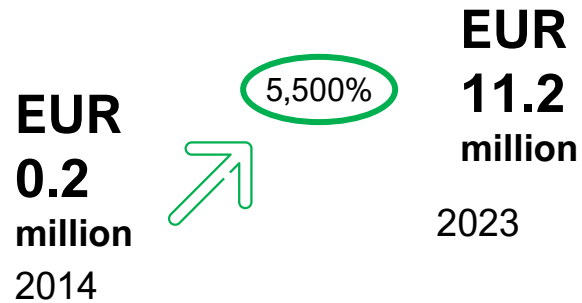




Electric car sales in Europe



European electric car stock



Energy transition is a hot topic today and a look at the statistics shows why. **Huge percentage jumps** in the number of electric vehicles in stock and sold and in battery capacity show just how much things have evolved since 10 years ago.

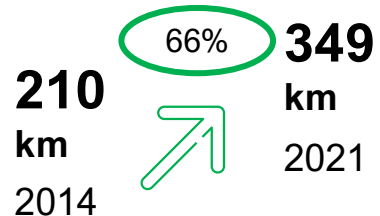
Two major components of energy transition are **EV usage and capability, and battery storage capacity and installations**. In this snapshot we take a look at both, and also share some numbers on **China's domination** of these markets.

Our midmarket clients want to know the opportunities for M&A. The **midmarket segment** is important as financial and strategic buyers show interest in this market from different angles. We see particular interest in **midsize technology, product, and service companies** that are targets for OEMs and Tier 1 suppliers as well as private equity.

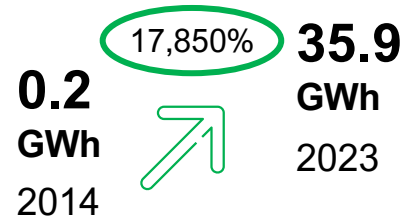
The Clairfield energy team tracks developments closely and has special expertise in **engineering consultancies, electric drivetrain, battery technology, and the electric charging industry**.



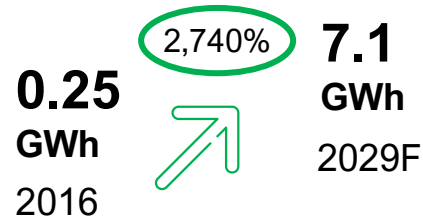
Average range of EVs



Cumulative BESS capacity in Europe



Yearly increase in European battery storage installations



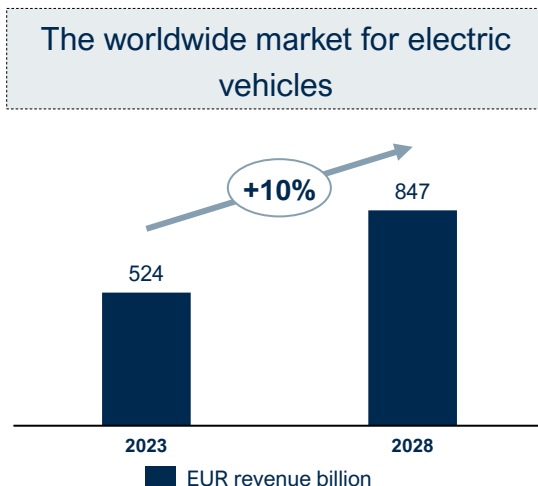
EV: Growth and evolution, projected market expansion driven by climate concerns and technological advances

Market overview

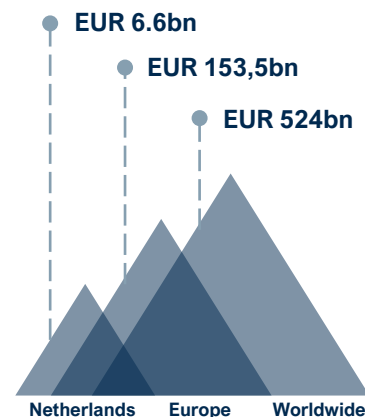
- The electric vehicle market includes Battery Electric Vehicles (BEVs), Plug-in Hybrid Electric Vehicles (PHEVs), and Fuel Cell Electric Vehicles (FCEVs).
- In addition to cars, the EV industry covers vehicles from bikes and scooters in the micromobility sector, prized for their accessibility and affordability, to E-trucks, which are gaining traction due to the increasing demand for lower carbon emissions in the transport and logistics sector.

Market outlook

- Increasing offer of EV models with an estimated annual growth rate of 30%.
- Net Zero Emissions by 2050 Scenario sets a pathway for the global energy sector.



