

ANNUAL REPORT 2024

**JOINT
ALLOCATION
OFFICE**

www.jao.eu



Dear Stakeholders,

As we conclude another year at JAO, I reflect with pride on our progress amidst a challenging European context. 2024 was a complex year, characterized by persistent geopolitical tensions and volatile energy prices, leading to increased scrutiny of the European energy market and prompting protectionist sentiments. Within this challenging environment, we have remained focused on our mission, to collaboratively deliver value-adding services to TSOs and market participants, as an example of European unity.

The European Union has acknowledged the urgent need for greater competitiveness on the global stage, highlighting innovation, synergies by centralisation, mindful regulation, and energy price reductions as critical areas for action. These broader challenges resonate directly with us. At JAO, innovation, technological agility, and operational robustness are foundational, and we remain committed to facilitating efficient markets through our various roles in implicit and explicit cross-border transmission capacity allocation.

In this context, 2024 saw multiple achievements in the continuous development of the European energy markets, from rolling out 15-minute Market Time units in the IDAs to extending our explicit auction services to new borders, including Ukraine.

As Europe evolves, we as an organization have as well, by challenging the status quo and enacting careful but necessary improvements and changes. Strategically, our focus has remained clear and forward-looking, where stakeholder management, both internally and externally, have been at the forefront. Internally, focusing on creating an empowered and skilled workforce, as we partner with the TSOs as their company within the market domain, providing an unbiased approach.

Looking ahead to 2025 and beyond, we remain dedicated to extending our solutions to additional European regions, further driving unity and efficiency across the continent. With Europe's ongoing challenge of volatile energy prices, JAO is uniquely positioned to facilitate market designs that enhance resource utilization and provide stability for industries

and consumers. We will be investing in a new platform for explicit auctions, bringing immediate benefits to market participants but also preparing JAO for future market evolutions.

As we advance into the second year of our Business Development Plan, our strategic vision remains aligned with the dynamic European energy landscape, where we are required to demonstrate the balance between stability and flexibility. Our continued progress is made possible by the commitment and talent of our team, the invaluable collaboration with our TSOs, and the trust of our stakeholders.

Thank you for your continued support and partnership.

Letter from CEO

Frederik JOHNSEN
Chief Executive Officer



Dear Stakeholders,

It is my privilege to address you on behalf of the Supervisory Board in this year's Annual Report. As we reflect on 2024, it is clear that JAO has not only upheld but deepened its commitment to the principles of strong governance, operational excellence and stakeholder involvement that define our shared mission.

This year marked the first phase of a new strategic cycle, and JAO responded with clarity of purpose and agility. Guided by a comprehensive Business Development Plan, the organization translated long-term ambitions into measurable actions – A renewal of the IT platform is one of these concrete actions that has been initiated. As Supervisory Board members, we take pride in overseeing this alignment between vision and execution, and in the resilience shown across all areas of the company.

A cornerstone of our oversight responsibility lies in ensuring that JAO's governance framework remains robust. In 2024, the enhancement of JAO's three lines of defence, including the appointment of a dedicated internal auditor and the formalization of the Internal Audit Charter strengthened the company's assurance model. The insights gained from the inaugural audit, as well as successful SOC I & II and ISO certifications, clearly demonstrate JAO's maturity in risk management and operational control.

The Supervisory Board maintained its focus on transparency, accountability, and strategic continuity and has supported the management through structured oversight and leadership, ensuring that every decision reflects both the interests of the shareholders and the wider European energy community.

Looking ahead, we remain confident in JAO's ability to navigate complexity and deliver on its commitments.

On behalf of the Supervisory Board, I extend my sincere thanks to JAO's management, employees, and partners for their dedication and contributions throughout the year. Together, we look forward to building on this momentum with purpose and integrity.

Letter from the **Chairman** of the Supervisory Board

Ole Jacob HØYLAND





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We deliver value to the European energy market with our three service pillars.

About

JAO

Joint Allocation Office





About JAO

Joint Allocation Office

The Joint Allocation Office (JAO) is a trusted partner to Transmission System Operators (TSOs) and market participants (MPs), supporting the integration and efficient functioning of the European electricity market. Since its establishment, JAO has played a pivotal role in enabling TSOs to fulfil their obligations and support the market through three core service areas: Operational Services, Financial Management, and Supporting Services.

At the core of our operations is a secure trading platform that facilitates the allocation of cross-border transmission capacity via explicit auctions across multiple timeframes—from intraday and day-ahead to long-term horizons. With more than 20,000 auctions conducted annually and a proven track record of nearly flawless (99.99 %) execution, JAO ensures fair, non-discriminatory access to cross-zonal capacity for all market players.

