r2 Advisors

European Sector Intelligence Report: Monitoring Energy Transition Trends across Private and Public Markets

Key Findings

- Private market valuation multiples in YTD 2026 were slightly higher than in 2024 - 25, reflecting improving investor sentiment
- Private fundraising activity tripled in the first three months of 2026 vs. the same period in 2025 (by capital raised), while deal count remained stable
- Innovative energy-transition equities consistently outperformed traditional energy peers, with the performance gap widening over time
- During the Iran conflict, broader public markets fell sharply, but clean-energy equities remained resilient, with pure-play clean energy companies outperforming mixed energy firms

Resilient clean-energy public markets, rising private-market capital, and Europe's growing need for energy independence are collectively accelerating momentum for investors and companies driving the energy transition in 2026

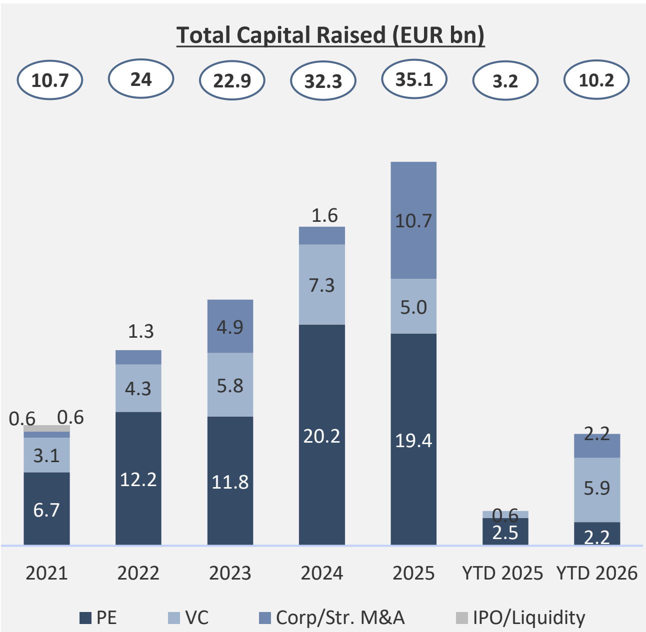
Quarterly Update | March 2026

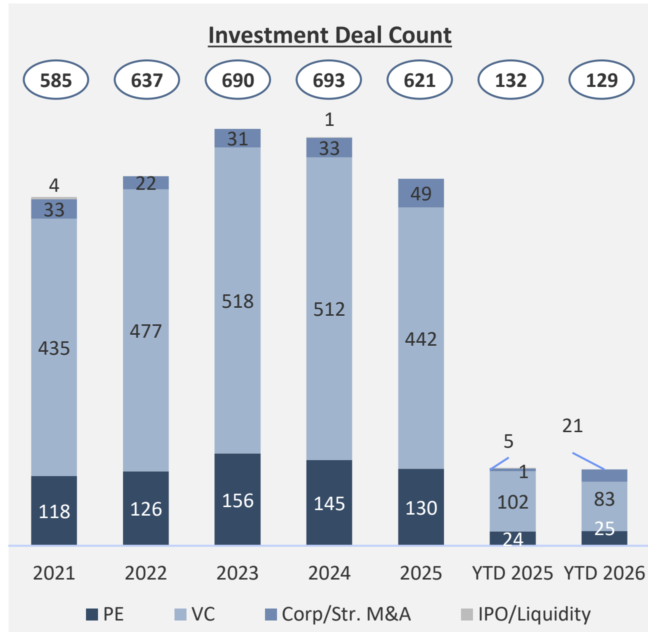
r2 Advisors - Industry Insights

Fueling Innovation: Private Market Fundraising & Valuations

Uncovering how venture capital, valuation trends, and landmark private equity investments are accelerating Europe's energy transition shift

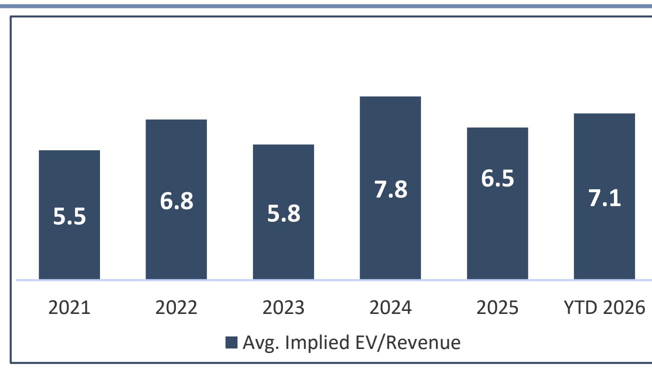
Fundraising Activity of Innovative Energy Transition Companies across Europe