Market size (2023)



Drivers

- Increasing climate change concern amongst consumers
- Advancements in battery technology (further travel distance)
- EV prices are more affordable
- Lack of public charging stations
- Long battery-charging times

Recent M&A activity

Investor	Target	Country	Date
UVCELL SOLAR	ERAGENE	Canada	May-24
ACCURSA CAPITAL	ihovis	Germany	May-24
BRAINBOX AI	TURNTIDE	USA	May-24
emco elektroller	UNU	Germany	Apr-24
HYUNDAI MOTOR GROUP	Motional	USA	Apr-24
RHEINMETALL DEFENCE	REEQ	Hungary	Mar-24
Next Com SA	BIRO I'm easy	Greece	Mar-24
EXIDE TECHNOLOGIES	BE-POWER	Germany	Mar-24
kontron	KATEK	Germany	Feb-24
HTC Group	DAF	Netherlands	Feb-24
BGG	DYNAMICO	Italy	Feb-24
XOS	ELECTRA MECCANICA	Canada	Jan-24
RIDECO	GM KOREA	Korea	Jan-24
Gerco LLC	LIGHTNING e MOTORS	USA	Jan-24
Salt Creek Capital	VANTAGE VEHICLE INTERNATIONAL, INC.	USA	Dec-23

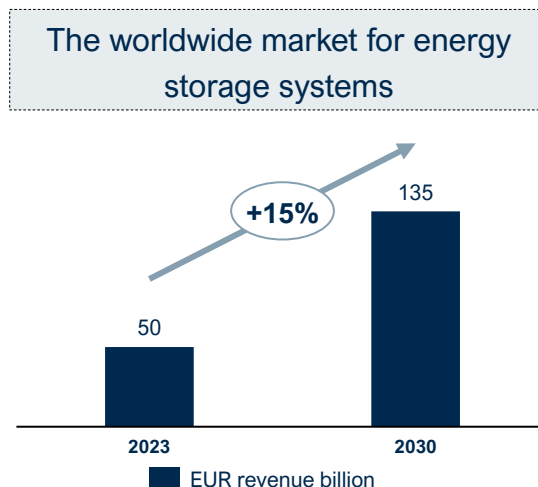
BESS: Growth and evolution, marked by rising demand, technological advancements, and strategic adaptations to market dynamics

Market overview

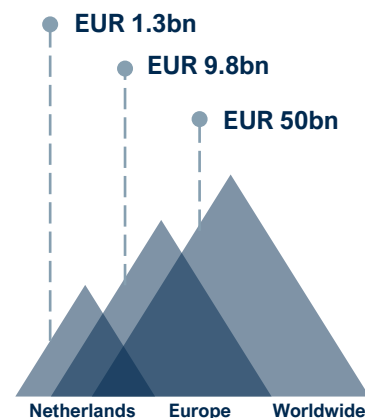
- The Battery Energy Storage System (BESS) market includes Front of the Meter (FTM) utility-scale, Behind the Meter (BTM) commercial/industrial, and BTM residential installations.
- Fragmentation characterizes the European market, with battery cell manufacturing being centred in China due to cost leadership and significant access to critical raw material.
- European companies generally integrate vertically for battery cell production and pack assembly due to China's dominance in cell manufacturing.

Market outlook

- Incumbents pursue battery systems with enhanced materials.
- Lithium ferrophosphate (LFP) gains traction for its cost-effectiveness and safety benefits, despite lower energy density, impacting pricing.



Market size (2023)



Drivers

- + EU Green Deal drives demand for BESS.
- + Market competitiveness and technological advancements.
- + Increasingly congested grid.
- Shortage of manufacturing equipment and skilled labor.
- Risk of raw material shortages.

Recent M&A activity

Investor	Target	Country	Date
CDPQ	northvolt	Sweden	Nov-23
KKR	ZENOBÉ	UK	Sep-23
MACQUARIE	VERKOR	France	Sep-23
ENGIE	BROAD BEAM POWER	USA	Aug-23
CDPQ	OMERS	Sweden	Aug-23
PREMIUM EQUITY PARTNERS	FREQCON	Germany	July-23
Several VC investors	FORSEE POWER	France	May-23
ProPartners	FUERGY	Czechia	Jan-23
Initial Public Offering	energy	Italy	Aug-22
equinor	elestor	Netherlands	Aug-22
DIF CAPITAL PARTNERS	Greener Power solutions	Netherlands	Jul-22
ABB	MORROW	Denmark	May-22
SOLARWATT	REConvert	Netherlands	May-22
Initial Public Offering	ENERGY VAULT	Switzerland	Feb-22
pka	MORROW	Denmark	Aug-21