Simultaneously, our financial management services continue to provide essential support to TSOs, particularly in calculating and distributing Congestion Income generated through market coupling. Over time, this service has become a cornerstone of JAO's offering, contributing to financial transparency, operational dependability, and the long-term viability of cross-border electricity trading.

These operations are complemented by a wide range of supporting services, from platform administration to representing TSOs in key market coupling bodies and committees. By aligning our services with shifting regulatory, technical, and stakeholder requirements, JAO remains dedicated to operational excellence and to advancing a secure, transparent, and integrated European electricity market.

**Our vision is to
partner with Europe to
empower
and enhance a
sustainable energy
market.**

About JAO

Joint Allocation Office

Our Mission

Our mission is to deliver value-adding solutions to the European energy market to support the Transmission System Operators in delivering on their energy transition commitments. We are engaged in creating an environment that fosters excellence, innovation and collaboration with our customers, partners and interested parties, to achieve our shared goals.



EBT

1.4M

Net Turnover

19B+

Explicit Auctions Run

26,960

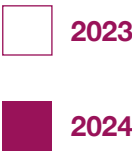
Registered Market
Participants

500+

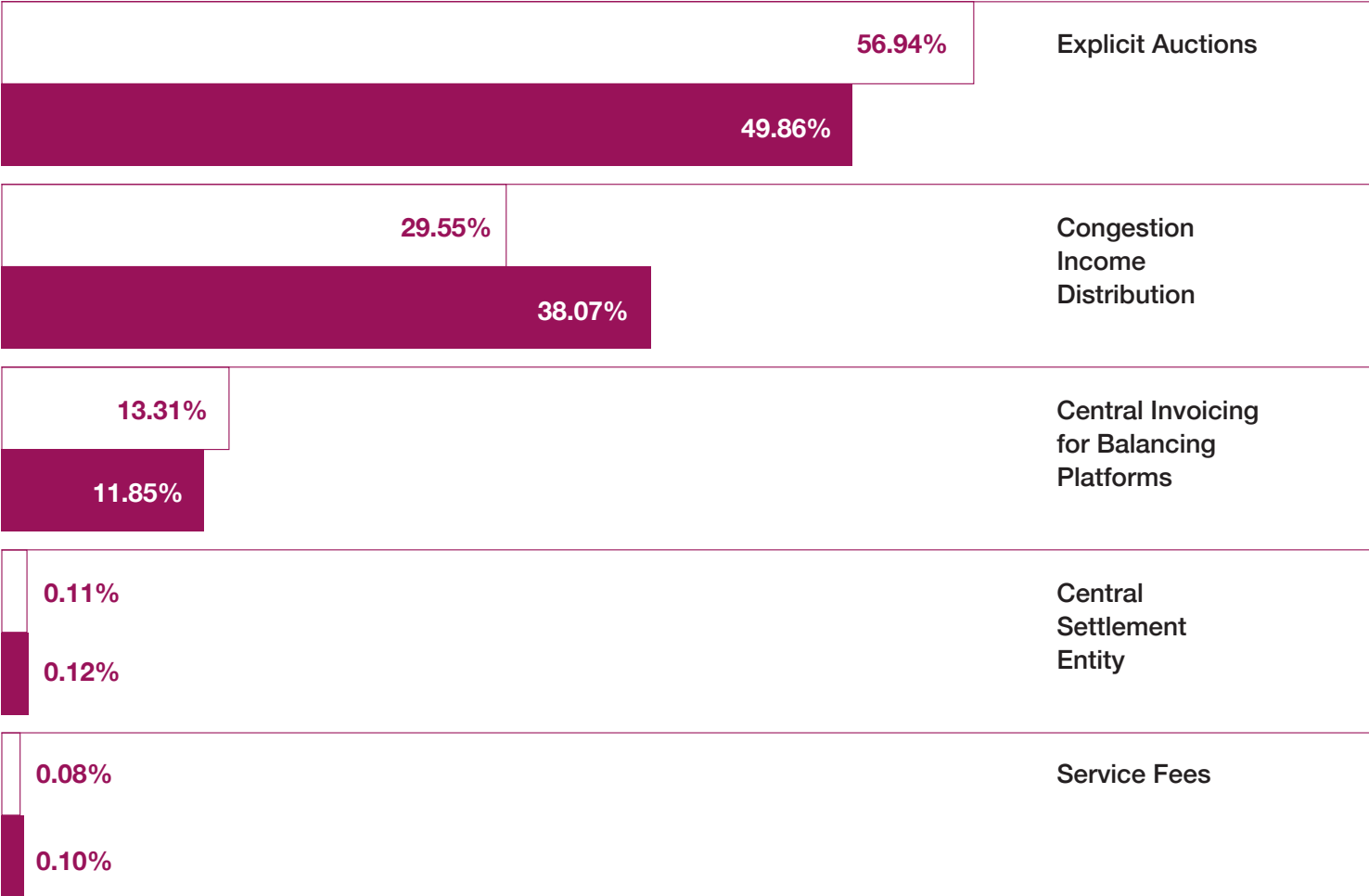
Yearly
Highlights

KEY FIGURES IN 2024

Net Turnover 2024



Yearly Highlights



The governance framework of JAO reflects a robust and transparent structure, ensuring strategic oversight and operational accountability through the concerted roles of its shareholders, supervisory bodies, and executive management.

SHAREHOLDERS

JAO is collectively owned by 25 Transmission System Operators (TSOs) representing diverse regions across Europe. Together, they play a vital role in shaping and validating the company's strategy, ensuring it is responsive to the evolving needs of the sector. Each Shareholder holds an equal stake, highlighting JAO's commitment to a non-commercial and collaborative governance model.

SUPERVISORY BOARD

The Supervisory Board plays a key role in ensuring effective governance and oversight of the company. It supervises the Management Board's activities to protect the company's strategic direction and long-term interests. While not involved in daily operations, it reviews major decisions and monitors performance to ensure accountability. The Board is supported by specialized committees, such as the Remuneration and Audit Committees, which provide expert insight, enhancing transparency and good management.