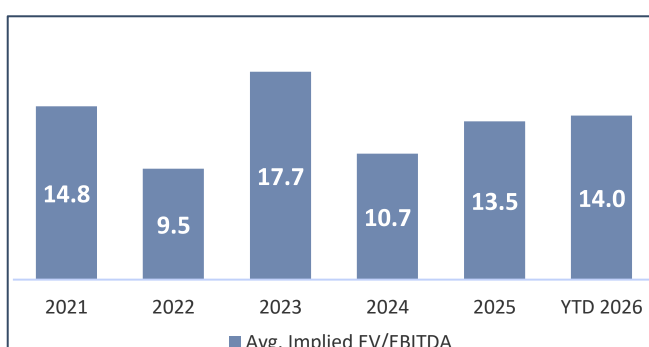




Notable Deals and Market Valuations across Innovative European Energy Transition

- 3 February 2026: **TenneT agreed to sell a 25.1% stake in TenneT Germany to KfW for ~EUR 3.3bn**, increasing state influence over critical transmission infrastructure and supporting grid modernization
- 15 December 2025: **ICG Infrastructure partnered with W Power Storage** to back a **multi-GW grid-scale BESS platform in Germany,** a transmission-adjacent investment reflecting BESS's new role as a core grid-stability asset
- 12 December 2025: **ENGIE acquired a 52 MW BESS project** in Tuscany from **SUSI-backed ReFeel New Energy**, reinforcing storage as a standalone infrastructure asset rather than an add-on
- 21 October 2025: **etalytics,** the German deep tech company specializing in AI-powered energy intelligence**, closed a EUR 8m Series A extension, bringing its total Series A funding to EUR 16m**
- 13 October 2025: **Enspired extended its Series B beyond EUR 40m** with backing from Future Energy Ventures, **accelerating expansion of its AI-powered battery optimisation** and **flexibility trading platform across Europe**



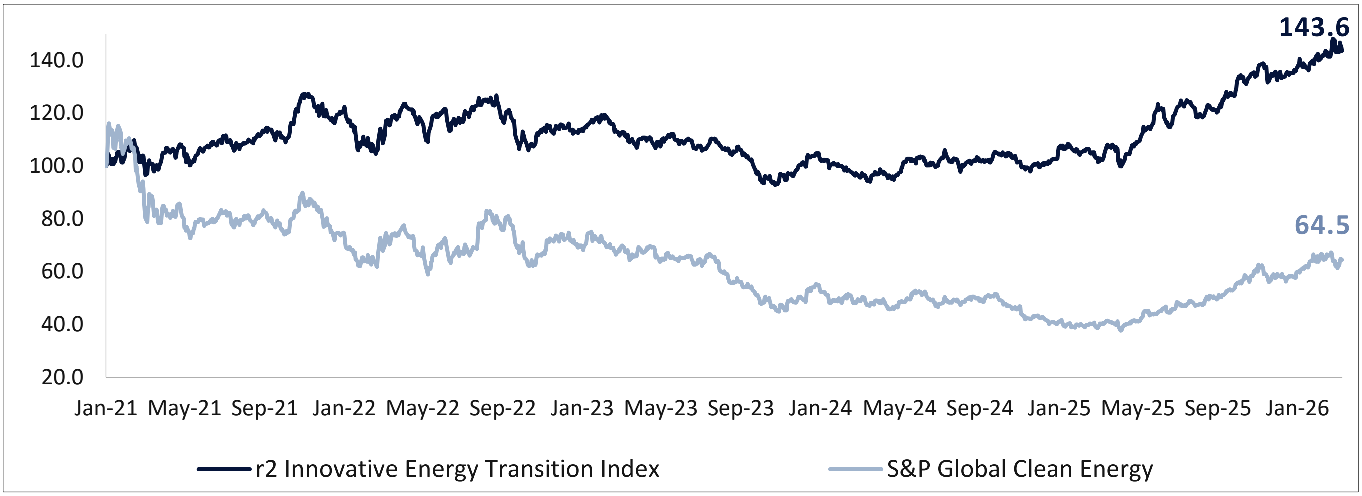


Source(s): Market Data as of 13-Mar-2026, Press Releases and Proprietary Research

Market Movers: Public Market Trends & Strategic Deals

Analyzing IPOs and public valuations, of listed innovative energy transition companies across Europe

Indexed Sector Performance



5.6%	38.8%	28.9%	43.6%
YTD Return	**1-Year Return**	**3-Year Return**	**Return since Jan'21**

