

INSIGHT

Power flexibility marketing & trading

Understanding flexibility’s growing role and M&A activity in Europe’s power markets

June
2026

Pan-European Corporate Finance adviser for the SME market

200+ transactions per year reflect our market proximity and activity

Clearwater at a glance

Deal statistics

3,300+
Completed transactions

~50%
of deals involve private equity

+67%
Trade deals involve overseas buyers

€20 - 250m
Typical deal size

+700
Debt Advisory financings (€66bn)

200+
deals completed each year

70% Sell-side

30% Buy-side

Clearwater statistics

20
Offices

475+
Employees

Consistently ranked
TOP 10
in European M&A League Tables



RealDeals PRIVATE EQUITY AWARDS 25 — Pan-European Corporate Finance House of the Year 2025

Mergermarket BRITISH PRIVATE EQUITY AWARDS 2024 Winner — Debt Adviser of the Year 2024

International partners

KeyBanc Capital Markets

InterChina 英特华

Sector-focused with deep energy expertise

96 Energy & Utilities transactions across BESS, renewables, biomethane, trading, and infrastructure

Clearwater at a glance

Clearwater capabilities

- **M&A**
- **Debt advisory**
- **Capital raisings**
- **Special situations**

Sector focus

393 Automotive deals	**709** Business Services deals	**521** Consumer deals	**96** Energy & Utilities deals	**120** Financial Services deals
158 Food & Beverage deals	**303** Healthcare deals	**803** Industrials & Chemicals deals	**148** Real Estate deals	**538** Tech & Tech Services deals

Clearwater DNA

- **Independent** and partner-led
- **Sector** focused
- **Global** presence
- **Experienced** transaction teams
- **Tailor-made** advice

Selected Energy & Utilities references



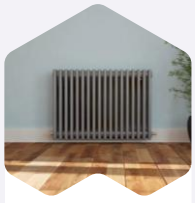
uniper sold LIQVIS to EnviTec Biogas



beegy sold to MVV



BayWa r.e. renewable energy sold its biomethane trading business BMH to bmp greengas



VIESMANN refinancing of its existing syndicated loan agreement

Flexibility sources clustering

Three flexibility sources enable real-time grid balancing as renewable penetration drives structural volatility

Flexibility sources

Flexibility trading

Balances supply and demand using supply, storage and demand-side flexibility

Supply-side flexibility

Ramp



Curtail



Power generation assets adjust their output up or down to compensate for fluctuations in demand and renewable energy generation, and to serve the residual load of the electricity system

Storage flexibility

Charge



Discharge



Storage technologies absorb electricity when supply exceeds demand and release it when the system is tight, shifting energy across time to stabilise the grid

Demand-side flexibility

Shift



Reduce



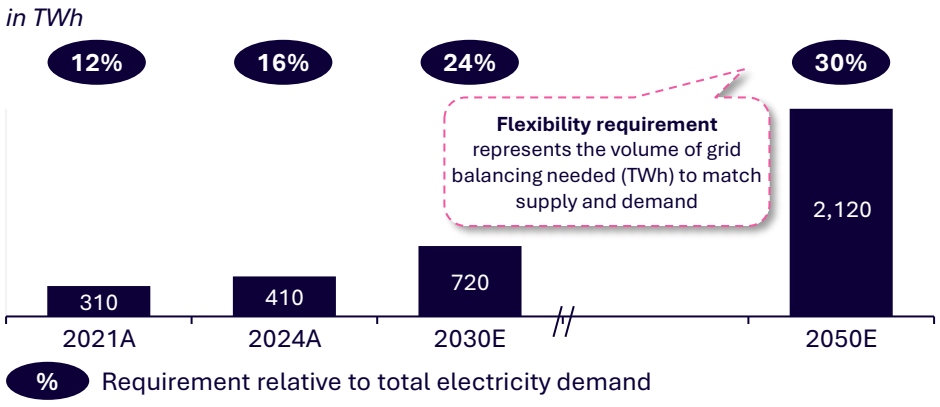
Electricity consumers shift or reduce their consumption in response to price or control signals, either directly or via aggregators

European flexibility market development ...