China dominates the electric vehicle market

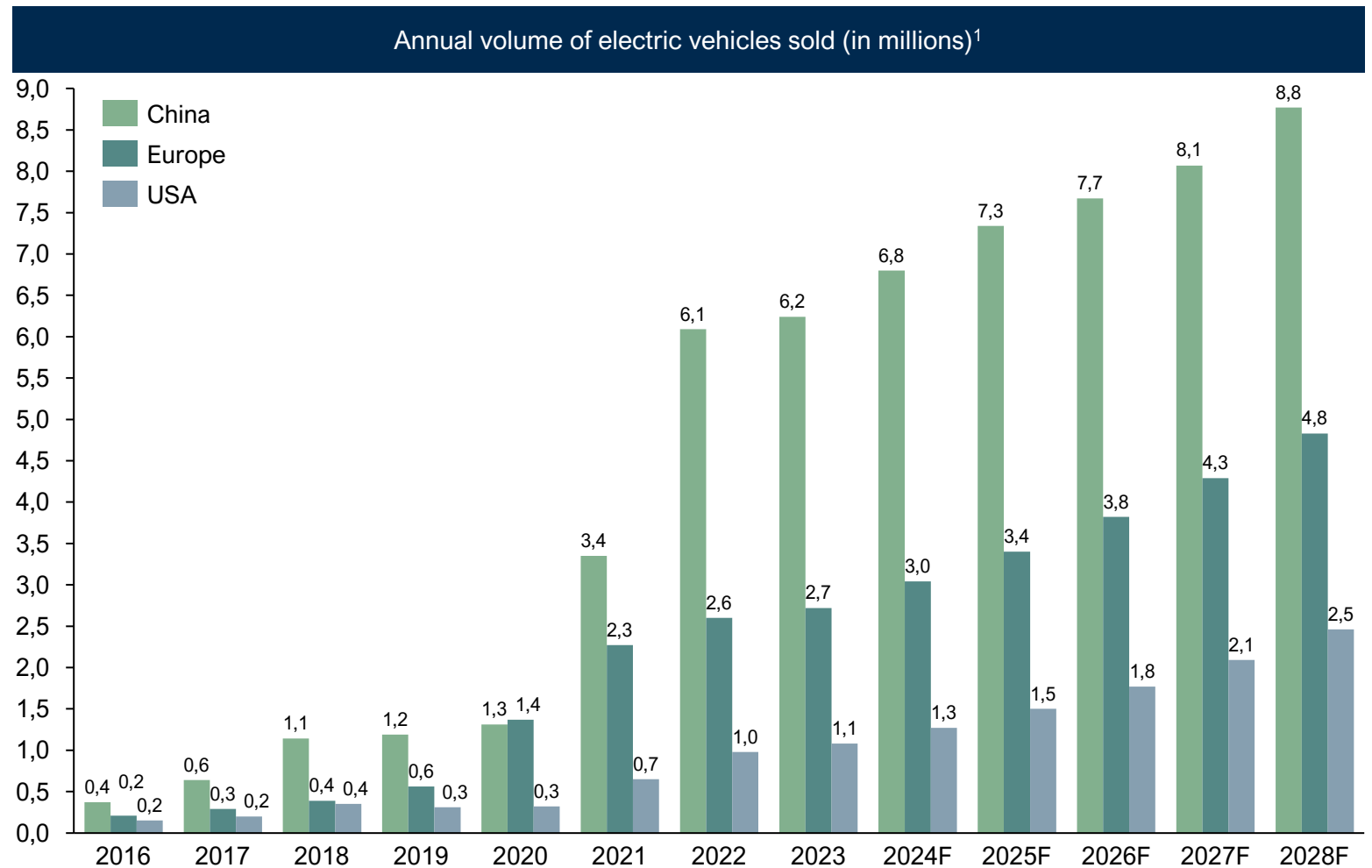
Significant M&A activity and numerous global energy transition infrastructure transactions since 2000

China is a key player across the energy transition value chain, with a significant presence on both the demand and supply sides of the market. As the world's largest investor in renewable energy, China has invested heavily in solar, wind, and hydropower projects both domestically and internationally.

Through the Belt and Road Initiative, China has also financed and constructed numerous energy infrastructure projects in developing countries. The projects include renewable energy plants, which help recipient countries transition away from fossil fuels.

In contrast, the European and US markets face challenges such as inflation and curtailment of subsidies. Meanwhile China benefits from ongoing subsidies and decreasing costs of materials.

Source: Clairfield research, partner offices, Statista



Our deal record in energy transition

<p>Alternative energy producers </p> <p>ROYALTON PARTNERS sold to DALU S.R. <small>JDEME CESTOU BUDOUCNOSTI</small></p>	<p>Alternative energy producers </p> <p> acquired </p>	<p>Alternative energy technology & equipment </p> <p>nImab. was sold to 50five group backed by J.P.Morgan ASSET MANAGEMENT</p>	<p>Alternative energy technology & equipment </p> <p> a company backed by and KKR sold to MUTARES</p>	<p>Alternative energy technology & equipment </p> <p> acquired </p>	<p>Alternative energy technology & equipment </p> <p>RENERWASTE was sold to </p>
<p>Alternative energy technology & equipment </p> <p>FRI-ELGREENPOWER <small>THE CLEAN ENERGY COMPANY</small> acquired ALERIONCLEANPOWER <small>THE WIND ENERGY COMPANY</small></p>	<p>Automotive </p> <p>WILLIAMS ADVANCED ENGINEERING was sold to </p>	<p>Automotive </p> <p>EMK Capital acquired WILLIAMS ADVANCED ENGINEERING</p>	<p>Energy distribution </p> <p>OK acquired </p>	<p>Energy services </p> <p> Series A funding ABN-AMRO Sustainable Impact Fund</p>	<p>Energy services </p> <p> was sold to groendus</p>

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■ We look forward to speaking with you

■ **clairfield**

Smart grids

Green deal

Hydropower

Photovoltaic

Greenhouse gas

Climate

Temperature

EV mobility

Energy storage

ESG

Emissions

Biomass

Bioenergy

Sea level

Digitalisation