REMUNERATION COMMITTEE

The Remuneration Committee ensures that executive compensation is fair, performance-based, and aligned with the company's strategic goals. Under the Supervisory Board's mandate, it sets remuneration and objectives for Management Board members and oversees key terms for senior executives.

Governance

AUDIT COMMITTEE

Appointed by the Supervisory Board, the Audit Committee plays a crucial role in safeguarding the company's financial integrity and transparency. As an independent oversight body, it supports the Supervisory Board by ensuring accurate and reliable financial reporting. The Committee addresses key risks, works closely with internal and external auditors, and monitors the management's response to audit findings, helping to strengthen internal controls and ensuring regulatory compliance.

MANAGEMENT BOARD

The Management Board is responsible for implementing the company's strategy and managing daily operations in line with objectives approved by shareholders and the Supervisory Board. With broad authority to carry out the company's activities, it plays a key role in driving performance, delivering value to stakeholders, and ensuring the company fulfils its mission to support the European electricity market.

Shareholders

25

Supervisory Board Members

8

- Ole Jacob HØYLAND
- Gina Christine VAN DIJK
- Martin PALKOVSKY
- Hanno Andreas GRIMM
- Marcus KARGER
- Gheorghe Cristian VIŞAN
- Pierre AGACHE
- Bastian SCHWARK

Governance

Audit committee Members

5

- Martin PALKOVSKY
- Ron WIBBELINK
- Petr HANAK
- Naomi WALSH
- Kay HUBNER





Management

**Frederik
JOHNSEN**

Chief Executive Officer,
Chairman of the
Management Board

**Diana
RODRIGUES**

Chief Financial Officer

**Thomas
KIEFFER**

Chief Operations
Officer

MANAGEMENT BOARD



MANAGEMENT TEAM



**Eszter
SZECSENYI**

Senior Manager,
Head of Quality
Management,
Compliance and
Communication

**Bosco
WILHELM**

Senior Manager,
Head of Risk
Management,
Treasury,
Information Security

**Julie
Schwartzmann**

Senior Manager,
Head of Operations

**Razvan
POP**

Senior Manager,
Head of Digital
Solutions Design,
Security and
Validation, Facilities



Austrian Power
Grid AG



Elia System Operator S.A.



ESO Elektroenergien
Sistamen Operator EAD



Swissgrid AG



ČEPS a.s.



50Hertz Transmission GmbH



Amprion GmbH



Tennet TSO BV



Transnet BW GmbH



Energinet

Shareholders



Réseau de Transport
d'Électricité



Independent Power Transmission
Operator S.A.



Croatian Transmission
System Operator Plc.



MAVIR Hungarian
Independent Transmission
Operator Company



EirGrid plc



Terna S.p.A.



Creos Luxembourg S.A.



