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(FREE TRANSLATION OF THE REPORT ISSUED IN SPANISH)
STATUTORY AUDITOR'S REPORT ON THE REVIEW OF THE CONDENSED SEPARATE
INTERIM FINANCIAL INFORMATION

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

Introduction

I have reviewed the accompanying condensed separate interim financial information as of June 30, 2024 of Grupo Aval Acciones y Valores S.A. (the Company), which comprises:

- the condensed separate statement of financial position as of June 30, 2024;
- the condensed separate statement of income for the three and six month periods ended June 30, 2024;
- the condensed separate statement of other comprehensive income for the three-month and six-month periods ended June 30, 2024;
- the condensed separate statement of changes in equity for the six-month period ended June 30, 2024;
- the condensed separate statement of cash flows for the six-month period ended June 30, 2024; and
- the notes to the condensed separate interim financial information.

Management is responsible for the preparation and presentation of this condensed separate interim financial information in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Information contained in the Accounting and Financial Reporting Standards accepted in Colombia. My responsibility consists of expressing a conclusion on this condensed separate financial information, based on my review.

Scope of the review

I have conducted my review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", included in the Information Assurance Standards accepted in Colombia. A review of condensed separate interim financial information consists of making inquiries, mainly with the persons responsible for financial and accounting matters, and the application of analytical and other review procedures. The scope of a review is substantially less than that of an audit performed in accordance with International Standards on Auditing accepted in Colombia and, consequently, does not allow me to obtain assurance that I am aware of all significant matters that I could have identified in an audit. Therefore, I do not express an audit opinion.

**Conclusion**

Based on my review, no matter has come to my attention that leads me to believe that the accompanying condensed separate interim financial information of the Company as of June 30, 2024 has not been prepared, in all material respects, in accordance with International Accounting Standard 34 (IAS 34) - Interim Financial Reporting contained in the Accounting and Financial Reporting Standards accepted in Colombia.

(Original signed in Spanish)
Diana Alexandra Rozo Muñoz
Statutory Auditor of Grupo Aval Acciones y Valores S.A.
Registration 120741-T
Member of KPMG S.A.S.

August 14, 2024

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

	Note	June 30th 2024	December 31st 2023
Assets			
Current assets			
Cash and cash equivalents	5 Ps.	140,178	Ps. 157,323
Trading securities	6	312	256
Amortized cost investments	7	35,185	18,707
Accounts receivable from related parties	8	619,654	444,964
Taxes paid in advance	8	44	5,958
Other accounts receivable	8	413	31
Other non-financial assets		132	103
Total current assets		795,918	627,342
Non-current Assets			
Investments in subsidiaries and associates	9 Ps.	18,568,105	Ps. 18,645,247
Accounts receivable from related parties	8	1,119,971	1,031,954
Property and equipment, net	10	14,047	2,404
Deferred tax assets, net	11	-	278
Total non-current Assets		19,702,123	19,679,883
Total assets	Ps.	20,498,041	Ps. 20,307,225
Liabilities and shareholders' equity			
Current liabilities			
Financial obligations at amortized cost	12 Ps.	17,415	Ps. 20,923
Outstanding bonds at amortized cost	12	234,441	237,172
Accounts payable	14	534,469	363,998
Employee benefits	13	2,311	2,880
Tax liabilities	14	12,301	13,335
Other non-financial liabilities	14	1,214	1,214
Total current liabilities		802,151	639,522
Long-term liabilities			
Deferred tax liability	11 Ps.	180	Ps. -
Financial obligations at amortized cost	12	1,625,997	1,525,800
Outstanding bonds at amortized cost	12	900,000	900,000
Total long-term liabilities		2,526,177	2,425,800
Total liabilities	Ps.	3,328,328	Ps. 3,065,322
Equity			
Subscribed and paid capital	15 Ps.	23,743	Ps. 23,743
Additional paid-in capital	15	9,695,243	9,695,243
Retained earnings	15	7,596,800	7,450,394
Net income		311,980	723,038
Other comprehensive income	15	(458,053)	(650,515)
Total shareholders' equity	Ps.	17,169,713	Ps. 17,241,903
Total liabilities and shareholders' equity	Ps.	20,498,041	Ps. 20,307,225

The accompanying notes are an integral part of these condensed separate financial statements

Diego Fernando Solano Saravia
Legal Representative
(See my certification report of August 14, 2024)

María Edith González Flórez
Certified Public Accountant
Registration 13083-T
(See my certification report of August 14, 2024)

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

	Note	For the accumulated quarter		For the accumulated six-month period	
		June 30th 2024	June 30th 2023	June 30th 2024	June 30th 2023
Operating revenue					
Equity method income, net	17	Ps. 184,022	Ps. 158,553	Ps. 303,429	Ps. 571,049
Other revenue from ordinary activities	17	106,504	117,766	213,804	234,376
Total operating revenue		Ps. 290,526	Ps. 276,319	Ps. 517,233	Ps. 805,425
Expenses, net					
Administrative expenses	18	Ps. 18,378	Ps. 19,958	Ps. 41,326	Ps. 38,671
Other expenses	18	(32)	(112)	(26)	(211)
revenue from exchange rate differences	18	(2,486)	472	(2,457)	342
Operating income		Ps. 274,666	Ps. 256,001	Ps. 478,390	Ps. 766,623
Financial expenses	18	68,348	83,786	141,449	165,318
Earnings before taxes		Ps. 206,318	Ps. 172,215	Ps. 336,941	Ps. 601,305
Income tax expense	11	13,952	12,616	24,961	25,766
Net income from continuing operations		Ps. 192,366	Ps. 159,599	Ps. 311,980	Ps. 575,539
Net income		Ps. 192,366	Ps. 159,599	Ps. 311,980	Ps. 575,539
Number of shares outstanding	15	23,743,475,754	23,743,475,754	23,743,475,754	23,743,475,754
Net income per share		Ps. 8.10	Ps. 6.72	Ps. 13.14	Ps. 24.24

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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 quarter		For the accumulated six-month period	
	June 30th	June 30th	June 30th	June 30th
	2024	2023	2024	2023
Net income	Ps. 192,366	Ps. 159,599	Ps. 311,980	Ps. 575,539
Other comprehensive income (OCI), net of taxes				
Participation in other comprehensive income reported using the equity method	68,566	125,442	192,462	450,879
Comprehensive income, net	Ps. 260,932	Ps. 285,041	Ps. 504,442	Ps. 1,026,418