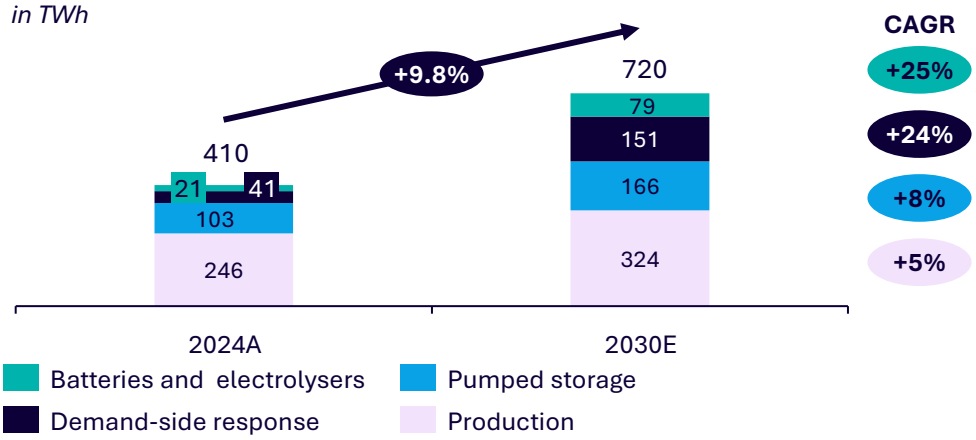
European flexibility requirements to grow 75% by 2030, with batteries and demand-side response accelerating at 20%+ CAGR

Flexibility market development

European flexibility requirement



European flexibility supply mix



Source: Clearwater Research, McKinsey

… is driven by increasing BESS capacity and demand-side use cases

Revenue stacking across wholesale arbitrage, grid services, and capacity mechanisms enables optimal asset utilisation

Key takeaways

Market development

- **Overall flexibility requirement** increases **from 310 TWh (2021A) to 720 TWh (2030E)** (i.e., a >75% uplift versus 2024A) and **reaches 2,120 TWh by 2050E**
- Flexibility requirement rises from **12% (2021A) to 24% (2030E)** of total electricity demand (and 30% by 2050E)
- **Drivers:** higher RES[1)] intermittency and accelerating electrification increase volatility and the need to balance supply/demand more actively

Core offerings

- **Ancillary services** typically pay (i) **availability/capacity reservation (MW)** and (ii) **activation energy delivered/curtailed (MWh);** response times can be seconds to minutes depending on the product

Value pool:

- The European **demand-side flexibility gross value pool** is estimated to triple from **€4bn (2024A) to €12bn (2030E)**
- By stack (2030E): **€9bn wholesale arbitrage, €2bn ancillary services, €1bn capacity mechanisms**
- **€8bn** of €12bn **accessible** to **C&I players**; the remainder residential and aggregator fees

Forward-looking:

- Post-2030, overall flexibility value **may decline if the market becomes oversupplied**, driven partly by **large-scale battery build-out,** potentially favouring low-capex DSR over capital-intensive sources

Implications:

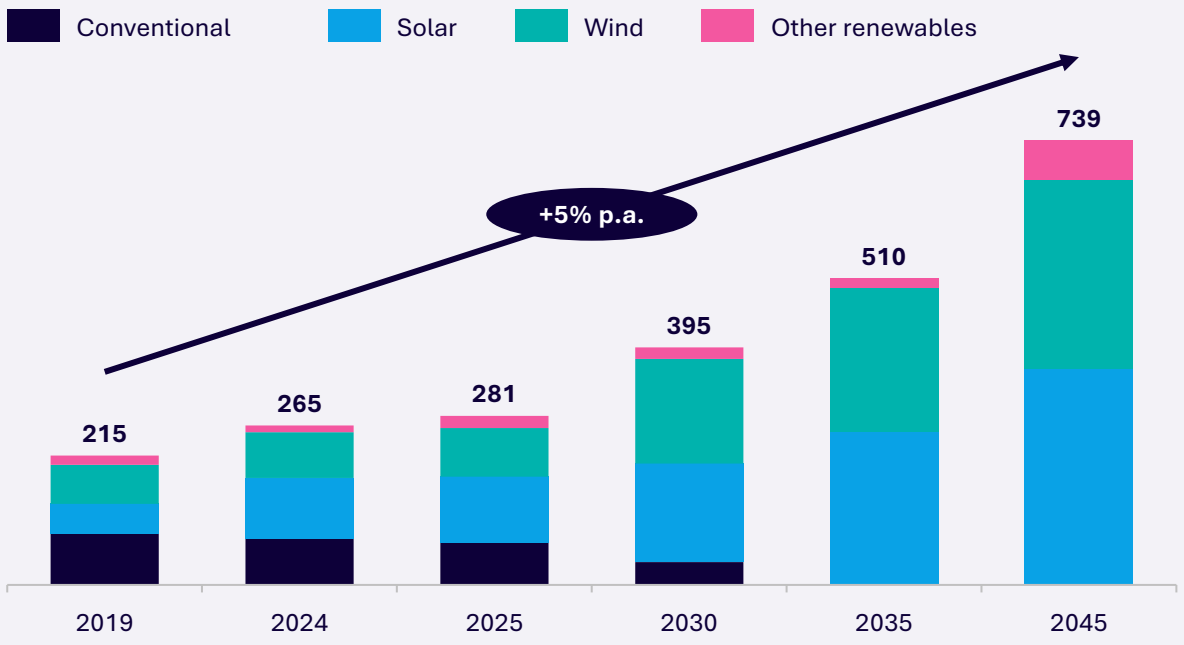
- **Flex monetisation is increasingly multi-channel:** value stacks across wholesale arbitrage, grid services, and capacity mechanisms
- **Especially battery storage and demand-side response** are expected to grow significantly, supplying increasing balancing services to the grid
- **Winning capabilities**: digital readiness, automation, real-time forecasting and market integration to execute reliably (and avoid penalties/underperformance)

Source: Clearwater Research, McKinsey
Note: 1) Renewable Energy Sources

Structural market tailwinds …

Ongoing expansion of renewables across Germany and Europe is driving expanding power price spreads

German power generation capacity (in GW)



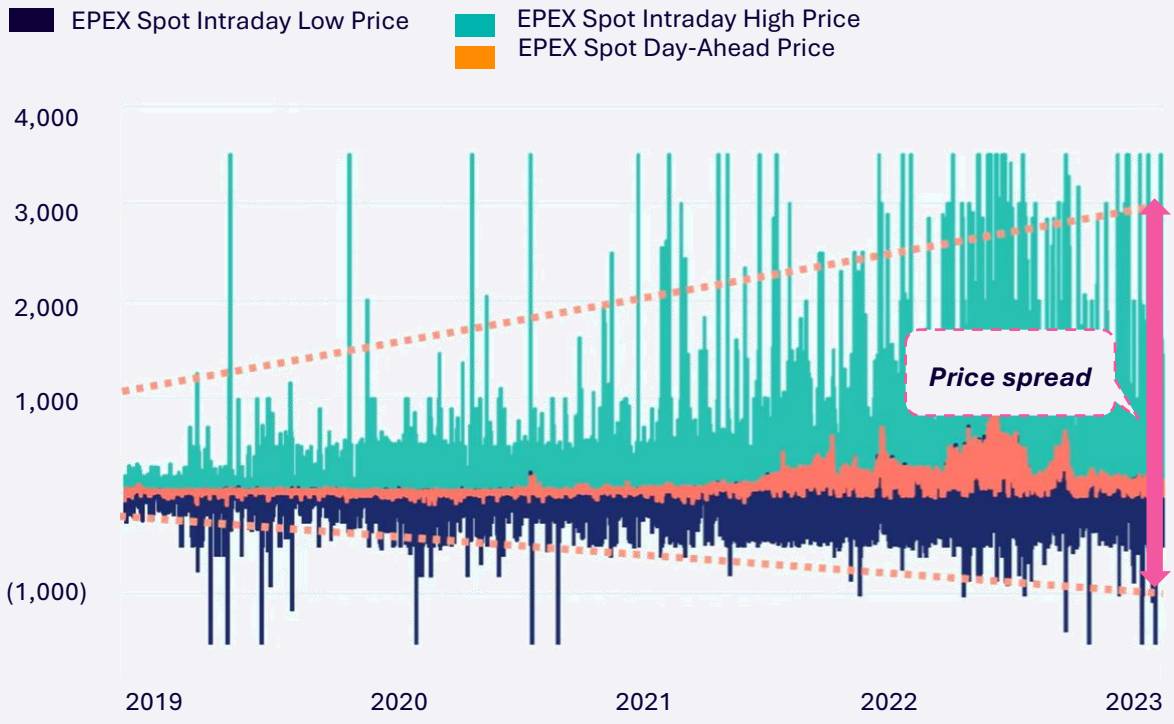
- Total Power generation capacity increased significantly in Germany from 215 GW in 2019 to 281 GW in 2025, with **further expansion projected at a ~5% CAGR through 2045, reaching ~739 GW with majority coming from renewables**
- The majority of renewable capacity is anticipated to be supplied from solar assets, while conventional assets will be phased out by 2035
- These trends are expected to **structurally favour demand for flexibility solutions**