Mutual Energy



Tennet TSO GmbH



Statnett SF



Polskie Sieci
Elektroenergetyczne S.A.



Transelectrica



EMS Elektromreža Srbije AD



Eles d.o.o.



Slovenská elektrizačná
prenosová sústava, a.s.

**Driving transformation
through strategy,
resilience, and
innovation.**

Key drivers of our success **Organizational Enablers**



In 2024, JAO entered a new 3-year strategic cycle, setting the pace through strong governance, quality, agile planning, and a continuous drive for improvement. Guided by the Business Development Plan (BDP), we launched a company-wide initiative that translated long-term ambitions into concrete priorities, measurable objectives, and aligned resources. This effort embedded the BDP throughout the organization and improved our ability to operate effectively within a shifting regulatory landscape. With a clear focus on capability building, operational performance, and value delivery through our core services, we actively challenged internal conventions and welcomed meaningful change. The first year of implementation confirmed the BDP's relevance and adaptability, providing a resilient roadmap for delivering quality in a rapidly changing energy environment.

STRENGTHENING GOVERNANCE AND ASSURANCE

We remain firmly dedicated to strong governance, regulatory compliance, quality, and internal control. This year saw meaningful advances to JAO's three lines of defense through strategic enhancements in risk management, internal auditing, and compliance processes. We welcomed a dedicated internal auditor in Q1 and established a formal Internal Audit Charter. The completion of the first audit yielded valuable recommendations, which are now shaping ongoing governance improvements. Our internal controls were further validated by successful SOC I and SOC II Type 2 audits in September, followed by ISO certifications for Information Security (ISO 27001) and Quality Management (ISO 9001) in October. These milestones safeguard our systems and reinforce our operational dependability to clients and stakeholders.

To sustain our readiness, regular compliance and cybersecurity training equips employees with the skills to identify and manage emerging risks effectively.

NAVIGATING REGULATORY CHANGE

Regulatory developments throughout the year required proactive analysis and coordination. On the energy front, the Electricity Market Design Reform (EMDR) came into force on 16 July,

Key drivers of our success **Organizational Enablers**

prompting JAO's active participation in TSO working groups to assess its operational and compliance implications as well as provide support on foreseen changes.

In parallel, the revised REMIT regulation (effective 7 May 2024) introduced new transparency and monitoring expectations for wholesale energy markets. As a key player in market communication and trade data handling, JAO is aligning its systems and compliance structures with these more demanding standards, reinforcing our reliability in a fast-paced regulatory context.

Cybersecurity requirements also evolved, particularly under the NIS II Directive. We responded with in-depth applicability assessments and compliance measures. With cyber threats on the rise, we continued strengthening our digital resilience through regular external reviews, supplier risk assessments, increased staff training, improved IT environment and simulated attacks for executive preparedness.

The introduction of the Corporate Sustainability Reporting Directive (CSRD) marked another major shift in the ESG reporting space. In preparation, we initiated a detailed review of internal processes, data systems, and governance frameworks to ensure readiness for the directive's future reporting obligations.

OPERATIONAL EXCELLENCE THROUGH ORGANIZATIONAL EVOLUTION

A significant driver of JAO's resilience and performance in 2024 was a first step in targeted organizational restructuring that improved effectiveness, enhanced customer engagement, and reinforced our operational stability. As the energy sector becomes more complex, our internal structures must evolve in tandem to remain agile and scalable.

Within the Operations Department, we established two specialized teams to sharpen focus and streamline service delivery. The Experts Team concentrates on market-related matters and capacity allocation, leveraging their in-depth business knowledge in the system to drive processes seamlessly and accurately. Meanwhile, the Customer Service Support Team acts as the main contact point for daily operational assistance, ensuring round-the-clock service continuity and responsiveness. This restructuring improved accountability, team coordination, and overall efficiency. With well-defined roles, both teams now provide more consistent and dependable support to our stakeholders.

In parallel, we transformed our IT operating model to support innovation and increase responsiveness. The new model is built on two pillars: Digital Solution Delivery and Support, which manages IT services based on ITIL practices; and Digital Solutions Design, Security, and Validation, which focuses on process oversight, security integration, and technical excellence.

To heighten cybersecurity awareness, operational stability and governance, we further strengthened our processes with the formalization of our Digital Change Committee (DCC) in mid-2024. This cross-functional body evaluates all proposed changes to production systems, from new features and fixes to infrastructure adjustments. These changes have already improved system stability, capacity forecasting, integration of security protocols, and allowed more strategic resource use through automation. These organizational shifts ensure that JAO can meet the growing complexity of its project portfolio and continue delivering long-term value in a dynamic environment.

