associates								
ADL Digital Lab S.A.S	89,275	37,050	1,200	1,718	-	33,056	16,251	52,225
Subtotal Associates	**Ps. 89,275**	**Ps. 37,050**	**Ps. 1,200**	**Ps. 1,718**	**Ps. -**	**Ps. 33,056**	**Ps. 16,251**	**Ps. 52,225**
Total	**Ps. 285,235,256**	**Ps. 246,549,926**	**Ps. 268,987**	**Ps. 24,096,641**	**Ps. 12,853,607**	**Ps. (611,967)**	**Ps. 2,078,062**	**Ps. 38,685,330**

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

	December 31, 2023							
	Asset	Liability	Equity					
Subsidiaries			Subscribed and paid capital	Reserves	Aditional paid-in capital	Retained earnings	Net income	Total Equity
Banco de Bogotá S.A.	Ps. 119,073,307	Ps. 106,646,131	Ps. 3,553	Ps. 18,184,023	Ps. 4,751,487	Ps. (11,468,029)	Ps. 956,142	Ps. 12,427,176
Banco de Occidente S.A.	64,240,155	58,789,565	4,677	4,201,825	587,683	191,124	465,281	5,450,590
Banco Comercial AV Villas S.A.	18,827,212	17,170,549	22,473	1,401,862	66,984	381,656	(216,312)	1,656,663
Banco Popular S.A.	29,439,247	26,687,013	77,253	2,824,491	(47,515)	296,829	(398,824)	2,752,234
Corporación Financiera Colombiana S.A.	26,982,474	14,862,408	3,656	5,221,997	5,816,008	184,027	894,378	12,120,066
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.	3,530,284	674,432	109,211	1,095,712	1,152,304	(59,985)	558,610	2,855,852
Grupo Aval Limited	3,360,047	3,866,222	-	-	(201,716)	(393,429)	88,970	(506,175)
Subtotal Subsidiaries	**Ps. 265,452,726**	**Ps. 228,696,320**	**Ps. 220,823**	**Ps. 32,929,910**	**Ps. 12,125,235**	**Ps. (10,867,807)**	**Ps. 2,348,245**	**Ps. 36,756,406**
Associates								
ADL Digital Lab S.A.S	71,577	35,602	1,200	1,182	-	22,440	11,153	35,975
Subtotal Associates	**Ps. 71,577**	**Ps. 35,602**	**Ps. 1,200**	**Ps. 1,182**	**Ps. -**	**Ps. 22,440**	**Ps. 11,153**	**Ps. 35,975**
Total	**Ps. 265,524,303**	**Ps. 228,731,922**	**Ps. 222,023**	**Ps. 32,931,092**	**Ps. 12,125,235**	**Ps. (10,845,367)**	**Ps. 2,359,398**	**Ps. 36,792,381**

As a result of the impairment test performed as at December 31, 2024 and 2023, taking into account the market value of these investments or the financial results of the subsidiaries, the Company's management does not consider it necessary to establish an impairment provision for these investments.

(12) Property and Equipment

The following is the movement of the book value of property and equipment during the periods ended December 31, 2024 and 2023:

	For own use	Right of use	Total
Cost or Fair Value:			
Balance at 31 December 2022	**Ps. 5,905**	**Ps. 6,064**	**Ps. 11,969**
Capitalized purchases or expenses (net)	145	(98)	47
Withdrawals / Sales (Net)	(180)	-	(180)
Loss on disposal of assets	(4)	-	(4)
Balance at 31 December 2023	**Ps. 5,866**	**Ps. 5,966**	**Ps. 11,832**
Capitalized purchases or expenses (net)	1,226	13,339	14,565
Withdrawals / Sales (Net)	(280)	-	(280)
Loss on disposal of assets	-	(6,184)	(6,184)
Balance at December 31, 2024	**Ps. 6,812**	**Ps. 13,121**	**Ps. 19,933**
Accumulated depreciation:			
Balance at December 31, 2022	**Ps. 4,856**	**Ps. 3,030**	**Ps. 7,886**
Depreciation for the period charged to the income statement	443	1,281	1,724
Withdrawals / Sales (Net)	(178)	-	(178)
Loss on disposal of assets	(4)	-	()
Balance at December 31, 2023	**Ps. 5,117**	**Ps. 4,311**	**Ps. 9,428**

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

Depreciation for the period charged to the income statement		417		1,337		1,754
Withdrawals / Sales (Net)		(264)		-		(264)
Loss on disposal of assets		2		(5,038)		(5,036)
Balance at December 31, 2024	**Ps.**	**5,272**	**Ps.**	**610**	**Ps.**	**5,882**
Tangible assets, net:						
Balance at December 31, 2023	**Ps.**	**749**	**Ps.**	**1.655**	**Ps.**	**2,404**
Balance at December 31, 2024	**Ps.**	**1,540**	**Ps.**	**12,511**	**Ps.**	**14,051**

a. **Property and Equipment for own use**

The following is the detail of the balance as at December 31, 2024 and 2023, by type of property and equipment for own use:

Description		**Cost**		**Accumulated depreciation**		**Book value**
Office equipment, furniture, and fixtures	Ps.	972	Ps.	(904)	Ps.	68
Computer equipment		2,602		(1,890)		712
Improvements on properties not owned (1)		3,238		(2,478)		760
Balance at December 31, 2024	**Ps.**	**6,812**	**Ps.**	**(5,272)**	**Ps.**	**1,540**

Description		**Cost**		**Accumulated depreciation**		**Book value**
Office equipment, furniture, and fixtures	Ps.	921	Ps.	(847)	Ps.	74
Computer equipment		2,410		(2,023)		387
Improvements on properties not owned (1)		2,535		(2,247)		288
Balance at December 31, 2023	**Ps.**	**5,866**	**Ps.**	**(5,117)**	**Ps.**	**749**

(1) This item corresponds to adjustments made in the Grupo Aval offices.

b. **Property and equipment under right of use**

The company adopted IFRS 16 from January 1, 2019. Leases are recognized as an asset for the right of use and a liability on the date the asset is leased and is available for use by the company. Right-of-use assets are depreciated on a straight-line basis until the end of the lease term.

The following is the breakdown of the balance as at December 31, 2024 and 2023, by type of property and equipment under right of use:

Right of use		**Cost**		**Accumulated depreciation**		**Book value**
Banco de Occidente Floor 22 y 23 (1)	Ps.	13,121	Ps.	(610)	Ps.	12,511
Balance at 31 December 2024	**Ps.**	**13,121**	**Ps.**	**(610)**	**Ps.**	**12,511**

Right of use		**Cost**		**Accumulated depreciation**		**Book value**
Banco de Occidente Floor 22 y 23 (1)	Ps.	5,966	Ps.	(4,311)	Ps.	1,655

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

Balance at 31 December 2023	**Ps.**	**5,966**	**Ps.**	**(4,311)**	**Ps.**	**1,655**

(1) The nominal interest rate to determine interest and depreciation on the right of use at the adoption date of IFRS 16 was set at 0.48% per month during the year 2023. On January 2, 2024, a quotation and validation of rates were carried out, setting the rate for 2024 at 1.15% per month, resulting in a variation in the right of use due to an adjustment in the rate of 62.