Source: Clearwater Research, Enervis

… projected to stay …

The increasing penetration of renewable energy sources has driven pronounced intraday price spreads and a rising frequency of negative pricing hours

Intraday price spreads (continuous 15 Min., in EUR/MWh)



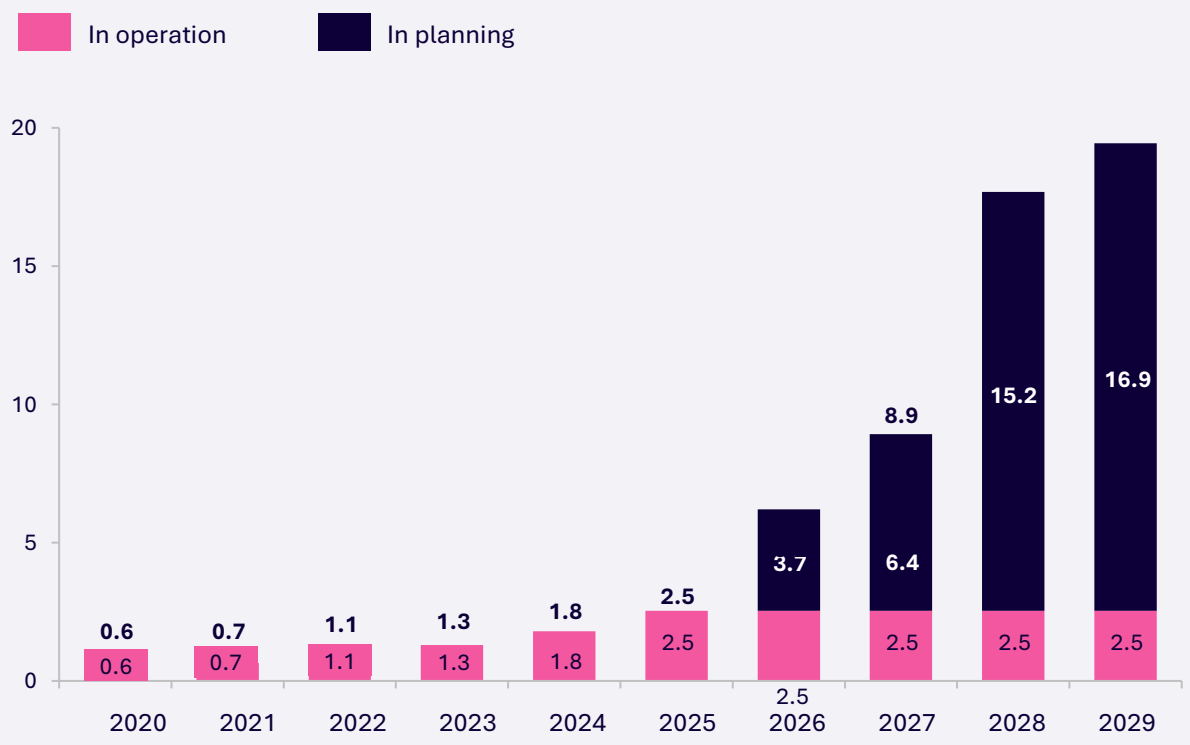
- **Intraday price spreads have widened materially as renewable integration accelerates** — the gap between EPEX SPOT intraday low and high prices has expanded continuously from 2019 to 2023, driven by increasing market volatility and growing trading volume in the continuous intraday market
- **Near-gate-closure execution is considered the highest-value window** in the short-term power market with c. 60% of trading profits being captured in the final 90 trading minutes