Key drivers of our success

Organizational Enablers

EMBRACING INNOVATION AND AUTOMATION

Digital innovation and automation played a central role in driving JAO's productivity and scalability. We started the rollout of routine automations replacing manual processes, which mitigate operational risks and improved operational efficiency across teams.

To better support hybrid work, we introduced advanced digital tools that enabled smoother collaboration, more efficient knowledge sharing, and flexible work arrangements.

Looking ahead, we refined our cloud strategy by balancing innovation and cost efficiency with careful risk assessment. We evaluated key areas such as data integrity, system resilience, and regulatory alignment to ensure a secure and scalable infrastructure.

In Q4, we launched a strategic initiative to assess the replacement of our auction platform. This foundational step aims to create a modern, flexible solution that will better respond to market shifts and accommodate future service enhancements.

KEY TAKEAWAYS IN 2024

- Business Development Plan integrated across the company
- Successful completion of SOC I & II and ISO certifications
- Responding to evolving regulatory requirements
- Organizational evolution in IT and Operations
- Expanded automation of business processes
- Initiation of next-generation auction platform

Key drivers of our success

Organizational Enablers



Thomas KIEFFER

CHIEF OPERATIONS OFFICER

“ 2024 marked a significant step towards JAO’s modernization and service orientation which will support our journey in the years to come. As we initiate the development of a new, scalable auction platform, we are building a more resilient digital foundation to help deliver our mission of supporting the Energy Market. These foundations will ensure we become more efficient and resilient as well as maintaining an engaging work environment for our employees.”

**Facilitating growth and
market access across
an interconnected
Europe.**

Key drivers of our success Business



In 2024, we further expanded our role as a trusted service provider in the European electricity market by onboarding several new borders. This resulted in a significant increase in centralized transmission rights auctions hosted on our platform. We also played an important role in facilitating the go-live of Intraday Auctions (IDAs), alongside other developments that enhanced regional market operations and opened the door for broader adoption across Europe.

EXPANDING AUCTIONS AND MARKET REACH

Thanks to the expertise of our people and close collaboration with our TSO partners, we facilitated centralized access to an expanding number of auctions across all timeframes. The flexibility of our systems was demonstrated through the onboarding of complex interconnectors, such as the full integration of Viking Link between Denmark and the United Kingdom, as well as additional border connections that expanded our geographical footprint: Ukraine–Poland, Ukraine–Hungary, Ukraine–Slovakia, and Serbia–Romania. These activities contributed to a 25% year-on-year increase in auction volumes and the onboarding of new market participants, supporting Europe's evolving energy landscape.

CONGESTION INCOME DISTRIBUTION AND MARKET INTEGRATION

JAO played a central role in advancing Europe's electricity markets by facilitating the launch of Intraday Auctions (IDAs), beginning with a simultaneous go-live across the CORE, Nordic, HAIDA, IBWT, and FR-ES regions in June. This go-live was a turning point, enabling a major step forward under the Single Intraday Coupling (SIDC). These new auctions improved cross-border capacity allocation and paved the way for the upcoming introduction of 15-minute market time units (MTUs) and EU-wide intraday auctions in 2025.

To support this transformation, we expanded our operational coverage, extending working hours and introducing a late shift to ensure continuous availability during market coupling events and auctions. In the CORE region, we also assumed a central administrative role as intraday TSO post-

coupling operator, alongside our established CID and publication functions.

In parallel, we supported the transition toward 15-minute MTUs and strengthened Multi- NEMO arrangements by enhancing our CID services to accommodate multiple NEMOs on shared borders, notably enabling dual-NEMO settlement on the France-Spain border in December.

In the Nordic region, we contributed to the implementation of flow-based market coupling, which went live on 29 October. This upgrade introduced regional enhancements and a redesigned CID process. We ensured timely publication of results through both the ENTSO-E platform and our own Nordic Publication Tool.

Through all these efforts, JAO's ability to manage complexity, scale operations, and maintain trusted relationships with TSOs and NEMOs continued to define its strategic role in Europe.

Key drivers of our success Business



KEY TAKEAWAYS IN 2024

- 5 new borders onboarded, expanding regional presence
- 25% growth in auction volume
- Extended service support and improved communication
- Rise in new market participant registrations
- Pan-European launch of Intraday Auctions (IDAs) under SIDC
- Expansion of CID and related publication services

Key drivers of our success Business



Barna DARVALICS

OPERATIONS EXPERTS TEAM LEADER

"Delivering the Intraday Auctions required close coordination across teams, fast decision-making, and strong operational resilience. The experience was demanding, but it also demonstrated our flexibility, collaboration and our ability to deliver under pressure, reinforcing our position as a trusted service provider to the energy market."