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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. <u>23,743</u>	Ps. <u>9,695,243</u>	Ps. <u>11,872</u>	Ps. <u>12,817,186</u>	Ps. <u>(245,351)</u>	Ps. <u>(6,644,277)</u>	Ps. <u>2,541,179</u>	Ps. <u>(1,237,319)</u>	Ps. <u>16,962,276</u>
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	-	-	-	-	-	-	-	450,879	450,879
Withholding tax on dividends	-	-	-	-	2,328	-	-	-	2,328
Net Income	-	-	-	-	-	-	575,539	-	575,539
Balance as of June 30th 2023	Ps. <u>23,743</u>	Ps. <u>9,695,243</u>	Ps. <u>11,872</u>	Ps. <u>7,220,883</u>	Ps. <u>224,464</u>	Ps. <u>-</u>	Ps. <u>575,539</u>	Ps. <u>(786,440)</u>	Ps. <u>16,965,304</u>
Balance as of December 31st 2023	Ps. <u>23,743</u>	Ps. <u>9,695,243</u>	Ps. <u>11,872</u>	Ps. <u>7,220,883</u>	Ps. <u>217,639</u>	Ps. <u>-</u>	Ps. <u>723,038</u>	Ps. <u>(650,515)</u>	Ps. <u>17,241,903</u>
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	-	-	-	-	-	-	-	192,462	192,462
Changes in subsidiaries equity	-	-	-	-	(9,031)	-	-	-	(9,031)
Withholding tax on dividends	-	-	-	-	2,242	-	-	-	2,242
Net Income	-	-	-	-	-	-	311,980	-	311,980
Balance as of June 30th 2024	Ps. <u>23,743</u>	Ps. <u>9,695,243</u>	Ps. <u>11,872</u>	Ps. <u>7,374,078</u>	Ps. <u>210,850</u>	Ps. <u>-</u>	Ps. <u>311,980</u>	Ps. <u>(458,053)</u>	Ps. <u>17,169,713</u>

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

		For the accumulated six-month period	
		June 30th	June 30th
	Note	2024	2023
Cash flow from operating activity:			
Net Income		Ps. 311,980	Ps. 575,539
Adjustments to reconcile net income with net cash provided (used) by operating activities			
Income tax expense		Ps. 24,961	Ps. 25,766
Depreciation and amortization	10	940	838
Loan Impairment	8	(160)	(238)
Equity method income	17	(303,429)	(571,049)
Changes in operating assets and liabilities:			
(Increase) Decrease in trading securities		Ps. (57)	Ps. 565
Increase (Decrease) in receivable interests	8	(455)	(609)
Decrease in other assets and liabilities, net: prepaid taxes, prepaid expenses, taxes, accounts payable, employee liabilities, estimated liabilities and provisions		(21,472)	(21,923)
Decrease in interests payable		(5,300)	344
Interest paid on lease agreements (IFRS 16)	18	(126)	(267)
Dividends received by subsidiaries		390,020	358,854
Net cash provided by operating activities		Ps. 396,902	Ps. 367,820
Cash flow from investing activities:			
Amortized cost investments	7	(15,150)	-
Acquisition of property and equipment	12	(382)	-
Net cash used in investing activities		Ps. (15,532)	Ps. -
Cash flow from financing activities:			
Dividends paid		(396,467)	(256,500)
Payment of lease liabilities	12	(823)	(587)
Net cash used in financing activities		Ps. (397,290)	Ps. (257,087)
Effect of exchange rate difference on cash		(1,225)	-
Change in cash and cash equivalents		(17,145)	110,733
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. 140,178	Ps. 178,172
Additional information:			
Payment of Interest		Ps. 146,870	Ps. 165,228

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GRUPO AVAL ACCIONES Y VALORES S.A.
Notes to the Separate Financial Statements
(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 June 30, 2024 and December 31, 2023, was 123 and 119 respectively.

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.

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

The condensed separate interim condensed financial information 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.

The condensed interim separate financial statements do not include all the information and disclosures required for an annual financial statement, and therefore need to be read in conjunction with the annual separate financial statements as at 31 December 2023. In accordance with IAS 34 Interim Financial Reporting, the accounting policies used for interim periods are the same as those applied in the preparation of the annual financial statements.

Grupo Aval Acciones y Valores S.A., presents stability in the recognition of its results in each quarter, as in the different periods disclosed above there is no evidence of seasonality or cyclical effects in its disclosed results.

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

In preparing these interim financial statements, the Company's management makes estimates and assumptions that affect the application of policies, the amounts recognized and the carrying amounts of assets and liabilities, income and expenses.

GRUPO AVAL ACCIONES Y VALORES S.A.
Notes to the Separate Financial Statements
(Stated in millions of Colombian pesos, except earnings per share)

Significant judgements made by management apply to the Group's accounting policies and the key sources of estimates were the same as those applied to the separate annual financial statements for the period ended at December 31, 2023.

(4) 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 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 do not have 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

GRUPO AVAL ACCIONES Y VALORES S.A.
Notes to the Separate Financial Statements
(Stated in millions of Colombian pesos, except earnings per share)

If a fair value measurement uses observable 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.

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 June 30, 2024, and December 31, 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 June 30, 2024, and December 31, 2023, on a recurring basis:

		June 30, 2024			
		Level 1	Level 2	Level 3	Total
Assets					
Amortized cost investments	Ps.	-	Ps. -	Ps. 35,185	Ps. 35,185
Trading securities at fair value		-	312	-	312
Total recurring fair value assets	Ps.	-	Ps. 312	Ps. 35,185	Ps. 35,497
		December 31, 2023			
		Level 1	Level 2	Level 3	Total
Assets					
Amortized cost investments	Ps.	-	Ps. -	Ps. 18,707	Ps. 18,707
Trading securities at fair value		-	256	-	256
Total recurring fair value assets	Ps.	-	Ps. 256	Ps. 18,707	Ps. 18,963

GRUPO AVAL ACCIONES Y VALORES S.A.
Notes to the Separate Financial Statements
(Stated in millions of Colombian pesos, except earnings per share)

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 June 30, 2024 and December 31, 2023, measured on a recurring basis:

	Book Value		Fair Value	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Amortized cost investments				
CDT Banco de Occidente Panamá ⁽¹⁾ Ps.	35,185	18,707	Ps. 34,875	18,506
Subtotal Investments to maturity	35,185	18,707	34,875	18,506
Credit Portfolio				
Promissory 1 – Endor Capital ^{(2) y (3)} Ps.	1,126,200	Ps. 1,037,466	Ps. 1,312,960	Ps. 1,320,719
Promissory 2 – Endor Capital ^{(2) y (3)}	202,114	202,319	206,095	213,091
Subtotal Credit portfolio	1,328,314	1,239,785	1,519,055	1,533,810
Total	Ps. 1,363,499	Ps. 1,258,492	Ps. 1,553,930	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 less than 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. As at June 30, 2024, and December 31, 2023, the average discount rate used was 10.9582% and 10.9670%, and 10.9693% and 11.5893%, respectively. Both promissory notes are classified in Level 2 of the hierarchy.

⁽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.

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 June 30, 2024 and December 31, 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	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Capital balance and interest				
Bank loans ⁽¹⁾ Ps.	504,184	Ps. 507,556	Ps. 518,273	Ps. 532,678
Third party loans ⁽²⁾	1,125,852	1,037,157	1,044,028	1,064,408
Bonds outstanding ⁽³⁾	1,134,441	1,137,172	1,015,193	1,088,765
Total	Ps. 2,764,477	Ps. 2,681,885	Ps. 2,577,494	Ps. 2,685,851

GRUPO AVAL ACCIONES Y VALORES S.A.
Notes to the Separate Financial Statements
(Stated in millions of Colombian pesos, except earnings per share)

- (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 June 30, 2024 and December 31, 2023, the average discount rates used were 10.9456% 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 June 30, 2024 and December 31, 2023, the average discount rates used were 10.9579% 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 called 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.