Source: EPEX Spot

… and fuel flexibility capacity build-out

The accelerating growth of BESS assets increases marketable flexible asset base

German cumulative installed BESS capacity (in GW)



- Significant increase in battery storage installations over the last three years
- **Additional expansion of at least 17 GW** is planned for the next four years, accelerating past growth
- BESS are becoming more complex, often co-located with renewable parks, **accelerating market penetration across utility scale and C&I segments**

Source: Clearwater Research, Enervis

Key market drivers

Flexibility trading is growing due to electrification, fluctuations in renewable energy and market liberalisation, while increasing battery volumes are structurally reducing volatility and prices

Drivers

Energy transition & renewable volatility



Impact: *Volume & Price*

- **Rapid expansion of wind and solar as the EU aims to be climate-neutral by 2050** increases volatility in power markets and balancing requirements
- **Higher forecast errors and price spreads** drive growing demand for tradable flexibility

Strong growth driver

Electrification of demand



Impact: *Volume*

- EVs, heat pumps, electrolysis and electrified industry are **driving a sharp increase in electricity demand**, with over 2.9 million new EVs registered in Europe in 2024 alone
- Distribution networks must accommodate **higher and more volatile load profiles**

Strong growth driver

BESS build-out



Impact: *Volume & Price*

- The increasing prevalence of batteries **compensates for imbalances and structurally reduces price volatility**
- Lower volatility depresses scarcity prices and spreads

Moderate growth driver

Regulatory opening of flexibility markets



Impact: *Volume & Price*

- The design of the EU electricity market provides for non-**discriminatory access for demand-side response and aggregators**
- TSOs and DSOs are required to procure flexibility through **market-based mechanisms**

Neutral

Future relevance

Impact on Flex trading

Flexibility trading value chain (I/II)

Flexibility trading services are deeply integrated into the energy value chain …

Flexibility Sources → **Enablement & Control** → **Flex Origination & Contracting**







Core functions

- **Smart meters & sensors** *Measure generation, storage and consumption*
- **Gateways and controllers** *Enable remote control of assets*
- **EMS**[1] *Execute dispatch*
- **Data platforms** *Connect assets to optimisation and markets*
- **Identifying assets** that can provide profitable flexibility
- **Contracting flexibility** with asset owners
- **Select processes** that can be flexed profitably
- **Group assets** by type, location and market node

Key roles / players

- **OEMs** (inverters, CHP units, BESS), **gateway manufacturers**
- **EMS/BEMS/HEMS** providers
- Installers/system integrators
- **Direct marketers** and generation side **traders**
- **Aggregators** and **VPPs**[2]
- ESCOs[3] and contracting providers
- **Energy suppliers** and municipal **utilities**

Source: Clearwater Research, McKinsey, Siemens
Note: 1) Energy Management System, 2) Virtual Power Plants, 3) Energy Service Companies

Flexibility trading value chain (II/II)

… and require a solid hardware and software infrastructure

Portfolio Management & Flexibility Optimisation → **Market Access & Trading** → **System Operation & Value Capture**

Core functions

- **Forecast** generation, load and storage behaviour
- **Allocate flexibility** across day-ahead, intraday, balancing and local markets
- **Optimise** dispatch and grid **fees**
- **Manage availability and price risk**
- **Trade flexibility** in wholesale electricity markets
- **Provide balancing and system services**
- **Participate in capacity and reserve mechanisms**
- **Monetise flexibility** in grid congestion and local markets
- **TSOs procure flexibility** to maintain system stability and manage transmission grid congestion
- **DSOs procure local flexibility** to manage distribution grid constraints
- **Regulators set market rules**, tariffs and access for flexibility providers