**Support and service
every step of the way.**

Key drivers of our success

Customer Experience



Customer engagement evolved significantly this year, beginning with how we gather and respond to feedback. We began with an internal review involving all customer-facing teams, establishing a unified approach and setting the groundwork for a deeper, more structured feedback strategy.

A key part of our evolution this year was the kick-off for a new service desk platform designed to enhance how customers interact with JAO, planned to go-live in 2025. The new platform, launching in phases, is set to simplify and streamline registration and ongoing communication, making it easier for customers to access support and manage their operations. It also lays the foundation for AI-assisted support and self-service tools in the future, which will significantly reduce response times and improve service quality.

We continued personalized onboarding calls for new Market Participants, a practice that has consistently driven higher early-stage satisfaction. Insights from our annual survey confirmed this initiative's positive impact. Our regular open calls with Market Participants and TSOs also continued. These sessions proved valuable for knowledge sharing and mutual updates, supported by consistently strong feedback.

In April, we launched the Inside Business Payments (IBP) module. This system enables same-day fund transfers via ING's secure banking platform, using two-factor authentication and a streamlined sign-up process. Survey results reflected high satisfaction with this advancement.

We also developed the concept for JAO Open Days, which launched in 2025. These events provide TSOs with broader access to our teams and deeper insight into our services. These efforts highlight our ambition to be more than a service provider — we aim to be a knowledge partner, a role that was especially evident in discussions on long-term product development and in joint projects like CID, where JAO offered not just operational but strategic contributions.

Key drivers of our success

Customer Experience



Adam MAJSA

CUSTOMER SERVICE SUPPORT TEAM LEADER

"We see every customer interaction as an opportunity to build trust and deliver value. Last year, our team worked closely with partners across the organization to redefine how we listen to, support, and engage with our customers. From personalized onboarding to preparing for the launch of our new service desk platform, we have focused on creating seamless, efficient, and human-centered experiences. Our goal is not only to solve problems but to anticipate needs — because excellent customer experience is not just a support function; it is a core driver of our success."

**Evolving our
culture through
empowerment,
flexibility, and
connection.**

Key drivers of our success **People & Culture**



JAO continues to foster a culture anchored in Trust, Togetherness, and Excellence. These values, closely aligned with the personal beliefs of our employees, form the foundation of our workplace and guide our decisions, behavior, and long-term development as an organization. To bring these values to life, we embedded the **ABC principles — Autonomy, Belonging, and Competence** — across the organization. Internal champions played an important role in reinforcing behaviors that reflect these principles, creating a natural alignment between individual motivation and collective purpose. We believe that collaboration starts with belonging, and that togetherness, both within teams and with our trusted stakeholders, remains the driving force behind our shared success.

We also made tangible improvements in HR processes, including recruitment, performance management, and training. These efforts ensure that employees are well-equipped, supported, and prepared to grow both in their current roles and in preparation for future opportunities. Empowerment, engagement, and continuity remained at the core of our leadership efforts, with a focus on succession planning and team development to ensure long-term resilience.

To enhance alignment, we introduced structured business and governance meetings involving team leads and experts. This improved progress tracking, transparency, and organizational coherence.

Workplace flexibility remained a priority. Based on employee feedback, we doubled the number of “Work from Anywhere” days from 10 to 20, providing our teams greater flexibility to tailor their work arrangements to their personal needs and preferences. This policy not only promotes work-life balance, but also reflects our trust in employees to manage their responsibilities in the way that works best for them.

Recognizing that culture is shaped both virtually and physically, we initiated an office refurbishment at the end of the year. The new design supports both collaboration and deep work, with spaces for team interaction and quiet focus. This transformation represents our ongoing commitment to creating a workplace that is both

productive and human-centered.

Throughout the year, we continued hosting events that build community, from family gatherings to team-building activities and our annual ski weekend. Our social calendar offers something for everyone. These moments are more than just breaks from routine, they strengthen relationships, celebrate achievements, and serve as a reminder that we thrive not only as colleagues, but as a community.

We are proud to have been recognized again as a Great Place to Work in 2024. With 83% of employees affirming this, and high ratings for fairness, inclusion, and safety, this recognition affirms the strength of our shared culture.