On April 1, 2023, the lease payment for the 22nd and 23rd floors of the Banco de Occidente Building was increased due to an adjustment based on the 2023 CPI of 9.28%, resulting in a variation in the right of use due to an increase in the lease payment of Ps.156.

On June 30, 2024, and in compliance with the provisions of IFRS 16 in relation to lease agreements recognized as rights of use, it is certain that the term of the lease agreement for the 22nd and 23rd floor will be renewed, for a period equal to the stipulated in contract a term of 10 years. Quotation and validation of rates were made, setting the rate at 0.78% per month for the extension of the lease contract, which generated a variation in the right of use for Ps.13,377.

(13) Income Taxes

Current income tax expense for the periods ended at December 31, 2024 and 2023 comprises the following:

a. Components of Income Tax Expense:

		December 31, 2024		December 31, 2023
Income tax for the current period [1]	Ps.	30.336	Ps.	43,652
Adjustment of Previous Periods		(9)		-
Net deferred taxes for the period		(302)		(151)
Total Income Tax	**Ps.**	**30,629**	**Ps.**	**43,501**

[1] Grupo Aval, being a company whose financial statements are subject to consolidation in Colombia, in compliance with the provisions of paragraph 6 of Article 240 of the Colombian Tax Code (CTC), incorporated the calculation of the Group's Effective Tax Rate (ETR), whose results for 2024 and 2023 are higher than the 15% minimum tax rate established by law, therefore, no additional current tax values were required to be recorded.

b. Reconciliation of the tax rate in accordance with the tax regulations and effective rate

Below, we highlight the main tax regulations in force in Colombia, in terms of Income Tax and its complementary.

i. According to current tax regulations, the Company is subject to income and complementary taxes. The applicable rate for the years 2024 and 2023 is 35%.

ii. Income derived from occasional gains is taxed at a rate of 15% for the years 2024 and 2023.

iii. Starting from the 2021 tax year, the presumptive income tax rate is zero percent (0%).

iv. Law 1819 of 2016, through Article 22, determined that for the period of 2017 and onwards, the determination of income and complementary tax, based on the value of assets, liabilities, equity, income, costs, and expenses, of the taxpayers obligated to maintain accounting, will apply recognition and measurement systems in accordance with the technical accounting regulatory frameworks in force in Colombia, when the tax law expressly refers to them and in cases where the tax law does not regulate the matter. In any case, the tax law may provide for a different treatment in accordance with Article

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

4 of Law 1314 of 2009.

v. Tax losses accumulated up to 2016 may be offset against future ordinary taxable income for income tax purposes, at any time, without any percentage limitation. Tax losses from 2017 to 2023 can be offset with the liquid income of the next twelve (12) years from the year they occur.

vi. Excess presumptive income over ordinary income can be offset with ordinary income obtained within the five (5) years following the year of occurrence

vii. The general term for the finality of income tax returns has been unified to three (3) years.

viii. Starting with the 2019 tax return, for returns that settle and/or compensate tax losses or are subject to the transfer pricing regime, the finality will be five (5) years.

ix. Income tax returns for the tax years 2018 to 2022 are open for tax review by the tax authorities, and no additional taxes are expected as a result of an inspection.

In accordance with paragraph 81(c) of IAS 12, the following is the detail of the reconciliation between the Company's total income tax expense calculated at the tax rates currently applicable and the tax expense recorded in the results applicable for periods ended December 31, 2024, and 2023:

		December 31, 2024		**December 31, 2023**
Earnings before income tax from continuing operations	Ps.	**1.030.515**	Ps.	**766.539**
Statutory Income Tax Rate		35%		35%
Theoretical tax expense calculated in accordance with current tax rates		360.680		268.289
Non-income for equity method		(333.272)		(255.864)
Non-deductible expenses		3.112		30.898
Current tax adjustment for previous years		(9)		-
Other		118		178
Total Tax Expense for the Period	Ps.	**30.629**	Ps.	**43.501**
Effective tax rate		***2.97%***		***5.67%***

c. Deferred taxes by type of temporary difference

The differences between the carrying amount of assets and liabilities and their tax basis, give rise to the following temporary differences that generate deferred taxes, calculated and recorded in the periods ended at December 31, 2023 and 2022, based on the tax rates in force as references for the years in which such temporary differences will be reversed.

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

	December 31, 2024							
		January 1, 2024		**Credited (Registered) to results**		**Reclassifications**		**December 31, 2024**
Acitve Deferred Tax								
Financial lease agreement	Ps.	123	Ps.	3,849	Ps.	(3,972)	Ps.	-
Other (Foreign exchange)		155		(55,640)		55,485		-
Subtotal	**Ps.**	**278**	**Ps.**	**(51,791)**	**Ps.**	**51,513**	**Ps.**	**-**
Deferred Tax Liabilities								
Right of use	Ps.	-	Ps.	(3,799)	Ps.	3,972	Ps.	173
Other (Foreign exchange)		-		55,288		(55,485)		(197)
Subtotal	**Ps.**	**-**	**Ps.**	**51,489**	**Ps.**	**(51,513)**	**Ps.**	**(24)**
Total	**Ps.**	**278**	**Ps.**	**(302)**	**Ps.**	**-**	**Ps.**	**(24)**

	December 31, 2023							
		January 1, 2023		**Credited (Registered) to results**		**Reclassifications**		**December 31, 2023**
Acitve Deferred Tax								
Financial lease agreement	Ps.	119	Ps.	(479)	Ps.	483	Ps.	123
Other (Foreign exchange)		8		85,406		(85,259)		155
Subtotal	**Ps.**	**127**	**Ps.**	**84,927**	**Ps.**	**(84,776)**	**Ps.**	**278**
Deferred Tax Liabilities								
Right of use	Ps.	-	Ps.	483	Ps.	(483)	Ps.	-
Other (Foreign exchange)		-		(85,259)		85,259		-
Subtotal	**Ps.**	**-**	**Ps.**	**(84,776)**	**Ps.**	**84,776**	**Ps.**	**-**
Total	**Ps.**	**127**	**Ps.**	**151**	**Ps.**	**-**	**Ps.**	**278**

According to current tax legislation in Colombia, neither the distribution of dividends nor the withholding of profits has an effect on the income tax rate.

d. Deferred taxes with respect to investments in subsidiaries and associates

In compliance with IAS 12, the Company did not record deferred tax liabilities related to temporary differences on investments in subsidiaries, primarily related to undistributed earnings and tax adjustments on investments. This is because: i) The Company controls the subsidiaries and, therefore, can decide on the reversal of such temporary differences; and ii) The Company does not plan to realize them in the medium term; thus, it is likely that these temporary differences will not reverse in the foreseeable future.