Notable Deals, News and Market Valuations across European Energy Transition

- 25 February 2026: The **European Commission prepared the Industrial Accelerator Act,** a flagship policy aimed at accelerating industrial decarbonization and **strengthening domestic manufacturing of clean technologies** such as hydrogen, batteries, and low-carbon industrial products
- 30 January 2026: **Germany is reportedly planning to curb priority grid access for renewables**, a move the industry warns **could raise costs and slow the energy transition**
- 21 January 2025: The **EU disbursed EUR 1.8 bn from the Modernisation Fund to 45 clean energy projects across 12 Member States.** Notable allocations included **Czechia, Poland, Romania, and Hungary,** alongside smaller but strategically important investments in countries including **Latvia, Slovenia, and Portugal**
- 4 December 2025: The **European Commission opened a EUR 1.3bn European Hydrogen Bank auction** to fund large-scale hydrogen production, **expanding eligibility to renewable and low-carbon projects to speed up heavy industry decarbonization**
- 8 October: **EDF has initiated discussions with banks** as part of an early review of strategic and capital-markets options, including a **potential IPO of its Italian subsidiary "Edison"**
- 7 October 2025: **Ørsted A/S**, Danish multinational energy company, **completed a EUR 8bn rights issue** to strengthen its capital structure, funding full ownership of Sunrise Wind**, supporting 2025–2027 offshore build-out (8.1 GW**), and improving financial flexibility
- 6 October 2025: **Germany launched a EUR 6bn CCfD round, now including CCS and CCU alongside hydrogen,** to help steel, cement, and chemicals close the cost gap between conventional and low-carbon production

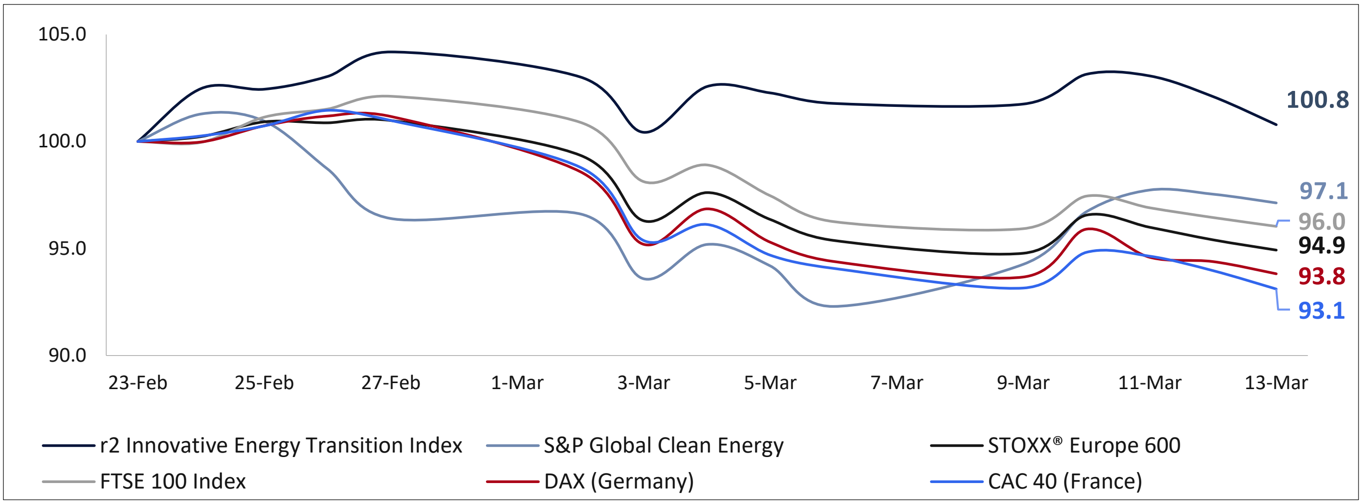
As of March 2026, European public companies traded at a median EV/Revenue'25A multiple of 4.1x and median EV/EBITDA'25A multiple of 11.9x, with forecasts indicating that these could remain broadly stable or compress

Source(s): Market Data as of 13-Mar-2026, Press Releases and Proprietary Research

Geopolitical Deep Dive: Iran Conflict and Its Impact on Public Markets

Analysing the impact of one of the largest oil-supply disruptions in modern market history, triggered by escalation of conflict involving Iran at the end of February

European Public Market Index vs. Clean Energy Indexes during Iran Conflict



What Happened and What Does It mean for Energy Transition Financing?