Key drivers of our success

People & Culture

Martina BULZOMI

LEGAL TEAM LEADER

“At JAO we work in a fast-paced environment in which we need to remain resilient in order to manage any new challenge to the best of our ability. It is demanding but it makes our job extremely interesting and rewarding.”



Employees

89

Different
nationalities

24

Employee voluntary
turnover rate

6%

51% men

49% women

Marco MARELLI

CAPACITY ALLOCATION SPECIALIST

"Working at JAO as a Capacity Allocation Specialist, every day offers opportunities to learn and grow both personally and professionally. Being part of a strong, supportive, solution-driven team helped me strengthen my skills and better understand how our role supports both the company's success and the energy sector."

Great
Place
To
Work®

Certified

JAN 2024-JAN 2025

LUX

TM

Key drivers of our success

People & Culture



Total assets

2.6B+

EUR 2,648,668,236.93

Net turnover

19B+

EUR 19,702,042,103.01

**Financial
reports
2024**

Total equity

9.3M+

EUR 9,396,932.71

Operating costs

17.6M+

EUR 17,658,223.01

Annual accounts 2024

BALANCE SHEET	2024	2023
ASSETS	KEUR	KEUR
Fixed assets	4,872	4,884
Intangible assets	4,554	4,491
Tangible assets	318	393
Current Assets	2,553,140	2,050,055
Debtors (Note 2)	1,054,122	812,574
Cash at bank (Note 3)	1,499,018	1,237,481
Prepayments	90,656	119,355
Total assets	2,648,668	2,174,294

Annual accounts 2024

BALANCE SHEET	2024	2023
CAPITAL, RESERVES AND LIABILITIES	KEUR	KEUR
Capital and reserves	9,397	8,344
Subscribed capital	125	125
Share premium account	5,123	5,123
Reserves	221	13
Profit or loss brought forward	2,875	2,115
Profit or loss for the financial year	1,053	968
Provisions	167	151
Creditors	2,543,766	2,045,034
Deposits made on business accounts (Note 4)	1,063,697	987,775
Trade creditors (Note 5)	1,475,765	1,054,590
Other creditors	4,304	2,669
Deferred income	95,338	120,765
Total capital, reserves and liabilities	2,648,668	2,174,294

Annual accounts 2024

PROFIT AND LOSS	2024	2023
	KEUR	KEUR
Net turnover (Note 6)	19,702,042	20,024,597
Other operating income	55	98
Raw materials and consumables and other external expenses (Note 7)	-19,690,203	-20,013,406
Staff costs	-8,267	-7,700
Value adjustments in respect of formation expenses and of tangible intangible fixed assets	-1,700	-1,808
Other operating expenses	-707	-592
Other interest receivable and similar income	182	152
Other interest payable and similar expenses	0	0
Tax on profit after taxation	-312	-338
Profit or loss after taxation	1,090	1,003
Other taxes	-37	-35
Net result for the financial period	1,053	968

Note 1: Basis of preparation

The annual accounts are prepared in accordance with laws and regulations applicable to *sociétés anonymes* as well as generally accepted accounting principles in the Grand Duchy of Luxembourg. The accounts of the Company have been prepared in accordance with the provisions of the Commercial Law dated 10 August 1915 as amended. The accounting methods applied by the Company are in conformity with the going concern principle.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires Management to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company's books and records are held in euro ("EUR") and the annual accounts are expressed in that currency. Income and charges denominated in other currencies are translated into EUR at the exchange rates ruling at the date of each transaction. Fixed assets denominated in other currencies are translated into EUR at historic exchange rates. Other assets and liabilities denominated in other currencies are translated into EUR at the rates prevailing at the balance sheet date. Realized foreign currency gains and losses and unrealized foreign exchange losses are recognized in the profit and loss account. Unrealized foreign exchange gains are not recognized.

Note 2: Debtors

DEBTORS	2024	2023
	KEUR	KEUR
Amounts due by the Market Participants invoiced by JAO S.A. for their participation in the cross border capacity auctions	150,362	90,316
Amounts due by the Transmission System Operators which own the cross border capacity and to which JAO S.A. charged a fixed monthly fee for the service performed and compensations relating to the capacity that is distributed to the Market Participants	413,445	291,197
Amounts due by the Transmission System Operators in relation to the balancing services	478,084	391,778
Amounts due by the Central Counter Parties and Transmission System Operators in relation to the congestion income distribution	7,254	34,668
General service fees due by Transmission System Operators and Other Parties relating to the services performed by JAO S.A.	4,055	3,524
Amounts paid to suppliers with a debit balance	359	369
Other Debtors	763	722
Total trade debtors	1,054,122	812,574

Note 3: Cash at bank

Cash at bank is composed by KEUR 435,321 (2023: KEUR 249,706) in bank accounts owning by the Company and KEUR 1,063,697 (2023: KEUR 987,775) in bank accounts dedicated to Market Participants.