(5) Cash and cash equivalents

Balances comprise the following as at June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
In Colombian Pesos		
Cash	Ps. 4	Ps. 3
Bank and other financial institutions on demand	140,151	157,286
	140,155	157,289
In foreign currency		
Bank and other financial institutions on demand ⁽¹⁾	23	34
	Ps. 140,178	Ps. 157,323

⁽¹⁾ It includes a balance in US dollars in a current account at Banco de Bogotá Miami Agency for US \$5,595.40 as at June 30, 2024, converted at the closing exchange rate of \$4,148.04 per dollar.

From the total cash, the Company has earmarked specific resources amounting to Ps.1,214 as at June 30, 2024, and December 31, 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	June 30, 2024	December 31, 2023
Investment grade	Ps. 140,155	Ps. 157,289
Not rated or not available	23	34
Total	Ps. 140,178	Ps. 157,323

(6) Trading securities

As at June 30, 2024 and December 31, 2023, the balance of marketable securities consists of the following:

Credit Quality	June 30, 2024	December 31, 2023
Collective investment funds	Ps. 312	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

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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 analyze 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 June 30, 2024 and December 31, 2023, 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	June 30, 2024	December 31, 2023
Degree of investment	Ps. <u>312</u>	Ps. <u>256</u>

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

(7) Amortized cost investments

The balance of investments at amortized cost comprises the following as at June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
TD in foreign currency		
Capital ⁽¹⁾	Ps. 35,062	Ps. 18,690
Interest ⁽²⁾	<u>123</u>	<u>17</u>
Total	Ps. <u>35,185</u>	Ps. <u>18,707</u>

⁽¹⁾ Includes a balance in U.S. dollars in Banco de Occidente Panama for USD8,452,622.19 as at June 30, 2024 converted at the closing exchange rate of Ps. 4,148.04 per dollar.

⁽²⁾ Includes a balance in U.S. dollars at Banco de Occidente Panama for USD29,708.78 as at June 30, 2024 translated at the closing exchange rate of Ps. 4,148.04 per dollar.

On December 2023, 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 USD4,890,000.

On April 2024, a TD was opened with Banco de Occidente Panama in U.S. dollars for a term of 183 days and a rate of 5.43%, for USD1,748,000.

On June 2024, the interest of the TD opened in December 2023 was capitalized for USD4,957,522.19, changing the term to 182 days and a rate of 5.5%. Additionally a TD was opened with Banco de Occidente Panama in U.S. dollars for a term of 186 days and a rate of 5.5%, for USD1,747,100.

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

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	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Credit quality		
Stable outlook	Ps. <u>35,185</u>	Ps. <u>18,707</u>

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:

	<u>Book Value</u>		<u>Fair Value</u>	
	<u>June 30, 2024</u>	<u>December 31, 2023</u>	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Investments to maturity				
TD Banco Occidente Panamá ⁽¹⁾	Ps. 35,185	Ps. 18,707	Ps. 34,875	Ps. 18,506
Total Financial Assets	Ps. <u>35,185</u>	Ps. <u>18,707</u>	Ps. <u>34,875</u>	Ps. <u>18,506</u>

⁽¹⁾ For fair value of investments was calculated using the risk curves provided by Banco de Occidente Panamá with a discount rate as at June 2024 of 7.6696 average converted to the closing exchange rate of Ps. 4,148.04 and December 2023 of 8.1066%, converted to the closing exchange rate of Ps. 3,822.05.

(8) Accounts receivable

The following is the detail of accounts receivable as at June 30, 2024 and December 31, 2023:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Dividends receivable from subsidiaries ⁽¹⁾	Ps. 411,311	Ps. 237,133
Accounts receivable from related parties ⁽²⁾	208,343	207,831
Subtotal accounts receivable from related parties	<u>619,654</u>	<u>444,964</u>
Tax assets ⁽³⁾	Ps. 44	Ps. 5,958
Subtotal advance tax payments	<u>44</u>	<u>5,958</u>
Miscellaneous	Ps. 18	Ps. 30
Incapacities	11	1
Advances to contracts and suppliers	384	-
Subtotal other accounts receivable	<u>413</u>	<u>31</u>
Subtotal accounts receivable - current portion	Ps. <u>620,111</u>	Ps. <u>450,953</u>
Accounts receivable from related parties ⁽²⁾	1,119,971	1,031,954
Subtotal accounts receivable - non-current portion	Ps. <u>1,119,971</u>	Ps. <u>1,031,954</u>
Total accounts receivable	Ps. <u>1,740,082</u>	Ps. <u>1,482,907</u>

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

⁽²⁾ In December 2022, Grupo Aval granted two loans to the entity Esadinco S.A. explained in section Accounts receivable from related parties, of this note.

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 June 30, 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.44, which is transferred to assets for presentation purposes in each period.

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Accounts receivable from related parties

	June 30, 2024	December 31, 2023
Current		
Capital	Ps. 200,000	Ps. 200,000
Interest	10,401	10,049
Impairment ⁽¹⁾	(2,058)	(2,218)
Subtotal current	208,343	207,831
Capital	Ps. 1,119,971	Ps. 1,031,954
Subtotal Non-current	1,119,971	1,031,954
Total Accounts receivable from related parties	Ps. 1,328,314	Ps. 1,239,785

- ⁽¹⁾ For the calculation of the impairment of the current credit in the institution, a financial rating model was used, which consists of statistical models based on the client's financial information. Using the Probability of Default (PD) and the Loss Given Default (LGD) of clients with the same rating, equal segment, and with the information from the models at the end at June 30, 2024, December 31, 2023, the provision percentage was 0.15466% and 0.17855%, respectively, for a one-year period, given that this is a non-impaired credit and there is no significant increase in risk, resulting in a decrease in impairment of Ps.160, for the six-month period ended June 30, 2024.

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 3M + 3.5% T.V.	IBR 3M + 4.5% T.V.
Amount:	USD 270,000,000 ⁽ⁱⁱⁱ⁾	Ps. 200,000 ⁽ⁱⁱⁱ⁾

- i) 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 Acciones y Valores S.A., and Esadinco S.A. was amended, maintaining the same conditions of the loans originally agreed with Esadinco, S.A.
- ii) On December 2, 2022, Grupo Aval Acciones y Valores S.A., 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.
- iii) 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 June 30, 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	

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

June 30, 2024							
Credit		Capital		Interest		Impairment	Total
Promissory 1 – Endor Capital ⁽¹⁾	Ps.	1,119,971	Ps.	7,974	Ps.	(1,745)	Ps. 1,126,200
Promissory 2 – Endor Capital ⁽¹⁾		200,000		2,427		(313)	202,114
Total	Ps.	1,319,971	Ps.	10,401	Ps.	(2,058)	Ps. 1,328,314

December 31, 2023							
Credit		Capital		Interest		Impairment	Total
Promissory 1 – Endor Capital ⁽¹⁾	Ps.	1,031,954	Ps.	7,368	Ps.	(1,856)	Ps. 1,037,466
Promissory 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

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:

Capital balance and interest	Book Value		Fair Value	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Promissory 1 – Endor Capital	Ps. 1,126,200	Ps. 1,037,466	Ps. 1,312,960	Ps. 1,320,719
Promissory 2 – Endor Capital	202,114	202,319	206,095	213,091
Total	Ps. 1,328,314	Ps. 1,239,785	Ps. 1,519,055	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. As at June 30, 2024 and December 31, 2023, the average discount rate used for promissory note 1 was 10.9582% and 10.9693% and for promissory note 2 was 10.9670% and 11.5893%, respectively. Both promissory notes are classified in hierarchy level 2.