The temporary differences for the items indicated as of December 31, 2024, and 2023, amounted to Ps. 7.653.035 and Ps. 9,038,787, respectively.

e. Balance of assets (liabilities) for income tax and supplementary tax rate

For purposes of presentation in the separate Statement of Financial Position, the Company offsets deferred tax assets and liabilities in accordance with the provisions of paragraph 74 of IAS 12, considering the application of the tax provisions in force in Colombia on the legal right to offset assets and liabilities for current taxes:

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

Balance as of December 31, 2024		**Gross Current Tax**		**Compensation Reclassifications**		**Balance in Statements of Financial Position**
Current Income Tax Assets	Ps.	43,031	Ps.	(43,031)	Ps.	-
Current Income Tax Liability		(30,336)		43,031		12,695
Net	**Ps.**	**12,695**	**Ps.**	**-**	**Ps.**	**12,695**

Balance as of December 31, 2023		**Gross Current Tax**		**Compensation Reclassifications**		**Balance in Statements of Financial Position**
Current Income Tax Assets	Ps.	49,610	Ps.	(43,652)	Ps.	5,958
Current Income Tax Liability		(43,652)		43,652		-
Net	**Ps.**	**5,958**	**Ps.**	**-**	**Ps.**	**5,958**

f. Tax uncertainties

As of December 31, 2024, and 2023, the Company does not present any tax uncertainties that would require a provision for this concept, considering that the income and complementary tax process is regulated under the current tax framework. Therefore, no additional taxes are anticipated due to possible visits from tax authorities or uncertainties related to tax positions applied by the Company.

g. Transfer Pricing

In accordance with the provisions of Laws 788 of 2002 and 863 of 2003, the Company prepared a transfer pricing study for transactions conducted with related foreign parties during 2023. The study did not result in adjustments affecting the Company's taxable income, costs, or expenses.

Although the 2024 transfer pricing study is currently being prepared, no significant adjustments are anticipated that would impact the determination of income tax expense for this taxable year.

h. Tax Reform for Equality and Social Justice

Through Law 2277 of December 13, 2022, a tax reform was adopted, which introduces several changes in income tax regulations, outlined as follows:

i. The general income tax rate remains at 35% for national companies and their assimilated entities, permanent establishments of foreign entities, and foreign legal entities with or without residence in the country that are required to file the annual income and complementary tax return.

ii. For financial institutions, insurance entities, reinsurers, stockbroker companies, agricultural stockbroker companies, goods and agricultural product exchanges, agro-industrial or other commodities exchanges, and securities market infrastructure providers, a surtax of an additional 5 percentage points on the general income tax rate is established for tax periods from 2023 to 2027. The total rate will be 40% if their taxable income is equal to or greater than 120,000 UVT (COP 5,647,800 in 2024). This surtax will be subject to a 100% advance payment.

iii. A minimum tax is established for residents in Colombia, imposing an additional tax if the income tax after certain adjustments is less than 15% of the accounting profit before taxes, with certain adjustments. Thus, taxpayers must: (i) determine the taxpayer's adjusted tax, or the group's adjusted tax if part of a corporate group; (ii) determine the adjusted profit of the taxpayer or the group; and (iii) determine the adjusted tax rate of the taxpayer or the group. If the effective tax rate (adjusted tax/adjusted profit) is less than 15%, the additional tax must be calculated to bring the rate up to 15% for the taxpayer or the group.

iv. This rule does not apply to Economic and Social Zones (ZESE) during the period when their income tax rate is zero (0%), taxpayers whose adjusted profit is equal to or less than zero, those governed by Article 32 of the Tax Statute (Concessions), state-owned industrial and commercial enterprises, or mixed-economy companies that operate monopolies related to luck, chance, and liquors; hotels and theme parks, provided they are not required to submit a country-by-country report.

v. The sum of certain non-taxable income, special deductions, exempt income, and tax discounts is limited to 3% of the ordinary taxable income.

vi. Article 158-1 is repealed, eliminating the possibility of deducting costs and expenses related to investments in Science, Technology, and Innovation (CTeI). These investments will now only qualify for a tax discount. The tax discount for 30% of CTeI investments approved by the National Tax Benefits Council (CNBT) remains, while the previous rule established a 25% discount.

vii. The possibility of deducting royalty payments, as per Articles 360 and 361 of the National Constitution, is eliminated, regardless of the payment denomination, accounting treatment, or form of payment (money or goods). The non-deductible amount corresponds to the total production cost of non-renewable resources. The Constitutional Court, in Judgment C-489 of 2023, declared unconstitutional paragraph 1 of Article 19 of Law 2277 of 2022, which prohibited the deduction of royalties from the taxable income base of companies engaged in the exploration and exploitation of non-renewable natural resources.

viii. The possibility of taking a tax discount of 50% on the ICA (Industry and Commerce Tax) paid before filing the return is eliminated. The entire amount paid prior to filing the income tax return will now be deductible.

ix. The 100% deduction continues for taxes, fees, and contributions effectively paid in the tax year that have a causal relationship with the generation of income (except for income tax). Additionally, 50% of the financial transactions tax (GMF) will be deductible, regardless of its relationship with income-generating activities.

x. Payments for membership to social clubs, labor costs for support personnel in housing, or other activities unrelated to income-generating activities, as well as personal expenses of partners, shareholders, clients, and/or their families, will not be deductible. All such expenses will be considered in-kind income for the beneficiaries.

xi. The values that are not deductible due to penalties arising from administrative, judicial, or arbitration proceedings will correspond to those with a punitive, sanctioning, or indemnification nature (Article 105, Paragraph 3 of the Tax Statute).

xii. The tax rate for occasional gains is set at 15%.

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

xiii. A withholding tax rate of 10% is established for dividends received by national companies that are not considered taxable income or occasional gain (previously 7.5%), which will be transferred to the individual resident or foreign investor. Exceptions under current regulations remain unchanged. Dividends and participations received by foreign permanent establishments of national companies that are not considered taxable income or occasional gain will be taxed at a special 20% rate.

xiv. It is stipulated that the tax on taxable dividends will be determined by: (i) applying the income tax rate corresponding to the year in which the dividends are declared (35%), and (ii) the remaining amount will be subject to the tax rate corresponding to non-taxable dividends, depending on the beneficiary (if a resident natural person or an undivided estate of a deceased resident, the table of Article 241 of the Tax Statute will apply).

xv. Dividends declared from profits of 2016 and earlier will retain the treatment in effect at that time, while those from profits obtained from 2017 onwards and declared starting in 2023 will be governed by the rates set forth in Law 2277 of December 2022

(14) Financial Obligations at Amortized Cost

The balances of financial obligations as at December 31, 2024, and 2023, are:

		December 31, 2024		December 31, 2023
Short-term financial liabilities				
Loans Banks	Ps.	1,195	Ps.	14,150
Third-party loans [(2)]		1,196,009		5,203
Finance leases [(3)]		793		1,570
		1,197,997		**20,923**
Outstanding Bonds		8,529		237,172
Total Short-term financial liabilities	**Ps.**	**1,206,526**	**Ps.**	**258,095**
Long-term financial liabilities				
Loans Banks [(1) y (4)]	Ps.	335,602	Ps.	493,406
Third-party loans [(2)]		-		1,031,954
Finance leases [(3)]		12,215		440
		347,817		**1,525,800**
Outstanding Bonds		1,200,000		900,000
Total Long-term financial liabilities		**1,547,817**		**2,425,800**
Total financial liabilities	**Ps.**	**2,754,343**	**Ps.**	**2,683,895**

(1) Obligations acquired with Banco Bogotá S.A. and Banco de Occidente, including both short-term and long-term principal and interest, initially agreed upon for a term of two years with lump sum payment:

Financial Liabilities - Agreed interest rates			
Loans rate:	IBR + 1.10 % T.V.	IBR + 1.20 % T.V.	IBR + 1.25 % T.V.
Amounts:	Ps. 124,520	Ps. 31,030	Ps. 180,052

- On December 19, 2024, Banco de Bogota S.A. and Banco de Occidente S.A. and Grupo Aval, agree to modify the promissory note in terms of the interest rate, and instead, a new interest rate is established equivalent to 1.10% for loans of Ps.124,520, 1.20% for Ps.31,030, and 1.25% for Ps.180,052.

- On December 19, 2024, a prepayment of loans to capital was made for Ps.157,804, constituted with Banco de Bogotá S.A. promissory notes No. 65312123-3, 65312376-7, 65312386-5, 65350000-1, and 653986648-8.

- On December 18, 2024, a prepayment of loans to capital was made for Ps.124,520, constituted with Banco de Bogotá S.A. and Banco de Occidente S.A. for Ps.46,765, promissory note No. 65312376-7, and Ps.77,755, promissory note No. 25630125596.

- On December 2, 2024, debt was acquired from Banco de Occidente S.A. for Ps.124,520, with an obligation acquired for 6 months, involving a single final payment to capital and a spread of 1.75%.

- On April 26, 2024, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term to one year loans for Ps.46,799, Ps.85,400 and Ps.29,000, instead establishing a new maturity date of April 26, 2025 and a spread of 1.69%.

- On May 22 and June 24, 2024, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term to one year credits for Ps.34,400 and Ps.40,000, instead, a new maturity date of May 26 and September 24, 2025 and a spread of 1.70% was established.

- On July 31, 2024, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term of loans amounting to Ps.53,000, Ps.100,000, and Ps.27,052 for one year, establishing a new maturity date of July 31, 2025, with a spread of 1.75%.

- On August 3, 2023, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term of loans amounting to Ps.5,000 and Ps.24,500 for one year, establishing a new maturity date of August 4, 2024, with a spread of 4.13%.

- On July 7, 2023, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term to one year for the loan of Ps.100,000. Instead, a new maturity date of July 7, 2024, is established, with a spread of 3.25%.

- On June 24, 2023, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term of the loan for Ps. 48,255 to one year, setting a new maturity date of July 8, 2024, and a spread of 3.65%.

- On June 24, 2023, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term to one year for the loan of Ps.40,000. Instead, a new maturity date of September 24, 2024, is established, with a spread of 3.2%.

- On May 24, 2023, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term to one year for the loan of Ps.34,400. Instead, a new maturity date of May 24, 2024, is established, with a spread of 2.75%.

- On April 26, 2023, Banco de Bogotá S.A. and Grupo Aval agreed to extend the term to one year for the loans of Ps.161,199. Instead, a new maturity date of April 26, 2024, is established, with a spread of 2.8%.

- For presentation purposes at the close of December 2024, and in accordance with paragraph 73 of IAS 1, long-term loans amounting to Ps.335,602 are included, maintaining the initially agreed interest rates and/or spreads.

(1) Corresponds to the obligation acquired on December 2, 2022, where Grupo Aval Limited grants a loan to Grupo Aval for USD$270 million, equivalent in Colombian pesos, with an agreed term of 18 months, SOFR 3M + 2.00% TV interest rate, and quarterly interest payments.

- On May 31, 2024, Grupo Aval Limited and Grupo Aval agreed to extend the term of the USD$ 270 million debt, equivalent in Colombian pesos, to 18 months and instead established a new maturity date of December 4, 2025 with SOFR 3M rate.

(2) Corresponds to the balance of the financial lease liability generated in the adoption of IFRS 16, amounting to Ps.14,200, minus the right-of-use amortization for the period of Ps.1,192.

- The nominal interest rate for determining interest and the depreciation of the right-of-use at the adoption date of IFRS 16 was set at 1.55% per month during the year 2023. On January 2, 2024, a rate quotation and validation were conducted, fixing the rate for the year 2024 at 1.15% per month, resulting in a variation in the right-of-use due to the rate adjustment Ps.62.

- On April 1, 2024, and 2023, the lease fee for the 22nd and 23rd floors of the Banco de Occidente Building was increased by 9.28% and 13.12%, generating a variation in the right of use due to an increase in the fee of Ps.156 and Ps.348, respectively.

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

- On June 30, 2024, and in compliance with the provisions of IFRS 16 in relation to lease agreements recognized as rights of use, it is certain to renew the term of the lease agreement of the 22nd and 23rd floors, for a period equal to that stipulated in the contract of 10 years. A quotation and validation of rates was made, setting the rate for the extension of the lease contract at 0.78% per month, which generated a variation in the right of use of Ps.13,377.
- On January 2, 2023, a rate quotation and validation were conducted, fixing the rate for the year 2023 at 1.55% per month, resulting in a variation in the right-of-use due to the rate adjustment of (Ps.446).

(3) On November 14, 2024, payment of the principal for the seventh issue of Series C, Subseries C5 – 5 years, ISIN: COT29CB00146, bonds was made for Ps. 100,000.

- On December 3, 2024, payment of the principal for the fourth issue of Series A, Subseries A15 – 15 years, ISIN: COT29CB00088, bonds was made for Ps. 124,520.
- On November 14, 2024, through a Dutch Auction mechanism, the placement and issuance of ordinary bonds by Grupo Aval Acciones y Valores S.A. were awarded for Ps. 300,000 with the following characteristics:

Series – Subseries	Awarded Amount (COP)	Margin/Rete
Series A - subseries A15 – 15 years, margin over IPC E.A.	Ps.200,000	IPC + 6.16% E.A.
Series C - subseries C3 – 3 years, Fixed Rate E.A.	Ps.100,000	10.42% E.A.

