

Innovative Technology Companies Are Leading The Energy Transformation



Technological innovation combined with societal demand to decarbonise and to open monopolistic energy markets to competition has led to an unprecedented transformation of the energy sector. These catalysts have pushed governments around the world to set and agree to various carbon emissions reduction targets, many of which were supported by large subsidies for renewables, energy efficiencies and other technologies. As such, we have seen the rapid and large-scale buildout of renewables and other technologies across much of the world, sometimes with unintended consequences ([see our White Paper “The Development And Integration Of Renewables: Lessons Learned From Germany”](#))

These events have created a profound shift of the energy industry that once was founded with monopolistic suppliers with centralized grids, controls and power supplies to one that is moving rapidly towards distributed generation, independent service operators for transmission and distribution networks, energy

storage (grid connected, commercial and residential) as well as a plethora of energy suppliers – which now includes homeowners who sell their power into the grid from their solar panel rooftops, energy storage devices and/or their EV’s.

The resulting consequences are the growing demand for technologies and services companies that can maximize (including but not limited to):

- Energy Efficiency (i.e. energy storage, smart thermostats, smart appliances, and other digital platforms)
- Operational performance (i.e. wind/solar farms, grids, storage, etc.),
- Control (i.e. energy storage, grids, EV charging points, etc.),
- Risk Management (i.e. energy trading, energy generation, energy storage, etc.)

Accordingly, there have been a number of successes and many more failures. The reports of [MIT Energy Initiative](#) and [Brookings](#) highlight what challenges clean energy technology companies face and why this sector has trailed behind the venture capital index. We have seen a period of “irrational exuberance” that has somewhat calmed down that led to business plans with unrealistic revenue targets and/or untenable valuations created by seller and/or buyer. Like any industry, there are cycles and we expect that the energy industry will continue to have more in the upcoming years.

While the energy sector is undergoing dynamic change, there is one constant driver that remains the same – the potential for value creation or destruction. It is here where Finadvice distinguishes itself. With 20 years of experience ad-

vising both strategic players and investors in the energy sector, Finadvice has transitioned from privatizations to restructurings to divestitures & acquisitions to renewable energy and now to energy technologies and services companies. Collectively, Finadvice has reviewed over EUR 47.5B worth of transactions and continues to work with strategics and investors from around the world.

The clean energy tech sector is rapidly growing with some companies/sectors showing impressive compound growth rates. In an industry sector that is traditionally conservative; entrepreneurial and fast-moving companies have huge potential to create value if their business models as well as technologies are sound. The last three years have shown the continued growing trend of strategic companies as well as financial investors acquiring these entities to assist their existing businesses and/or create new business lines. For example, we have recently seen numerous transactions occurring with large energy and oil companies as well as infrastructure funds (with transportation assets), most notably in the EV charging stations. Other technologies that we are most impressed with that create real value are those digital platforms that maximise renewable portfolio investments as well as those that measure and optimize the flow of energy on the grids.

The key support we provide our clients, whether from a buy-side or sell-side, is (simplistically stating) defining the true value proposition to the end user, the realistic growth opportunities for various markets, barriers to entry and competitive advantages, regulation or potential regulation, real and potential competitors and the ability of the management team to achieve its targeted goals and grow the company.

The companies that Finadvice has advised include metering and measuring businesses, telecoms, power to gas, IoT, mobility, energy trading, energy efficiency services and various ancillary supporting technologies for renewable power. At the time of this writing, Finadvice is working on three buy-side and sell-side mandates.

Having a deep understanding of the global energy sector over the past two decades will only further assist Finadvice and its clients in identifying and investing in value-creating opportunities in the dynamic clean energy tech sector while avoiding the pitfalls. We invite you to contact us regarding your requirements.

About Finadvice

In 1998 Finadvice was founded as an independent consultancy firm in Adliswil, Switzerland, focusing predominately on Mergers & Acquisitions (M&A). We specialise in advising and supporting a broad range of European utility companies with their investment decisions. Valuations and profitability calculations are at the core of our work.

Finadvice is 100% management owned and therefore we can advise our customers without the worry of any conflict of interests arising. For this reason, a large portion of our clients have stayed with us since the foundation of the company. Our team has a wide range of skills and expertise, with vast experience in dealing with all aspects of the utility sector. Hence, we are capable of identifying and realising value for our clients.

Contact Details: Finadvice AG, Soodstrasse 55, 8134 Adliswil, Switzerland

Phone [+41433771000](tel:+41433771000)

eMail: office@finadvice.ch

Home: finadvice.eu