- The escalation of conflict involving Iran at the end of February triggered one of the largest oil-supply disruptions in modern market history, with crude and refined product flows through the Strait of Hormuz collapsing from ~20 mb/d to a near-standstill due to direct attacks and shipping blockages
- This created an immediate price shock across global energy markets, with oil briefly surging by 20 - 25% intraday before partially retracing in the days that followed as emergency reserve releases and alternative routing were activated

During 1–13 March, public markets priced the event in three phases:

1. **Initial shock:** Oil prices surged as markets priced in a ~USD 14/bbl geopolitical risk premium due to potential disruptions in the Strait of Hormuz. **Energy stocks and oilfield services briefly rallied amid fears of prolonged supply interruptions and reduced OPEC+ exports**
2. **Stabilisation:** Prices eased toward USD 90–100/bbl as markets reassessed the situation, supported by a 400 mb IEA emergency reserve release, early increases in non-OPEC+ output, and demand declines (~1 mb/d) from flight cancellations and LPG shortages in the Middle East. **Investor flows also shifted from broad energy exposure toward renewables and clean-tech ETFs**
3. **Medium-term view:** Attention moved to longer-term implications. **Continued risk** around Hormuz - handling ~20% of global crude and LNG flows - **highlights supply security concerns and reinforces the case for investment in alternative and distributed energy**, particularly in Europe

Key Takeaways:

- *Despite heightened geopolitical risk after the Iran crisis, **clean-energy equities remained resilient**, outperforming broader markets that experienced sharp declines, **as shown in chart above***
- *This crisis-like situation **highlights Europe's heavy dependence on oil and external energy supplies**, with only few countries (e.g., Norway, Poland and the Netherlands) having significant domestic resources*
- ***This vulnerability reinforces the need for energy independence, which can be achieved by accelerating investment in renewable and alternative energy sources***

Source(s): Market Data as of 13-Mar-2026, Press Releases and Proprietary Research

Emerging Small and Mid-Sized European Energy Transition Players

These companies form the basis of r2's equally weighted innovative energy transition index

Company	HQ	Market Cap (EUR m)	Enterprise Value (EUR m)	EV/Revenue			EV/EBITDA		
				2024A	2025A	2026E	2024A	2025A	2026E
Edison	Italy	10,467	10,961	0.7x	NM	NM	12.4x	NM	NM
Acciona Energías Renovables	Spain	6,752	11,755	4.0x	4.1x	4.1x	7.9x	7.4x	10.2x
ERG	Italy	3,166	5,350	7.1x	6.5x	6.3x	9.9x	9.7x	9.0x
Grenergy Renovables	Spain	2,963	4,059	3.8x	6.5x	6.0x	21.9x	20.7x	16.9x
ENEA	Poland	2,608	2,646	0.4x	0.4x	0.4x	1.9x	1.9x	2.2x
Scatec	Norway	1,710	4,204	13.7x	9.0x	8.2x	20.7x	11.6x	10.9x
Vaisala	Finland	1,651	1,665	2.8x	2.8x	2.7x	15.3x	14.9x	13.6x
Arteche Lantegi Elkartea	Spain	1,471	1,515	3.1x	2.9x	2.6x	26.9x	19.7x	16.2x
Romande Energie Holding	Switzerland	1,363	1,635	2.1x	2.0x	1.8x	13.1x	11.2x	8.4x
naturenergie holding	Switzerland	1,189	928	0.6x	0.6x	0.6x	3.3x	4.2x	5.3x
Alerion Clean Power	Italy	985	1,685	12.8x	6.8x	5.8x	10.1x	8.7x	7.4x
Polenergia	Poland	932	1,479	1.5x	1.5x	1.9x	12.8x	12.0x	13.1x
Voltalia	France	822	3,106	5.3x	5.5x	5.1x	21.7x	15.1x	14.0x
ITM Power	UK	451	239	7.4x	8.0x	5.1x	NM	NM	NM
Litgrid	Lithuania	444	470	1.1x	NM	NM	10.0x	NM	NM
Ecoener	Spain	269	866	10.5x	7.8x	7.2x	21.6x	13.2x	13.2x
SFC Energy	Germany	259	234	1.6x	1.6x	1.5x	22.1x	16.0x	10.8x
Clearvise	Germany	105	325	9.0x	7.8x	6.8x	18.5x	11.9x	9.4x
ABO Energy	Germany	58	334	0.6x	1.3x	1.1x	5.1x	NM	14.3x
Min				**0.4x**	**0.4x**	**0.4x**	**1.9x**	**1.9x**	**2.2x**
Median				**3.1x**	**4.1x**	**4.1x**	**12.9x**	**11.9x**	**10.8x**
Average				**4.6x**	**4.4x**	**4.0x**	**14.2x**	**11.9x**	**10.9x**
Max				**13.7x**	**9.0x**	**8.2x**	**26.9x**	**20.7x**	**16.9x**

Source(s): Market Data as of 13-Mar-2026

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