The Company has opened a business bank account for each Market Participant. Each business bank account is managed, controlled and operated exclusively by the Company and is a special dedicated account to which the Market Participant pays all the amounts required under the auction rules and all the payments for the allocated capacities acquired or to be acquired by the Participant in accordance with auction rules.

The Company cannot use the dedicated bank accounts for its own account.

Note 4: Deposits made on business accounts

DEPOSITS MADE ON BUSINESS ACCOUNTS	2024	2023
	KEUR	KEUR
Payments received on account of orders relate to deposits made by the Market Participants on dedicated bank accounts, to cover their positions in relation to cross border capacity auctions (see note 3)	1,063,697	987,775

Note 5: Trade creditors

TRADE CREDITORS	2024	2023
	KEUR	KEUR
Amounts due to the Market Participants invoicing JAO S.A. for compensations relating to cross border capacity	452,781	329,336
Amounts due to the Transmission System Operators which own the cross border capacity and which sell it to JAO S.A. after related auctions	138,298	78,318
Amounts due to the Transmission System Operators in relation to the congestion income distribution performed by JAO S.A. on behalf of the Transmission System Operators	352,448	211,840
Amounts due to the Transmission System Operators in relation to the balancing services	523,883	426,158
Amounts due to Central Counter Parties – Congestion income distribution recharge and Amount due to Other Parties - General Administration expenses	3,071	4,525
Amounts due to suppliers for invoices not yet received	5,284	4,413
Total	1,475,765	1,054,590
Total of (Note 4 and Note 5)	2,539,462	2,042,365

Note 6: Net turnover

As of 31 December 2024 the geographical market includes the majority of Europe, with the exception of certain regions in the Balkans. Specifically, this includes all borders that are managed by the TSOs within these areas.

Financial services connected with clearance and settlement activities on balancing platforms are provided to Transmission System Operators located in several European regions.

Other revenue includes collected income where the Company acts as contracting entity on behalf of the Transmission System Operators for congestion income distribution and various other service projects.

The turnover is analyzed by category of activity and geographical markets as follows:

NET TURNOVER	2024	2023
	KEUR	KEUR
Monthly fees charged to the Transmission System Operators for the service performed on their behalf	18,878	16,388
Allocation of cross border electricity capacities charged to the Market Participants	9,822,981	11,402,848
Congestion income distribution	7,501,254	5,916,884
Balancing services	2,335,280	2,665,551
Other central contracting activities	23,649	22,926
Total	19,702,042	20,024,597

	2024	2023
	KEUR	KEUR
Europe - EU	14,524,487	14,336,152
Europe – Non-EU	4,967,468	5,461,529
Outside of Europe	210,087	226,916
Total	19,702,042	20,024,597

Note 7: Raw materials, consumables and other external expenses

Raw materials, consumables and other external expenses are composed by charges equal to the turnover composed by the allocation of cross border electricity capacities charged to Market Participants, Financial services connected with clearance and settlement activities on balancing platforms and expenses where the Company acts as central contracting entity on behalf of Transmission System Operators to external service providers, by congestion income distribution as the Company acts as an intermediary between sellers and buyers of the cross border electricity capacities, and by the external charges as follows:

RAW MATERIALS AND CONSUMABLES AND OTHER EXTERNAL EXPENSES	2024	2023
	KEUR	KEUR
Allocation of cross border electricity capacity invoiced to the Market Participants	10,237,878	11,701,225
Congestion income distribution charges	7,086,357	5,618,507
Balancing services charges	2,335,280	2,665,551
Other central contracting activities	23,649	22,926
IT maintenance and supplies	3,241	2,611
Office charges	371	329
Travel expenses	156	120
Consultancy fees	915	362
Property charges	595	535
Legal advisory fees	916	304
Insurances	188	183
Administration and bank charges	329	374
Audit and other professional fees	328	379
Total	19,690,203	20,013,406



Contact us

JOINT ALLOCATION OFFICE

ADDRESS

2 rue de Bitbourg
L-1273 Luxembourg

PHONE

+352 27 62 38 01

EMAIL

contact@jao.eu

WEBSITE

www.jao.eu