⁽²⁾ On May 24, 2023, cession of the contractual position of debtor to Endor Capital Assets, S. R. L. was signed 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.

Maturities of loans granted as at June 30, 2024

Credit		2024		2025		Total
Promissory 1 – Endor Capital ⁽¹⁾	Ps.	7,974	Ps.	1,119,971	Ps.	1,127,945
Promissory 2 – Endor Capital ⁽¹⁾		202,427		-		202,427
Total	Ps.	210,401	Ps.	1,119,971	Ps.	1,330,372

⁽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

	June 30, 2024	December 31, 2023
Colombian pesos	Ps. 202,427	Ps. 202,681
Colombian pesos per loan in U.S. dollars	1,127,945	1,039,322
Total	Ps. 1,330,372	Ps. 1,242,003

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Annual interest rates on accounts receivable from related parties

	June 30, 2024	
	In Colombian pesos	
	Minimum rate	Maximum rate
Promissory 1 – Endor Capital	9,12%	9,16%
Promissory 2 – Endor Capital	15,94%	17,71%
	December 31, 2023	
	In Colombian pesos	
	Minimum rate	Maximum rate
Promissory 1 – Endor Capital	8,17%	9,19%
Promissory 2 – Endor Capital	16,55%	18,08%

(9) Investments in subsidiaries and associates

The value of investments in subsidiaries and associates as at June 30, 2024 and December 31, 2023 is as follows:

	Percent of Participation		Number of shares		Book value	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Subsidiaries						
Banco de Bogotá S.A.	68.93%	68.93%	244,858,322	244,858,322	Ps. 9,093,295	Ps. 9,005,759
Banco de Occidente S.A.	72.27%	72.27%	112,671,465	112,671,465	4,028,988	4,026,825
Banco Comercial AV Villas S.A.	79.86%	79.86%	179,459,557	179,459,557	1,251,324	1,322,954
Banco Popular S.A. ⁽¹⁾	93.74%	93.74%	7,241,936,738	7,241,936,738	2,774,158	2,938,542
Corporación Financiera Colombiana S.A. ⁽¹⁾	8.71%	8.71%	31,833,029	31,833,029	1,274,474	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	616,542	609,657
Grupo Aval Limited	100.00%	100.00%	1	1	(483,561)	(506,174)
Subtotal Subsidiaries					Ps. 18,555,220	Ps. 18,633,016
Associates						
ADL Digital Lab S.A.S	34.00%	34.00%	408	408	12,885	12,231
Subtotal Associates					Ps. 12,885	Ps. 12,231
Total investments in subsidiaries an associates					Ps. 18,568,105	Ps. 18,645,247

⁽¹⁾ On November 22, 2023, a shareholders' agreement was signed by Grupo Aval, Banco de Bogotá S.A., Banco de Occidente S.A. and Banco Popular S.A., whereby 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 Commercial Code.

⁽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 Administradora de Fondos de Pensiones Porvenir SA, under 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.

Restriction on investments

As at June 30, 2024 and December 31, 2023, there was a restriction on 15,589,972 shares of Banco de Occidente S.A. respectively, pledged as collateral to guarantee financial obligations with Banco de Bogotá S.A.

As at June 30, 2024 and December 31, 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.

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As at June 30, 2024 and December 31, 2023, there was a restriction on 6,537,470 shares of Corficolombiana, respectively, pledged as collateral to secure financial obligations with Banco de Bogotá S.A.

As at June 30, 2024 and December 31, 2023, there was a restriction on 3,427,867 shares of Banco de Bogotá, pledged as collateral to guarantee financial obligations with Banco de Occidente S.A.

The aforementioned guarantees cover loans for Ps.493,406. Included in Note 12 - 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 June 30, 2024 and December 31, 2023:

June 30, 2024																	
		Asset		Liability		Equity											
						Subscribed and paid capital		Reserves		Additional paid-in capital		Retained earnings		Net income		Total Equity	
Subsidiaries																	
Banco de Bogotá S.A.	Ps.	125,670,869	Ps.	113,116,694	Ps.	3,553	Ps.	8,389,454	Ps.	4,989,611	Ps.	(1,233,143)	Ps.	404,700	Ps.	12,554,175	
Banco de Occidente S.A.		67,467,499		62,013,918		4,677		4,423,690		573,492		219,398		232,324		5,453,581	
Banco Comercial AV Villas S.A.		18,467,432		16,900,469		22,473		1,284,736		102,905		282,469		(125,620)		1,566,963	
Banco Popular S.A.		30,514,059		27,937,181		77,253		2,566,421		(29,127)		156,074		(193,743)		2,576,878	
Corporación Financiera Colombiana S.A.		28,208,649		15,640,385		3,656		6,009,156		6,113,371		291,245		150,836		12,568,264	
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.		3,671,879		781,601		109,211		1,373,917		1,136,024		(60,032)		331,158		2,890,278	
Grupo Aval Limited		3,714,349		4,197,910		-		-		(237,602)		(304,459)		58,500		(483,561)	
Subtotal Subsidiaries	Ps.	277,714,736	Ps.	240,588,158	Ps.	220,823	Ps.	24,047,374	Ps.	12,648,674	Ps.	(648,448)	Ps.	858,155	Ps.	37,126,578	
Associates																	
ADL Digital Lab S.A.S		76,704		38,807		1,200		1,718		-		33,056		1,923		37,897	
Subtotal Associates	Ps.	76,704	Ps.	38,807	Ps.	1,200	Ps.	1,718	Ps.	-	Ps.	33,056	Ps.	1,923	Ps.	37,897	
Total	Ps.	277,791,440	Ps.	240,626,965	Ps.	222,023	Ps.	24,049,092	Ps.	12,648,674	Ps.	(615,392)	Ps.	860,078	Ps.	37,164,475	

December 31, 2023																	
		Asset		Liability		Equity											
						Subscribed and paid capital		Reserves		Additional paid-in capital		Retained earnings		Net income		Total Equity	
Subsidiaries																	
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 June 30, 2024 and December 31, 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.