The loans obtained by Grupo Aval from its subsidiary Banco de Bogotá S.A. are secured with share guarantee contracts covering the total amount of the loans:

Guarantees on obligations as of December 31, 2024

	Loan amount	Number of shares as collateral	Company issuing the shares
		772,532,650	Banco Popular
Ps.	211,082	15,589,972	Banco de Occidente (2), (3) y (4)
		6,537,470	Corficolombiana (2) y (3)
	211,082	**794,660,092**	
	124,520	7,947,114	Banco Bogotá (1) y (2)
	124,520	**7,947,114**	
Ps.	**335,602**	**802,607,206**	

(1) On December 2, 2024, a pledge agreement was executed over shares of Banco de Bogotá S.A., involving 4,519,247 shares, to cover the entirety of obligations acquired as of that date with Banco de Occidente S.A.

(2) On November 2, 2023, a pledge contract is executed for shares of Banco de Bogotá S.A. and Banco de Occidente S.A., totaling 3,427,860 shares, to cover all obligations acquired up to that date.

(3) In May 2023, a pledge contract is executed for shares of Banco de Occidente S.A. and Corficolombiana, totaling 2,293,187 and 4,943,900 shares, to cover all obligations acquired with Banco de Bogotá S.A.

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

(3) On April 4, September 29, and November 8, 2022, a pledge contract is executed for shares of Banco de Occidente S.A., totaling 2,657,000, 1,686,000, and 1,453,000 shares, to cover all obligations acquired with Banco de Bogotá S.A.

The composition of principal and interest for the financial obligations is as follows:

	December 31, 2024			December 31, 2023		
Obligations	**Principal**	**Interest**	**Total**	**Principal**	**Interest**	**Total**
Bank loans	Ps. 335,602	Ps. 1,195	Ps. 336,797	Ps. 493,406	Ps. 14,150	Ps. 507,556
Third-party loans	1,190,471	5,538	1,196,009	1,031,954	5,203	1,037,157
Outstanding bonds	1,200,000	8,529	1,208,529	1,124,520	12,652	1,137,172
Total	**Ps. 2,726,073**	**Ps. 15,262**	**Ps. 2,741,335**	**Ps. 2,649,880**	**Ps. 32,005**	**Ps. 2,681,885**

The book value and fair value of financial liabilities at amortized cost (calculation methodology included in note 4 - Fair value estimation in its Financial Liabilities and Other Liabilities section) are as follows:

	Book value		Fair value	
Principal balance and interest	**December 31, 2024**	**December 31, 2021**	**December 31, 2024**	**December 31, 2023**
Bank loans (1)	Ps. 336,797	Ps. 507,556	Ps. 335,722	Ps. 532,678
Third-party loans 2)	1,196,009	1,037,157	1,208,694	1,064,408
Outstanding bonds (3)	1,208,529	1,137,172	1,096,425	1,088,765
Total	**Ps. 2,741,335**	**Ps. 2,681,885**	**Ps. 2,640,841**	**Ps. 2,685,851**

(1) The fair values of bank loans are calculated by taking the credit spread (margin); in turn, market rates for papers indexed to DTF and IBR are calculated, and the implicit rate in the SWAP DTF - Fixed Rate curve, quoted in Precia, is added to them. As at December 31, 2024, and 2023, the average discount rates used were 10.1584% and 11.2265%, respectively, and they are classified in level 2 of the hierarchy.

(2) For the valuation of loans in dollars, the fair value was calculated using the Credit Default Swap (CDS) curve for Colombia, plus the IRS curve in dollars, adding the credit spreads (margin) of AA-rated issuers, calculated in the market for papers issued in DTF + the SWAP rate DTF minus the zero-coupon curve of the TES. As of December 31, 2024, and 2023, the average discount rates used were 10.1310% and 10.6001%, respectively, and they are classified at level 2 of the hierarchy.

(3) For the calculation of the fair value of the outstanding bonds, Precia (formerly Infovalmer) prices were used for each of the periods, calculated with the estimated price, which corresponds to the 'dirty' price. This is obtained as the present value of the cash flows of a security, discounted.

Maturities of obligations as of December 31, 2024

Obligation	2025	2026	2027	2036	2039	2042	Total
Bank loans (1)	Ps. 1,195	Ps. 335,602	Ps. -	Ps. -	Ps. -	Ps. -	Ps. 336,797
Third-party loans (1)	1,196,009	-	-	-	-	-	1,196,009
Outstanding bonds (1)	8,529	93,000	100,000	207,000	500,000	300,000	1,208,529
Total	**Ps. 1,205,733**	**Ps. 428,602**	**Ps. 100,000**	**Ps. 207,000**	**Ps. 500,000**	**Ps. 300,000**	**Ps. 2,741,335**

(1) Includes principal and interest
The contractual maturities are presented in accordance with the provisions of Appendix B11C of IFRS 7.

IFRS 16 Maturities as of December 31, 2024

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

		Short-term		Between 1 and 3 years		Between 3 and 5 years		More than 5 years		Total
Leasing		773		2,876		3,808		5,531		13,008
Total	**Ps.**	**773**	**Ps.**	**2,876**	**Ps.**	**3,808**	**Ps.**	**5,531**	**Ps.**	**13,008**

Currency of financial liabilities

		December 31, 2024	December 31, 2023
Colombian pesos	Ps.	1,558,334	1,646,738
US Dollar [1] (Peso's equivalent)		1,196,009	1,037,157
Total	**Ps.**	**2,754,343**	**2,683,895**

[1] This corresponds to the obligation acquired on December 2, 2022, where Grupo Aval Limited grants a loan to Grupo Aval for USD$ 270 million U.S. dollars, equivalent in Colombian pesos, with a term of 18 months, SOFR 3M + 2.00%TV interest rate, and quarterly interest payments.

- On May 31, 2024, Grupo Aval Limited and Grupo Aval agreed to extend the term of the debt amounting to USD $270 million, equivalent in Colombian pesos, for 18 months. The new maturity date is set for December 4, 2025, with a 3-month SOFR rate applicable

Annual interest rates for financial liabilities

	December 31, 2024			
	Expressed in Colombian pesos		In a foreign currency	
	Minimum Rate	Maximum Rate	Minimum Rate	Maximum Rate
Bank loans	12.14%	17.66%	-	-
Third-party loans	-	-	6.97%	7.89%
Outstanding bonds	6.42%	15.88%	-	-

	December 31, 2023			
	Expressed in Colombian pesos		In a foreign currency	
	Minimum Rate	Maximum Rate	Minimum Rate	Maximum Rate
Bank loans	13.49%	17.74%	-	-
Third-party loans	-	-	6.59%	7.60%
Outstanding bonds	6.42%	19.17%	-	-

The composition of the bond debt liability as at December 31, 2024, and 2023, by issuance date and maturity date is as follows:

Issuer	Issue date		December 31, 2024		December 31, 2023	Maturity date	Interest Rate
Grupo Aval Acciones y Valores S.A [1]	dic-09	Ps.	-	Ps.	124,520	dic-24	IPC + 5.20%
	nov-16		93,000		93,000	nov-26	IPC + 3.86%
			207,000		207,000	nov-36	IPC + 4.15%

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

jun-17	300,000	300,000	jun-42	IPC + 3.99%
nov-19	-	100,000	nov-24	FIJA 6.42%
	300,000	300,000	nov-39	IPC + 3.69%
dic-24	100,000	-	dic-27	FIJA 10.08%
	200,000	-	dic-39	IPC + 6.16%
	Ps. 1,200,000	**Ps. 1,124,520**		

(1) Principal value of the issuance.