Key roles / players

- **Aggregators** and **VPPs**
- Flex and battery **optimisers**
- **Direct marketers** with active portfolio optimisation
- Flex and DERMS[1] **software platforms**
- **Balancing group managers** and **trading desks**
- **Aggregators** and **optimisers** with market access
- **Power exchanges** and **flexibility platforms**
- **Asset owners** earn flex revenues and reduce energy and grid costs
- **Intermediaries** capture margins from optimisation, trading and software

Source: Clearwater Research, McKinsey, Siemens
Note: 1) Distributed Energy Resource Management Systems

Overview of market players in the flexibility trading ecosystem (I/III)

Broad field of market participants with different focus areas from direct marketers to BESS optimisers

Company	Country	Ownership	Portfolio Size (MW)	Gross Profit (EURm)	EBITDA (EURm)	EBITDA Margin[1)]	Employees	Positioning in value chain: Supply-Side Flexibility	Positioning in value chain: Storage flexibility	Positioning in value chain: DSF
Statkraft		Norwegian Ministry of Trade, Industry and Fisheries	22,288[2)]	4,847.8	2,232.7	46%	966	✓	✓	✓
NEXT KRAFTWERKE		Shell	13,500	97.1	27.0	28%	324	✓	(✓)	✓
QUADRA energy		TotalEnergies	11,000	160.9	141.5	88%	35	✓	(✓)	
BayWa r.e.		BayWa / ENERGY INFRASTRUCTURE PARTNERS	10,500[3)]	626.0	(279.3)	n/m	4,648	✓	✓	
ane.energy		Hamburger Energiewerke / ARGE NETZ	8,000	12.3	6.4	52%	50	✓	(✓)	
LEAG energycubes		LEAG	7,361[3)]	5.8	3.3	57%	8	✓	✓	
sunnic		ENERPARC	6,000	65.0	58.0	89%	10	✓		
Engelhart		btg pactual	3,500	n/a	n/a	n/a	7	✓	(✓)	
pure energy		Private	4,200	44.3	21.6	49%	13	✓	(✓)	
eyn		EDF	2,606	96.1	74.0	77%	142	✓	(✓)	✓

Notes:
1) EBITDA margin calculated as EBITDA / Gross Profit;
2) Portfolio size across all divisions
Sources: Clearwater Research, Company Information

Overview of market players in the flexibility trading ecosystem (II/III)

Broad field of market participants with different focus areas from direct marketers to BESS optimisers

Company	Country	Ownership	Portfolio Size (MW)	Gross Profit (EURm)	EBITDA (EURm)	EBITDA Margin[1]	Employees	Positioning in value chain: Supply-Side Flexibility	Positioning in value chain: Storage flexibility	Positioning in value chain: DSF
ES·FOR·IN Energy Services for Industry	DE	Founders and VC funds	2,500	9.1	(1.0)	n/m	42	✓	✓	✓
Entrix	DE	VC funds, strategics & family offices	2,000	n/a	n/a	n/a	138		✓	
FLEX PWR A Citadel Company	DE	CITADEL Commodities	1,700	6.4	2.4	38%	21	✓	✓	
enspired	AT	Founders, VC funds, strategics	1,600	2.7	(8.8)	n/m	50	✓	✓	
impuls | TRADING YOUR ENERGY.	DE	CONTIGO +25% private	1,374	n/a	n/a	n/a	26	✓		
sydvolt	DE	BKW	1,000	n/a	n/a	n/a	16	✓		✓
SAMAWATT	CH	Founder	650	n/a	n/a	n/a	n/a	✓	✓	
syneco thüga solutions	DE	thüga	462	41.0	n/a	n/a	155	✓		
4D Energy	DE	Avantgarde Labs	n/a	n/a	n/a	n/a	1		✓	

Notes:
1) EBITDA margin calculated as EBITDA / Gross Profit
Sources: Clearwater Research, Company Information

Overview of market players in the flexibility trading ecosystem (III/III)

Broad field of market participants with different focus areas from direct marketers to BESS optimisers