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(10) Property and Equipment

The following is the movement of the book value of property and equipment during the periods ended June 30, 2024, and December 31, 2023:

	<u>For own use</u>	<u>Right of use</u>	<u>Total</u>
Cost or Fair Value:			
Balance at December 31, 2022	Ps. 5,905	Ps. 6,064	Ps. 11,969
Capitalized purchases or expenses (net)	145	(98)	47
Drawings / Sales (Net)	(180)	-	(180)
Loss on disposal of assets	(4)	-	(4)
Balance at December 31, 2023	Ps. 5,866	Ps. 5,966	Ps. 11,832
Capitalized purchases or expenses (net)	382	12,191	12,573
Drawings / Sales (Net)	-	-	-
Loss on disposal of assets	-	-	-
Balance at June 30, 2024	Ps. 6,248	Ps. 18,157	Ps. 24,405
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
Drawings / Sales (Net)	(178)	-	(178)
Loss on disposal of assets	(4)	-	(4)
Balance at December 31, 2023	Ps. 5,117	Ps. 4,311	Ps. 9,428
Depreciation for the period charged to the income statement	204	726	930
Drawings / Sales (Net)	-	-	-
Loss on disposal of assets	-	-	-
Balance at 31 June 30, 2024	Ps. 5,321	Ps. 5,037	Ps. 10,358
Tangible assets, net:			
Balance at December 31, 2023	Ps. 749	Ps. 1,655	Ps. 2,404
Balance at June 30, 2024	Ps. 927	Ps. 13,120	Ps. 14,047

a. Property and Equipment for own use

The following is the detail of the balance as at June 30, 2024 and December 31, 2023, by type of property and equipment for own use:

Description	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Books value</u>
Office equipment, furniture, and fixtures	Ps. 959	Ps. (875)	Ps. 84
Computer equipment	2,424	(2,084)	340
Improvements on properties not owned ⁽¹⁾	2,865	(2,362)	503
Balance at June 30, 2024	Ps. 6,248	Ps. (5,321)	Ps. 927
Description	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Books value</u>
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.

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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 June 30, 2024 and December 31, 2023, by type of property and equipment under right of use:

Right of use		Cost		Accumulated depreciation		Books value
Banco de Occidente Floor 22 y 23 ⁽¹⁾	Ps.	18,157	Ps.	(5,037)	Ps.	13,120
Balance at 30 June 2024	Ps.	18,157	Ps.	(5,037)	Ps.	13,120

Right of use		Cost		Accumulated depreciation		Books value
Banco de Occidente Floor 22 y 23 ⁽¹⁾	Ps.	5,966	Ps.	(4,311)	Ps.	1,655
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 1.55% 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 Ps.62.

On April 1, 2024, the rental fee for Floors 22 and 23 of the Banco de Occidente Building, due to an adjustment of the IPC 2023 of 9.28%, generated a variation in the right of use due to an increase in the fee of Ps.156.

On June 30, 2024, and in compliance with the provisions of IFRS 16 in relation to lease contracts recognized as rights of use, it is certain to renew the term of the lease contract for floors 22 and 23, for a period equal to that stipulated in the 10-year contract. Rates were quoted and validated, setting the rate for extension of the lease contract at 0.78% monthly, which generated a variation in the right of use for Ps.13,376.

On January 2, 2023, a quotation and validation of rates were conducted, setting the rate for 2023 at 1.55% per month, resulting in a variation in the right of use due to a rate adjustment of (Ps.446).

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 2022 IPC of 13.12%, resulting in a variation in the right of use due to an increase in the lease payment of Ps.348.

(11) Income Taxes

Income tax expense is recognized based on the administration's best estimate of both current income tax and deferred income tax.

The Company's effective tax rate with respect on continuing operations for the six-month period ended June 30, 2024 was 7.41% and for the six-month period ended June 30, 2023, it was 4.29%, while for the three-month period (April to June) of 2024 and 2023 it was 6.76% and 7.33% respectively.

The variation in the effective semi-annual tax rate of 3.12 and quarterly of -0.57 percentage points, is mainly due to:

- For the semester and quarter ended June 30, 2024, it generated a lower effect on the effective rate for income not taxed by participation method compared to the same semester and quarter

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of 2023. This situation generated an increase in the effective comparative tax rate for the semester of 1.72 percentage points and 1.01 percentage points for the quarter.

- For the semester ended June 30, 2024, there is a greater effect on the rate for non-deductible expenses associated with income that does not constitute income or occasional gain, compared to the same semester of 2023, which generated an increase in the effective comparative taxation rate of 1.36 percentage points. While, for the quarter ended June 30, 2024, there is a decrease in non-deductible expenses associated with income not constituting income or occasional gain, compared to the same quarter of 2023, which generated a decrease in the effective comparative tax rate of 1.68 percentage points.

(12) Financial Obligations at Amortized Cost

The balances of financial obligations as at June 30, 2024 and December 31, 2023, are:

		June 30, 2024		December 31, 2023
Short-term financial liabilities				
Loans Banks	Ps.	10,778	Ps.	14,150
Third-party loans ⁽²⁾		5,881		5,203
Finance leases ⁽³⁾		756		1,570
		17,415		20,923
Outstanding Bonds		234,441		237,172
Total Short-term financial liabilities	Ps.	251,856	Ps.	258,095
Long-term financial liabilities				
Loans Banks ⁽¹⁾	Ps.	493,406	Ps.	493,406
Third-party loans ⁽²⁾		1,119,971		1,031,954
Finance leases ⁽³⁾		12,620		440
		1,625,997		1,525,800
Outstanding Bonds		900,000		900,000
Total Long-term financial liabilities		2,525,997		2,425,800
Total financial liabilities	Ps.	2,777,853	Ps.	2,683,895

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

Financial Liabilities - Agreed interest rates						
Loans at:	IBR + 1.69 % T.V.	IBR + 1.70 % T.V.	IBR + 2.35 % T.V.	IBR + 3.25 % T.V.	IBR + 3.3 % T.V.	IBR + 4.25 % T.V.
Amounts:	Ps. 161,199	Ps. 74,400	Ps. 77,755	Ps. 100,000	Ps. 53,000	Ps. 27,052

- 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 June 24, 2025 and a spread of 1.70% was established
- On October 31, 2023, Banco de Bogotá S.A. and Grupo Aval agreed to novate loans by changing the creditor in favor of Banco de Occidente for Ps. 48,255, Ps. 24,500, and Ps. 5,000, totaling Ps. 77,755, with a maturity date of October 31, 2024, and a spread of 3.25%. On May 22, 2024, an adjustment in the credit spread was presented at 2.35% fixed rate.
- On July 7, 2023, Banco de Bogotá S.A. and Grupo Aval Acciones y Valores S.A. 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%.