(15) Employee Benefits

Under Colombian labor law, the contracts signed with the company's employees grant them rights to short-term benefits such as salaries, vacation pay, legal bonuses, severance pay, and severance interest. Long-term benefits are not included in these contracts.

Similarly, in accordance with Colombian regulations, companies and their employees are required to make pension contributions to defined contribution funds established by the general pension and social security system, as per Law 100 of 1993. Therefore, the Company is not responsible for long-term pension benefits

The following is the breakdown of employee benefits balances as at December 31, 2024 and 2023:

		December 31, 2024		December 31, 2023
Short-Term Benefits	**Ps.**	**2,694**	**Ps.**	**2,880**

(16) Accounts Payable and Other Liabilities

The balances of accounts payable and other liabilities comprise the following items as at December 31, 2024 and 2023:

		December 31, 2024		December 31, 2023
Dividends Payable	Ps.	197,270	Ps.	360,039
Accounts Payable		410		419
Withholdings and other labor-related contributions		1,256		1,224
Commissions and Fees		1,857		1,893
Other Accounts Payable		457		423
Total Accounts Payable	**Ps.**	**201,250**	**Ps.**	**363,998**
Taxes (1)		11,997		13,335
Other Non-Financial Liabilities		1,231		1,214
Total Other Liabilities	**Ps.**	**13,228**	**Ps.**	**14,549**
Total	**Ps.**	**214,478**	**Ps.**	**378,547**

(1) Taxes Payable

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

		December 31, 2024		December 31, 2023
Industry and Commerce Tax		1,550		**2,941**
VAT Payable		8,054		**7,449**
Withholding Tax		2,296		**2,829**
VAT Withholdings		75		**101**
Withholdings on Industry and Commerce Tax		22		**15**
Total Taxes	**Ps.**	**11,997**	**Ps.**	**13,335**

(17) Shareholders' equity

Issued capital

As at December 31, 2024 and 2023, the authorized capital was Ps.120,000, represented in 120,000,000,000 shares, with a nominal value of one peso each.

At the Shareholders' meeting held on December 7, 2010, a modification to the statues was approved, allowing the possibility of converting common shares into shares with preferential dividend. This modification of the statues was approved by the Superintendencia Financiera de Colombia through Resolution No. 2443 of December 23, 2010. The defined exchange ratio was 1 common share for 1 share with a non-voting preferred dividend. Shares may only be converted when approved or authorized, as the case may be, by the Shareholders' General Meeting.

Subscribed and paid capital

The subscribed and paid capital as at December 31, 2024 and 2023 is as follows:

		December 31, 2024		December 31, 2023
Total number of authorized shares		120,000,000,000		120,000,000,000
Total subscribed and paid shares [(1)]		23,743,475,754		23,743,475,754
Subscribed and paid-up capital	**Ps.**	**23,743**	**Ps.**	**23,743**

The preferred shares issued entitle the holder to receive a minimum preferential dividend on the profits of the year, after wiping out the losses that affect the capital, deducting the contribution that must be legally allocated for legal reserve, and before creating or increasing any other reserve. The minimum preferred dividend is one peso (1.00) semi-annual per share, provided that preferred dividend exceeds the dividend declared for ordinary shares; otherwise, if the minimum preferred dividend is not higher than that corresponding to the ordinary shares, only the value of the dividend declared for each ordinary share will be recognized for each preferred share. Taking into account the above, the minimum preferred dividend and the minimum dividend that is declared for ordinary shares will not be cumulative. As at December 2024 and 2023, the right to convert ordinary shares into preferred shares has been exercised for a total of 500,000 shares and 2,433,481 shares, respectively.

The shareholding composition after conversion is as follows:

	December 31, 2024	December 31, 2023
Ordinary Shares	16,201,212,499	16,201,712,499

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

Preferred Shares	7,542,263,255	7,541,763,255
	23,743,475,754	**23,743,475,754**

Capital surplus

The capital surplus as at December 31, 2024 and 2023 is as follows:

		December 31, 2024		December 31, 2023
Capital Surplus	Ps.	9,695,243	Ps.	9,695,243

Retained earnings (losses)

Legal reserve

According to legal provisions, every company must establish a legal reserve by allocating 10% of the net profits of each year until reaching 50% of the subscribed capital. As at December 31, 2024 and 2023, Grupo Aval complies with 50% of the subscribed capital for the appropriation of the Legal Reserve. The reserve may be reduced to less than fifty per cent 50% of the subscribed capital, when it is intended to cover losses in excess of undistributed profits.

Mandatory and voluntary reserves

Mandatory and voluntary reserves are determined during the Shareholders' Meetings. Below is a breakdown of retained earnings (losses) as at December 31, 2024 and 2023:

Retained Earnings		**December 31, 2024**		**December 31, 2023**
Legal Reserve	Ps.	11,872	Ps.	11,872
Occasional reserve at the disposal of the highest corporate organ		7,374,078		7,220,883
	Ps.	**7,385,950**	**Ps.**	**7,232,755**
Earning in first-time adoption		256,878		256,878
Withholding tax on dividends (1)		(41,203)		(38,480)
Realization of OCI on entities		1,240		(759)
Preferred dividends declared subsidiaries (2)		(8,844)		-
	Ps.	**7,594,021**	**Ps.**	**7,450,394**

(1) In accordance with paragraph 65A of IAS 12, which states that the value of the withholding tax on dividends has been recognised in equity by (Ps. 41,203), of which (Ps. 32,042) corresponds to the participation (Equity method) in the withholding tax recognised by the entities over which Grupo Aval has control and (Ps. 9,161) corresponds to the net of the withholding tax transferred by its subsidiaries to Grupo Aval by (Ps. 23,706) and that transferred by Grupo Aval to its shareholders by Ps. 15,545, in accordance with the provisions Art. 242-1 ET, as amended by Act 1943 of 2018.

(2) According Corficolombiana's PDP (Profit Distribution Project) in March 2024, cash dividends were declared only for preferred shares, which generated an equity variation in retained earnings of Ps. 8,844 as part of the MPP calculation; in Banco de Bogotá (Ps. 5,222), Banco Popular (Ps. 1,063), Banco de Occidente (Ps. 659) and Grupo AVAL (Ps. 1,900).