Company	Country	Ownership	Portfolio Size (MW)	Gross Profit (EURm)	EBITDA (EURm)	EBITDA Margin[1]	Employees	Positioning in value chain: Supply-Side Flexibility	Positioning in value chain: Storage flexibility	Positioning in value chain: DSF
BalancePower GMBH	DE	Private	n/a	n/a	n/a	n/a	2	✓		✓
Electric Blue	DE	Several individual and corporate shareholders	n/a	n/a	n/a	n/a	6	✓	✓	
Lumenaza	DE	Founder and VC funds	n/a	n/a	n/a	n/a	44	✓	✓	
OPTIMAX ENERGY	DE	Founders	n/a	29.6	24.6	83%	41	✓		
otter ENERGY TRADING	DE	Founders	n/a	n/a	n/a	n/a	4	✓		
suena energy	DE	Utility-led VC & impact funds	n/a	n/a	n/a	n/a	45	(✓)	✓	
Entelios	DE	Å ENERGI	n/a	n/a	n/a	n/a	30		✓	✓
in.power	DE	Second Foundation	n/a	n/a	n/a	n/a	13	✓	✓	
Coulomb	DE	GETEC THE MOBILITY HOUSE	n/a	n/a	n/a	n/a	2		✓	
PowerBot	AT	volue	n/a	n/a	n/a	n/a	17	✓	✓	✓

Notes:
1) EBITDA margin calculated as EBITDA / Gross Profit
Sources: Clearwater Research, Company Information

Key recent transactions in Germany (I/II)

With the sale of FlexPower to Citadel and Südvolt to BKW …



The Founding Team & CFP Energy sold

FLEX PWR

to

CITADEL Commodities

October 2025
date of the deal announcement

100%
stake in FlexPower acquired

Undisclosed
deal value for the acquisition

>1,700 MW
portfolio

>11 TWh
traded volumes

Target

- Founded in Hamburg in 2022, FlexPower is a specialised electricity trader serving renewable producers, flexible assets and industrial power consumers
- FlexPower connects generators, storage and offtakers to manage price volatility across short-term power markets

Transaction

- In October 2025, Citadel agreed to acquire 100% of Hamburg-based power trader FlexPower from its founding team and CFP Energy Ltd., each holding 50% of the business
- Following closing in Q4 2025, FlexPower will operate as “FlexPower (a Citadel company)” with trading revenues of over EUR 200m

Rationale

- The acquisition combines Citadel’s global energy trading and risk management with FlexPower’s renewable power trading expertise
- The partnership supports the expansion of FlexPower’s services for generators and power consumers across Europe

Source: Clearwater Research, Mergermarket, Company Information

Key recent transactions in Germany (II/II)

… there have been key role models of highly successful transactions in the market



BKW

acquired

südvolt

September 2025
date of the deal announcement

>1,000 MW
portfolio

100%
stake in Südvolt acquired

>70
customers

~EUR 35m[2)]
enterprise value for the acquisition

Target

- Founded in Munich in 2012, Südvolt is a certified VPP[1)] operator providing balancing and flexibility services to the German power system
- Südvolt aggregates generation, storage and industrial loads to provide balancing and flexibility services to all four German TSOs

Transaction

- In September 2025, BKW, an international energy and infrastructure company, agreed to acquire Munich-based flexibility provider Südvolt
- Following the acquisition, Südvolt operates a certified virtual power plant with more than 1 GW of marketed capacity

Rationale

- The acquisition combines BKW's energy platform with Südvolt's certified virtual power plant and TSO market access
- The transaction enables BKW to enter and scale in the German balancing and flexibility market as part of its Solutions 2030 strategy

Source: Clearwater Research, Mergermarket, Company Information
Note 1) Virtual Power Plant; 2) Estimate

Funding activity in the energy (flexibility) trading sector

Multiple companies in the flexibility trading market secured funding rounds from strategic and financial investors

Company	Date	Current Series	Funding Raised (EURm)	Investors (selected)
Entrix	Mar-2026	Not specified	43	Allianz, Enpal, ABACON, AENU, BNP PARIBAS
GridBeyond	Mar-2026	Series D	12	Samsung Ventures, ABB, mirova, Energy Impact Partners
enspired	Oct-2025	Series B	40	360 Capital, emerald, EnBW New Ventures, zouk, Future Energy Ventures
suena energy	Sep-2025	Series A	8	EIT InnoEnergy, Santander Asset Management, energie360°, Eneco, 4IMPACT
sympower	Sep-2025	Series B	42	European Investment Fund, PGGM, rubio impact ventures, Activate capital
ES·FOR·IN Energy Services for Industry	May-2023	Series B	8	SET Ventures, SEB Greentech VC, ERAME Equity