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- On June 24, 2023, Banco de Bogotá S.A. and Grupo Aval Acciones y Valores S.A. agreed to extend the term to one year for the loan of Ps.40,000. Instead, a new maturity date of June 24, 2024, is established, with a spread of 3.2%.
 - On May 24, 2023, Banco de Bogotá S.A. and Grupo Aval Acciones y Valores S.A. 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 Acciones y Valores S.A. 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%.
 - On December 29, 2022, Grupo Aval made a payment to Banco de Bogotá S.A. of the principal amount corresponding to obligation 356267503 for Ps.29,000.
 - For presentation purposes at the period closure at December 2023, and in accordance with paragraph 73 of IAS 1, long-term loans amounting to Ps.493,406 are included, maintaining the initially agreed interest rates and/or spreads.
- ⁽²⁾ Corresponds to the obligation acquired on December 2, 2022, where Grupo Aval Limited grants a loan to Grupo Aval Acciones y Valores S.A. for USD 270 million, equivalent in Colombian pesos, with a 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, equivalent in Colombian pesos, to 18 months and instead established a new maturity date of December 4, 2025 with SOFR 3M rate.
- ⁽³⁾ 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.824.
- 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.

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.13,376.

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).

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

Guarantees on obligations as at June 30, 2024

	Loan amount	Number of shares as collateral	Company issuing the shares
		772,532,650	Banco Popular
Ps.	415,651	15,589,972	Banco de Occidente ^{(1), (2) y (3)}
		6,537,470	Corficolombiana ⁽²⁾
	415,651	794,660,092	
	77,755	3,427,867	Banco Bogotá ⁽¹⁾
	77,755	3,427,867	
Ps.	493,406	798,087,959	

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- (1) On November 2, 2023, a pledge contract is executed for shares of Banco de Bogotá S.A. and Banco de Occidente S.A., totaling 3,427,867 shares respectively, to cover all obligations acquired up to that date.
- (2) 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 respectively, to cover all obligations acquired with Banco de Bogotá S.A.
- (3) On April 4, June 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:

Obligations	June 30, 2024			December 31, 2023		
	Capital	Interest	Total	Capital	Interest	Total
Bank loans	Ps. 493,406	Ps. 10,778	Ps. 504,184	Ps. 493,406	Ps. 14,150	Ps. 507,556
Third-party loans	1,119,971	5,881	1,125,852	1,031,954	5,203	1,037,157
Outstanding bonds	1,124,520	9,921	1,134,441	1,124,520	12,652	1,137,172
Total	Ps. 2,737,897	Ps. 26,580	Ps. 2,764,477	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:

Balance capital e Interest	Book Value		Fair Value	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Bank loans ⁽¹⁾	Ps. 504,184	Ps. 507,556	Ps. 518,273	Ps. 532,678
Third-party loans ⁽²⁾	1,125,852	1,037,157	1,044,028	1,064,408
Outstanding bonds ⁽³⁾	1,134,441	1,137,172	1,015,193	1,088,765
Total	Ps. 2,764,477	Ps. 2,681,885	Ps. 2,577,494	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 June 30, 2024 and December 31, 2023, the average discount rates used were 10.9456% 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 June 30, 2024 and December 31, 2023, the average discount rates used were 10.9579% 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 at June 30, 2024

Obligation	2024	2025	2026	2036	2039	2042	Total
Bank loans ⁽¹⁾	Ps. 10,778	Ps. 257,807	Ps. 235,599	Ps. -	Ps. -	Ps. -	Ps. 504,184
Loans from third parties ⁽¹⁾	5,881	1,119,971	-	-	-	-	1,125,852
Outstanding bonds ⁽¹⁾	234,441	93,000	-	207,000	300,000	300,000	1,134,441
Total	Ps. 251,100	Ps. 1,470,778	Ps. 235,599	Ps. 207,000	Ps. 300,000	Ps. 300,000	Ps. 2,764,477

- (1) Includes principal and interest

The contractual maturities are presented in accordance with the provisions of Appendix B11C of IFRS 7.

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IFRS 16 Maturities as at June 30, 2024

		Short-term		Between 1 and 3 years		Between 3 and 5 years		More than 5 years		Total
Leasing	Ps.	756	Ps.	2,744	Ps.	3,634	Ps.	6,242	Ps.	13,376
Total	Ps.	756	Ps.	2,744	Ps.	3,634	Ps.	6,242	Ps.	13,376

Currency of financial liabilities

		June 30, 2024		December 31, 2023
Colombian pesos	Ps.	1,652,001	Ps.	1,646,738
Dollar ⁽¹⁾ (Peso's equivalent)		1,125,852		1,037,157
Total	Ps.	2,777,853	Ps.	2,683,895

⁽¹⁾ This corresponds to the obligation acquired on December 2, 2022, where Grupo Aval Limited grants a loan to Grupo Aval Acciones y Valores S.A. for the Colombian pesos equivalent to USD 270 millions, 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 Acciones y Valores S.A., agreed to extend the term of the debt of USD 270 million US dollars equivalent in Colombian pesos, to 18 months and instead set a new maturity date of December 4, 2025 with SOFR 3M rate.

Annual interest rates for financial liabilities

June 30, 2024				
	Expressed In Colombian pesos		In a foreign currency	
	Minimum Rate	Maximum Rate	Minimum Rate	Maximum Rate
Bank loans	12.67%	17.66%	-	-
Third-party loans	-	-	7.53%	7.89%
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%
Bonds	6.42%	19.17%	-	-

The composition of the bond debt liability as at June 30, 2024, and December 31, 2023, by issuance date and maturity date is as follows:

Issuer	Issue date		June 30, 2024		December 31, 2023	Maturity date	Interest rate
Grupo Aval Acciones y Valores S.A ⁽¹⁾	Dec-09	Ps.	124,520	Ps.	124,520	Dec-24	CPI + 5.20%
			93,000		93,000	Nov-26	CPI + 3.86%
	Nov-16		207,000		207,000	Nov-36	CPI + 4.15%
	Jun-17		300,000		300,000	Jun-42	CPI + 3.99%
			100,000		100,000	Nov-24	FIJA 6.42%
	Nov-19		300,000		300,000	Nov-39	CPI + 3.69%
		Ps.	1,124,520	Ps.	1,124,520		

⁽¹⁾ Principal value of the issuance.

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(13) 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 composition of employee benefits balances as at June 30, 2024, and December 31, 2023:

	June 30, 2024		December 31, 2023
Short-Term Benefits	Ps. 2,311	Ps. 2,880	

(14) Accounts Payable and Other Liabilities

The balances of accounts payable and other liabilities comprise the following items as at June 30, 2024 and December 31, 2023:

	June 30, 2024		December 31, 2023
Dividends Payable	Ps. 531,369	Ps. 360,039	
Accounts Payable	380	419	
Withholdings and other labor-related contributions	1,153	1,224	
Commissions and Fees	1,030	1,893	
Other Accounts Payable	537	423	
Total Accounts Payable	Ps. 534,469	Ps. 363,998	
Taxes ⁽¹⁾	12,301	13,335	
Other Non-Financial Liabilities	1,214	1,214	
Total Other Liabilities	Ps. 13,515	Ps. 14,549	
Total	Ps. 547,984	Ps. 378,547	

⁽¹⁾ Taxes Payable

	June 30, 2024	December 31, 2023
Industry and Commerce Tax	1,540	2,941
VAT Payable	8,555	7,449
Withholding Tax	2,171	2,829
VAT Withholdings	23	101
Withholdings on Industry and Commerce Tax	12	15
Total Taxes	Ps. 12,301	Ps. 13,335