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

Decreed dividends

Dividends are decreed and paid to shareholders based on the occasional reserves available to the highest corporate organ. As of 2017, the Company has been cutting accounts on an annual basis. The declared dividends were as follows for the results of the years ended December 31, 2023 and 2022:

		December 31, 2023		December 31, 2022
Unconsolidated earnings for the year	Ps.	723,038	Ps.	2,541,179
Dividends paid in cash		At the meeting held in March 2024, 24.00 pesos per share were declared, payable in twelve installments of 2.00 pesos per share, from April 2024 to March 2025.		At the meeting held in March 2023, 43.20 pesos per share were declared, payable in twelve installments of 3.60 pesos per share, from April 2023 to March 2024.
Outstanding Common Shares		16,201,712,499		16,203,440,659
Outstanding preferred shares		7,541,763,255		7,540,035,095
Total shares outstanding		**23,743,475,754**		**23,743,475,754**
Total declared dividends	**Ps.**	**569,843**	**Ps.**	**1,025,718**

Other comprehensive results

The method of participation as at December 31, 2024 and 2023 is detailed below:

		December 31, 2024		December 31, 2023
Surplus equity method				
Banco de Bogotá S.A. (1)	Ps.	146,988	Ps.	(153,292)
Banco de Occidente S.A.		(130,682)		(124,422)
Banco Popular S.A.		(67,073)		(57,898)
Banco Comercial AV Villas S.A.		(48,426)		(98,452)
Corporación Financiera Colombiana S.A.		39,104		8,674
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.		(13,092)		(12,281)
Grupo Aval Limited		(271,007)		(212,844)
Total other equity holdings	**Ps.**	**(344,188)**	**Ps.**	**(650,515)**

Proper capital management

The Company at the individual level is not subject to any minimum equity requirement for the development of its operations; therefore, the management of the Company's capital is aimed at satisfying the minimum capital requirements of the subsidiary financial institutions in accordance with the parameters established in Colombian legislation, so that the Company can maintain and even increase its participation in the equity of such entities.

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

(18) Contingencies

a. Commitments

1. As at December 31, 2024, the loans obtained by the Company with its subsidiary Banco de Bogota S.A. and Banco de Occidente S.A., are guaranteed with; 15,589,972 shares of Banco de Occidente S.A., 772,532,650 shares of Banco Popular, 6,537,470 shares of Corficolombiana, and 7,947,114 of Banco de Bogota.

2. The Company is a guarantor of the bonds issued on the international capital market by its subsidiary Grupo AVAL Limited in the Cayman Islands, pursuant to Regulation S of the Securities Act of 1933 of the United States of America and under Rule 144A, for USD 1 billion as follows:

   - In February 2020, USD 1 billion was issued, maturing in February 2030, with a deduction of 56.8 basis points, price of 99.43% and coupon of 4.375%.

3. In September 2022, Grupo Aval Limited made the payment of the September 2012 bond issue for USD 1 billion, for which Grupo Aval was the guarantor.

4. In the agreement signed between Grupo Aval and Fiduciaria Corficolombiana S.A., the possibility is contemplated for Grupo Aval to acquire the remaining 5.5% of the shares of Fiduciaria Corficolombiana S.A., within an additional six (6) months after December 2024

(19) Operating revenue

A breakdown of income for the periods ended at December 31, 2024 and 2023:

		Acumulado a		
		December 31, 2024		December 31, 2023
Operating revenue				
Income method of participation in subsidiary companies [1]	Ps.	946,682	Ps.	727,248
Income method of participation in associated companies [2]		5,525		3,792
Total revenue share method	**Ps.**	**952,207**	**Ps.**	**731,040**
Other income from regular activities				
Interest	Ps.	13,587	Ps.	17,751
Financial returns		126,167		132,391
Commissions and/or fees		284,991		292,641
Miscellaneous - Remuneration		227		267
Compensation		10		-
Total other income		**424,982**		**443,050**
Total operating revenue	**Ps.**	**1,377,189**	**Ps.**	**1,174,090**
Net income per share	**Ps.**	**42.11**		**30.45**

[1] Investments in entities over which the Company has control are Banco de Bogotá S. A., Banco de Occidente S. A., Banco Comercial AV Villas S. A., Banco Popular S. A., Corporación Financiera Colombiana S. A., Grupo Aval Limited and Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S. A., these are referred to as “Investments in Subsidiiaries” and are accounted for using the equity method in accordance with IAS 28.

[2] Corresponds to the associated company ADL Digital Lab S.A.S., and is accounted for using the equity method in accordance with IAS 28.

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

Calculation of the equity method income

The basis for calculating the equity method income for the periods ending 31 December 2024 and 2023 is set out below:

	For the period ended in								
	Percentage of Participation			Income Basis for the Equity method			Equity method income		
	December 31, 2024	December 31, 2023		December 31, 2024		December 31, 2023		December 31, 2024		December 31, 2023
Subsidiaries										
Banco de Bogotá S.A.	68.93%	68.93%	Ps.	1,083,288	Ps.	956,142	Ps.	746,661	Ps.	659,025
Banco de Occidente S.A.	72.27%	72.27%		472,762		465,280		341,674		336,267
Banco Comercial AV Villas S.A.	79.86%	79.86%		(149,810)		(216,312)		(119,631)		(172,736)
Banco Popular S.A.	93.74%	93.74%		(314,009)		(398,824)		(294,361)		(373,869)
Corporación Financiera Colombiana S.A.	8.71%	8.71%		191,913		894,378		16,708		77,867
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.	20.00%	20.00%		652,548		558,610		130,512		111,724
Grupo Aval Limited	100.00%	100.00%		125,119		88,970		125,119		88,970
Total subsidiaries			Ps.	**2,061,811**	Ps.	**2,348,244**	Ps.	**946,682**	Ps.	**727,248**
Associates										
ADL Digital LAB S.A.S.	34.00%	34.00%		16,251		11,153		5,525		3,792
Total associcates			Ps.	**16,251**	Ps.	**11,153**	Ps.	**5,525**	Ps.	**3,792**
Total permanent investments			Ps.	**2,078,062**	Ps.	**2,359,397**	Ps.	**952,207**	Ps.	**731,040**

(20) General overhead and financial expenses

A detail of expenses for the periods ended December 31, 2024 and 2023 is as follows:

		Accumulated as of		
		December 31, 2024		December 31, 2023
Administrative expenses				
Personnel expenses	Ps.	42,295	Ps.	39,779
Fees		15,815		13,885
Taxes:				
Industry and commerce Tax		10,642		15,419
Financial transaction tax		4,293		3,940
Selling expenses		1,569		1,160
Contributions and affiliations		1,596		1,155
Leases		8		9
Services		1,475		1,374
Property and equipment depreciation		1,754		1,724
Amortization		20		11
Maintenance and repairs		300		237
Travel expenses		210		115
Other administrative expenses		1,107		958
Total administrative expenses	**Ps.**	**81,084**	**Ps.**	**79,766**
Other expenses				
Impairment of accounts receivable from related parties	Ps.	(507)	Ps.	(689)
Miscellaneous		162		222
Total other expenses	**Ps.**	**(345)**	**Ps.**	**(467)**
Foreign exchange gain (loss)				
Foreign exchange gain	Ps.	152,331	Ps.	(246,312)
Foreign exchange loss		(157,177)		247,807