Source: Company Website, Orbis, PitchBook

Transactions in the energy (flexibility) trading sector (I/II)

Valuation considerations

Date	Target	Country	Target description	Buyer/ Investor	Country	EV (EURm)	Portfolio (GW)	Gross Profit	EURk / MW	EV / Gross Profit
Jan-26	Flexitricity		UK-based demand response and flexibility provider that aggregates business loads/generation to deliver reserve services to National Grid	drax						
Sep-25	sydvolt		Bundles battery storage and controllable assets to provide balancing/system services for grid operators (flexibility aggregation)	BKW						
Sep-25	sympower		Aggregates flexible electricity consumption from industrial and commercial assets to provide demand-response and grid balancing services	PGGM, rubio, Activate capital, PDENH, EXPON, a&g						
Apr-24	GridBeyond		Provides AI-driven energy optimisation and flexibility services that enable businesses and asset owners to participate in electricity markets	ALANTRA, Constellation, ABB, e, YOKOGAWA, ENERGY IMPACT PARTNERS, act, mirova						
Feb-21	next		Operates one of Europe's largest virtual power plants by aggregating distributed generation, consumption and storage for trading and balancing services	Shell						
Sep-20	Flexitricity		UK-based demand response and flexibility provider that aggregates business loads/generation to deliver reserve services to National Grid	quinbrook infrastructure PARTNERS						
Nov-17	REstore		Delivers cloud-based demand-side management software and demand response services for large industrial and commercial energy users	centrica						
Jun-17	ym		Aggregates renewables and local flexibility and provides short-term flexibility management, renewable commercialisation and VPP software-as-a-service	EDF						
Jun-17	ENERNOC		Provided cloud-based energy intelligence software and demand response services for enterprises and utilities	enel						

Please reach out to moritz.stupka@clearwatercf.com to discuss latest transaction and valuation dynamics in the (flexibility) trading space

Notes: 1) 36 GBPm converted at 1.1436 GBP/EUR
Sources: Clearwater Research, Mergermarket, Orbis

Transactions in the energy (flexibility) trading sector (II/II)

Valuation considerations

Date	Target	Country	Target description	Buyer/ Investor	Country	EV (EURm)	Portfolio (GW)	Gross Profit	EURk / MW	EV / Gross Profit
Feb-26	Eclipse		Battery storage developer and optimiser using AI to trade and manage grid-scale assets in power markets	BNP PARIBAS						
Oct-25	Energy Pool		Provides energy flexibility services, including demand response and virtual power plant solutions, for industrial customers and grid operators	PEARL Infrastructure Capital						
Oct-25	FLEX PWR		Offers short-term energy trading services and manages renewable portfolios and flexible assets via a digitised route-to-market setup	CITADEL Commodities						
Dec-23	AutoGrid		Develops flexibility management / virtual power plant software enabling utilities and energy service providers to optimise distributed energy resources	uplight						
Jul-24	Voltalis		Provides smart demand-side management by controlling household devices for grid flexibility	LBPAM Schelcher Prince Gestion SCOR Edmond de Rothschild CIC Private Debt						
Oct-23	ane.energy		Direct marketer of renewable energies operating a large virtual power plant for wind, solar, biogas and other assets	Hamburger Energiewerke						
Oct-23	QUADRA energy		Operates an energy management platform that integrates renewable generation and flex assets (e.g., batteries) for market participation and optimisation	TotalEnergies						
Dec-22	gridX		Supplies energy management software for sites (notably EV charging) with grid-compliant control and dynamic load management	e.on						
Feb-19	limejump		Runs a virtual power plant platform that gives asset owners access to power trading and grid balancing/flexibility markets							

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Sources: Clearwater Research, Mergermarket, Orbis

Comprehensive sector expertise with true international footprint

Energy & Utilities sector team in Germany

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Comprehensive sector expertise with true international footprint

Pan-European Energy & Utilities sector team



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