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(15) Shareholders' equity

Mandatory and voluntary reserves are determined during the Shareholders' Meetings. Below is a breakdown of retained earnings (losses) as at June 30, 2024 and December 31, 2023:

Retained Earnings	June 30, 2024	December 31, 2023
Legal Reserve	Ps. 11,872	Ps. 11,872
Occasional reserve at the disposal of the highest social body	7,374,078	7,220,883
	Ps. 7,385,950	Ps. 7,232,755
Utilities in first-time adoption	256,878	256,878
Withholding tax on dividends ⁽¹⁾	(36,238)	(38,480)
Realization of OCI on entities	(946)	(759)
Preferred dividends declared subsidiaries ⁽²⁾	(8,844)	-
	Ps. 7,596,800	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 recognized in equity by (Ps. 36,238), of which (Ps. 29,747) corresponds to the participation (Equity method) in the withholding tax recognized by the entities over which Grupo Aval has control and (Ps. 6,491) corresponds to the net of the withholding tax transferred by its subsidiaries to Grupo Aval by (Ps. 18,652) and that transferred by Grupo Aval to its shareholders by Ps. 12,161, in accordance with the provisions Art. 242-1 ET, as amended by Act 1943 of 2018.

⁽²⁾ According to Corficolombiana's PDU (Profit Sharing Projects) 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).

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 decreed, 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 decreed, 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 dividends decreed	Ps. 569,843	Ps. 1,025,718

Adjustments to the application of IFRS for the first time

The Company recognized in equity the positive net differences resulting from the application of IFRS for the first time. Positive net differences generated in the application of IFRS for the first time may not be distributed to cover losses, carry out capitalization processes, distribute profits and/or dividends, or be recognized as reserves; and they may only be disposed of when they have been effectively made with third parties, other than those who are related parties. Positive net differences generated in the application of IFRS for the first time will not be counted in compliance with the prudential requirements of technical equity, the minimum capital required to operate, according to the nature of each entity. In the event that the application of IFRS for the first time results in negative net differences, these must be deducted from technical equity.

Other comprehensive results

The method of participation as at June 30, 2024, and December 31, 2023, is detailed below:

	<u>June 30, 2024</u>	<u>December 31, 2023</u>
Surplus Method of participation		
Banco de Bogotá S.A.	Ps. 14,756	Ps. (153,292)
Banco de Occidente S.A.	(135,388)	(124,422)
Banco Popular S.A.	(40,860)	(57,898)
Banco Comercial AV Villas S.A.	(69,215)	(98,452)
Corporación Financiera Colombiana S.A.	36,921	8,674
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.	(15,537)	(12,281)
Grupo Aval Limited	(248,730)	(212,844)
Total other equity holdings	Ps. (458,053)	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.

(16) Contingencies

a. Commitments

- As at June 30, 2024, the loans obtained by the Company with its subsidiary Banco de Bogotá 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 3,427,867 of Banco de Bogotá.

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2. The Company is a guarantor of the bonds issued on the international capital market by its subsidiary Aval Group 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.

(17) Operating revenue

A breakdown of income for the periods ended at June 30, 2024 and December 31, 2023:

	Quarter ended in		Semester ended in	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Operating revenue				
Income method of participation in subsidiary companies ⁽¹⁾	Ps. 183,377	Ps. 158,482	Ps. 302,776	Ps. 571,107
Income method of participation in associated companies ⁽²⁾	645	71	653	(58)
Total revenue share method	Ps. 184,022	Ps. 158,553	Ps. 303,429	Ps. 571,049
Other income from regular activities				
Interest	Ps. 3,377	Ps. 4,791	Ps. 7,427	Ps. 8,394
Financial returns	31,869	33,962	63,648	67,688
Commissions and/or fees	71,248	79,013	142,496	158,027
Miscellaneous - Remuneration	-	-	223	267
Compensations	10	-	10	-
Total other income	106,504	117,766	213,804	234,376
Total operating revenue	Ps. 290,526	Ps. 276,319	Ps. 517,233	Ps. 805,425

⁽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 Subsidiaries" 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.

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Calculation of the equity method income

The basis for calculating the equity method income for the periods ending June 30, 2024, and 2023 is set out below:

		For the accumulated quarter								
		Percentage of Participation		Income Basis for the		Equity method income				
				Equity method						
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023			
Subsidiaries										
Banco de Bogotá S.A.	68.93%	68.93%	Ps.	208,215	Ps.	277,604	Ps.	143,513	Ps.	191,340
Banco de Occidente S.A.	72.27%	72.27%		154,702		125,418		111,806		90,641
Banco Comercial AV Villas S.A.	79.86%	79.86%		(39,860)		(50,845)		(31,831)		(40,602)
Banco Popular S.A.	93.74%	93.74%		(105,382)		(138,016)		(98,788)		(129,380)
Corporación Financiera Colombiana S.A.	8.71%	8.71%		(53,706)		42,663		(4,676)		3,714
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.	20.00%	20.00%		168,211		148,180		33,643		29,637
Grupo Aval Limited	100.00%	100.00%		29,710		13,132		29,710		13,132
Total subsidiaries			Ps.	361,890	Ps.	418,136	Ps.	183,377	Ps.	158,482
Associates										
ADL Digital LAB S.A.S.	34.00%	34.00%		1,896		208		645		71
Total associates			Ps.	1,896	Ps.	208	Ps.	645	Ps.	71
Total permanent investments			Ps.	363,786	Ps.	418,344	Ps.	184,022	Ps.	158,553
		For the accumulated six-month period								
		Percentage of Participation		Income Basis for the		Equity method income				
				Equity method						
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023			
Subsidiaries										
Banco de Bogotá S.A.	68.93%	68.93%	Ps.	404,700	Ps.	755,744	Ps.	278,941	Ps.	520,899
Banco de Occidente S.A.	72.27%	72.27%		232,323		299,854		167,904		216,710
Banco Comercial AV Villas S.A.	79.86%	79.86%		(125,620)		(117,976)		(100,314)		(94,210)
Banco Popular S.A.	93.74%	93.74%		(193,743)		(230,829)		(181,620)		(216,386)
Corporación Financiera Colombiana S.A.	8.71%	8.71%		150,836		652,383		13,132		56,799
Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A.	20.00%	20.00%		331,158		338,859		66,233		67,773
Grupo Aval Limited	100.00%	100.00%		58,500		19,522		58,500		19,522
Total subsidiaries			Ps.	858,154	Ps.	1,717,557	Ps.	302,776	Ps.	571,107
Associates										
ADL Digital LAB S.A.S.	34.00%	34.00%		1,922		(170)		653		(58)
Total associates			Ps.	1,922	Ps.	(170)	Ps.	653	Ps.	(58)
Total permanent investments			Ps.	860,076	Ps.	1,717,387	Ps.	303,429	Ps.	571,049

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(18) General overhead and financial expenses

A detail of expenses for the periods ended June 30, 2024, and 2023, is as follows:

	For the accumulated quarter		For the accumulated six- month period	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Administrative expenses				
Personnel expenses	Ps. 9,376	Ps. 9,277	Ps. 19,942	Ps. 18,671
Fees	4,483	3,579	9,687	8,508
Taxes:				
Industry and commerce Tax	1,975	4,427	6,156	6,843
Financial transaction tax	850	1,130	2,147	1,494
Sales operating expenses	361	345	528	493
Contributions and affiliations	150	143	721	769
Leases	2	2	4	5
Services	370	349	647	592
Property and equipment depreciation	483	438	930	834
Amortization	5	2	10	4
Maintenance and repairs	59	48	90	69
Travel expenses	56	39	73	52
Other administrative expenses	208	179	391	337
Total administrative expenses	Ps. 18,378	Ps. 19,958	Ps. 41,326	Ps. 38,671
Other expenses				
Impairment of accounts receivable from related parties	Ps. (148)	Ps. (117)	Ps. (160)	Ps. (238)
Miscellaneous	116	5	134	27
Total other expenses	Ps. (32)	Ps. (112)	Ps. (26)	Ps. (211)
Gain (loss) on foreign exchange differences				
Foreign exchange gain	Ps. 79,866	Ps. (127,686)	Ps. 85,171	Ps. (149,322)
Foreign exchange lost	(82,352)	128,158	(87,628)	149,664
Net effect of foreign exchange differences	Ps. (2,486)	Ps. 472	Ps. (2,457)	Ps. 342
Financial expenses				
Banking expenses	Ps. 2	Ps. 1	Ps. 3	Ps. 2
Commissions	1	13	-	13
	Ps. 3	Ps. 14	Ps. 3	Ps. 15
Interest:				
Bonds in circulation	Ps. 31,038	Ps. 43,922	Ps. 65,951	Ps. 86,678
Interest on bank loans and other financial obligations	37,248	39,715	75,369	78,358
Interest on lease liabilities (IFRS 16)	59	135	126	267
Total interest	Ps. 68,345	Ps. 83,772	141,446	Ps. 165,303
Total financial expenses	Ps. 68,348	Ps. 83,786	141,449	Ps. 165,318

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(19) 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.

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a. Balances ended June 30, 2024, and December 31, 2023, with related parties are included in the following accounts:

June 30, 2024										
Categories	1		2		3		4		5	
	Individuals exercising control or joint control		Core management personnel		Companies' members of the same group		Associates and joint ventures		Entities controlled by the persons included in categories 1 and 2	
Assets										
Cash and cash equivalents	Ps.	-	Ps.	-	Ps.	140,174	Ps.	-	Ps.	-
Financial assets in investments		-		-		18,590,405		12,885		-
Accounts receivable		-		-		411,329		-		1,330,372
Liabilities		25		195		30		-		396,493
Accounts payable		-		20		1,631,008		-		30,027
Financial obligations at amortized cost										
December 31, 2023										
Categories	1		2		3		4		5	
	Individuals exercising control or joint control		Core management personnel		Companies' members of the same group		Associates and joint ventures		Entities controlled by the persons included in categories 1 and 2	
Assets										
Cash and cash equivalents	Ps.	-	Ps.	-	Ps.	157,320	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
Financial obligations at amortized cost		-		20		1,545,688		-		30,045

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Transactions during the quarterly periods as of June 30, 2024 and 2023 with related parties comprise sales, services and transfers:

June 30, 2024

Categories	1	2	3	4	5	6
	Individuals exercising control or joint control	Core management personnel	Companies' members of the same group	Associates and joint ventures	Entities controlled by the persons included in categories 1 and 2	Entities in which the persons included in categories 1 and 2 exercise significant influence
Interest income	Ps. -	Ps. -	Ps. 3,745	Ps. -	Ps. 31,484	Ps. -
Interest expense	-	1	37,276	-	-	-
Fee and commission income	-	-	71,248	-	-	-
Fees and commissions expense	-	653	20	-	-	-
Operating expenses - administrative	-	-	-	-	496	-
Other expenses	-	-	29	-	14	-

June 30, 2023

Categories	1	2	3	4	5	6
	Individuals exercising control or joint control	Core management personnel	Companies' members of the same group	Associates and joint ventures	Entities controlled by the persons included in categories 1 and 2	Entities in which the persons included in categories 1 and 2 exercise significant influence
Interest income	Ps. -	Ps. -	Ps. 3,245	Ps. -	Ps. 65,863	Ps. -
Interest expense	-	-	39,735	-	-	-
Fee and commission income	-	-	79,014	-	-	-
Fees and commissions expense	-	282	15	-	-	30
Operating expenses - administrative	-	-	-	-	854	-
Other expenses	-	-	11	-	29	-

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Transactions with related parties during the cumulative periods as at June 30, 2024 and 2023, comprise; Sales, services and transfers:

June 30, 2024						
Categories	1	2	3	4	5	6
	Individuals exercising control or joint control	Core management personnel	Companies' members of the same group	Associates and joint ventures	Entities controlled by the persons included in categories 1 and 2	Entities in which the persons included in categories 1 and 2 exercise significant influence
Interest income	Ps. -	Ps. -	Ps. 8,061	Ps. -	Ps. 62,983	Ps. -
Interest expense	-	1	75,429	-	685	-
Fee and commission income	-	-	142,496	-	-	-
Fees and commissions expense	-	1,000	39	-	-	-
Operating expenses - administrative	-	-	-	-	949	-
Other expenses	-	-	36	-	29	-
June 30, 2023						
Categories	1	2	3	4	5	6
	Individuals exercising control or joint control	Core management personnel	Companies' members of the same group	Associates and joint ventures	Entities controlled by the persons included in categories 1 and 2	Entities in which the persons included in categories 1 and 2 exercise significant influence
Interest income	Ps. -	Ps. -	Ps. 6,848	Ps. -	Ps. 99,557	Ps. -
Interest expense	-	1	78,396	-	685	-
Fee and commission income	-	-	158,027	-	-	-
Fees and commissions expense	-	615	16	-	-	50
Operating expenses - administrative	-	-	-	-	854	-
Other expenses	-	-	11	-	29	-

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b. Compensation of core management personnel:

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

	For the accumulated quarter		For the accumulated six-month period	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Salaries	Ps. 3,605	Ps. 3,611	Ps. 7,819	Ps. 7,222
Short-term employee benefits	(106)	491	477	1,002
Total	Ps. 3,499	Ps. 4,102	Ps. 8,296	Ps. 8,224

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.

(20) Subsequent events

On July 25, 2024, Banco de Bogotá, a subsidiary of Grupo AVAL, made the first issue of sustainable ordinary bonds under the Issuance and Placement Program (third issue) for Ps. 500,000 million. Thus:

Series	Amount demanded	Amount awarded	Rate / Cut- off margin
Series E - Subseries E10	Ps. 570,421	Ps. 282,180	10.45% E.A.
Series E - Subseries E16	578,742	217,820	10.38% E.A.
Total	Ps. 1,149,163	Ps. 500,000	