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

Net foreign exchange gain (loss)	**Ps.**	**(4,846)**	**Ps.**	**1,495**
Financial expenses				
Banking expenses	Ps.	10	Ps.	5
Commissions		-		23
	Ps.	**10**	**Ps.**	**28**
Interest:				
Outstanding bonds		122,794	Ps.	168,901
Interest on bank loans and other financial obligations		147,230		157,338
Interest on lease liabilities (IFRS 16)		747		490
Total interest		**270,771**	**Ps.**	**326,729**
Total financial expenses		**270,781**	**Ps.**	**326,757**

(21) Related parties:

In accordance with IAS 24, a related party is a person or entity that is related to the entity that prepares its financial statements, which may exercise control or joint control over the reporting entity, exercise significant influence over the reporting entity or be considered a member of key management personnel of the reporting entity or of a controlling entity of the reporting entity. The definition of related party includes persons and/or relatives related to the entity, entities that are members of the same group (" controller" and "subsidiary"), associates or joint ventures of the entity or group entities, and post-employment benefit plans for the benefit of employees of the reporting entity or a related entity.

The related parties that currently apply to the Company are as follows:

1. Natural persons who exercise control or joint control, who own more than 50% of Grupo Aval; additionally includes close relatives who could be expected to influence or be influenced by that person.
2. Natural persons, who are members of key management personnel and have authority and responsibility for planning, directing and controlling the activities of the entity, members of the Board of Directors, President and Vice Presidents and senior management personnel of Grupo Aval; additionally includes close relatives who could be expected to influence or be influenced by that person.
3. Juridical persons that are members of the same group; this category includes the controlling company, subsidiaries or other subsidiaries of the same controlling company of Grupo Aval.
4. Associated companies and joint ventures are entities over which the Company has significant influence, generally defined as an ownership between 20% and 50% of its capital.
5. This category includes entities that are controlled by the natural persons included in numbers 1 and 2.
6. This item includes entities in which the persons referred over items 1 and 2 exercise significant influence.

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

a. Balances ended December 31, 2024 and 2023 with related parties are included in the following accounts:

December 31, 2024

Categories	1 Individuals exercising control or joint control	2 Core management personnel	3 Companies members of the same group	4 Associates and joint ventures	5 Entities controlled by the persons included in categories 1 and 2	6 Entities in which the persons included in categories 1 and 2 exercise significant influence
Assets						
Cash and cash equivalents	Ps. -	Ps. -	Ps. 126,152	Ps. -	Ps. -	Ps. -
Financial assets in investments	-	-	19,444,876	17,756	-	-
Accounts receivable	-	-	127,755	-	1,198,109	-
Liabilities						
Accounts payable	8	118	23	84	115,682	1
Financial obligations at amortized cost	-	-	1,563,433	-	30,030	-

December 31, 2023

Categories	1 Individuals exercising control or joint control	2 Core management personnel	3 Companies members of the same group	4 Associates and joint ventures	5 Entities controlled by the persons included in categories 1 and 2	6 Entities in which the persons included in categories 1 and 2 exercise significant influence
Assets						
Cash and cash equivalents	Ps. -	Ps. -	Ps. 157,320	Ps. -	Ps. -	Ps. -
Financial assets in investments	-	-	18,651,723	12,231	-	-
Accounts receivable	-	-	237,163	-	1,242,002	-
Liabilities						
Accounts payable	15	108	48	-	256,318	2
Financial obligations at amortized cost	-	20	1,545,688	-	30,045	-

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

Transactions with related parties during the cumulative periods as at December 31, 2024 and 2023, comprise:

a. Sales, services and transfers

December 31, 2023

Categories		1 Individuals exercising control or joint control		2 Core management personnel		3 Companies members of the same group		4 Associates and joint ventures		5 Entities controlled by the persons included in categories 1 and 2		6 Entities in which the persons included in categories 1 and 2 exercise significant influence
Interest income	Ps.	-	Ps.	-	Ps.	15,212	Ps.	-	Ps.	124,364	Ps.	-
Interest expense		-		1		147,503		-		3,469		-
Fee and commission income		-		-		284,991		-		-		-
Fees and commissions expense		-		2,123		503		75		-		-
Operating expenses - administrative		-		-		-		-		1,939		-
Other expenses		-		-		107		-		35		-

December 31, 2022

Categories		1 Individuals exercising control or joint control		2 Core management personnel		3 Companies members of the same group		4 Associates and joint ventures		5 Entities controlled by the persons included in categories 1 and 2		6 Entities in which the persons included in categories 1 and 2 exercise significant influence
Interest income	Ps.	-	Ps.	-	Ps.	17,768	Ps.	-	Ps.	132,278	Ps.	-
Interest expense		-		1		157,452		-		685		-
Fee and commission income		-		-		292,641		-		-		-
Fees and commissions expense		-		1,207		75		-		-		90
Operating expenses - administrative		-		-		-		-		1,761		-
Other expenses		-		-		20		-		31		-

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

b. Compensation of core management personnel:

Compensation received by Core Management Personnel is comprised of the following:

		December 31, 2024		December 31, 2023
Salaries	Ps.	17,399	Ps.	15,829
Short-term employee benefits		2,313		3,070
Total	**Ps.**	**19,712**	**Ps.**	**18,899**

Compensation of core management personnel includes salaries, vacation allowance and the company's expenses in Health Promoting Entities (EPS Entidad Promotora de Salud in spanish), Pension Fund Administrators (AFP Administradora de Fondo de Pensiones in spanish), Labor Risk Administrators (ARL Administradora de riesgos Laborales in spanish), (CCF Caja de Compensación Familiar in spanish), (ICBF Instituto Colombiano de Bienestar Familiar in spanish) y (SENA Servicio Nacional de Aprendizaje in spanish).

The Company has not granted any long-term benefits to its employees.

(22) Subsequent events

In January 2025 the company AVAL BANCA DE INVERSIÓN SAS was incorporated, which will have as part of its purpose the structuring of financial operations, Project Finance advisory, accompanying clients to obtain resources in the banking and capital markets, advisory in mergers and acquisitions processes, as well as the provision of financial consulting services. Grupo Aval participated in 70% of the shareholding of this new company and Corficolombiana participated in the remaining 30%. And a total capital stock of Ps. 8,000.

(23) Approval for the presentation of the financial statements

The Board of Directors of Grupo Aval, in a meeting held on March 03, 2025, approved the presentation of the separate financial statements as at December 31, 2024 and the accompanying notes, for consideration by the Company's General Shareholders' Meeting.