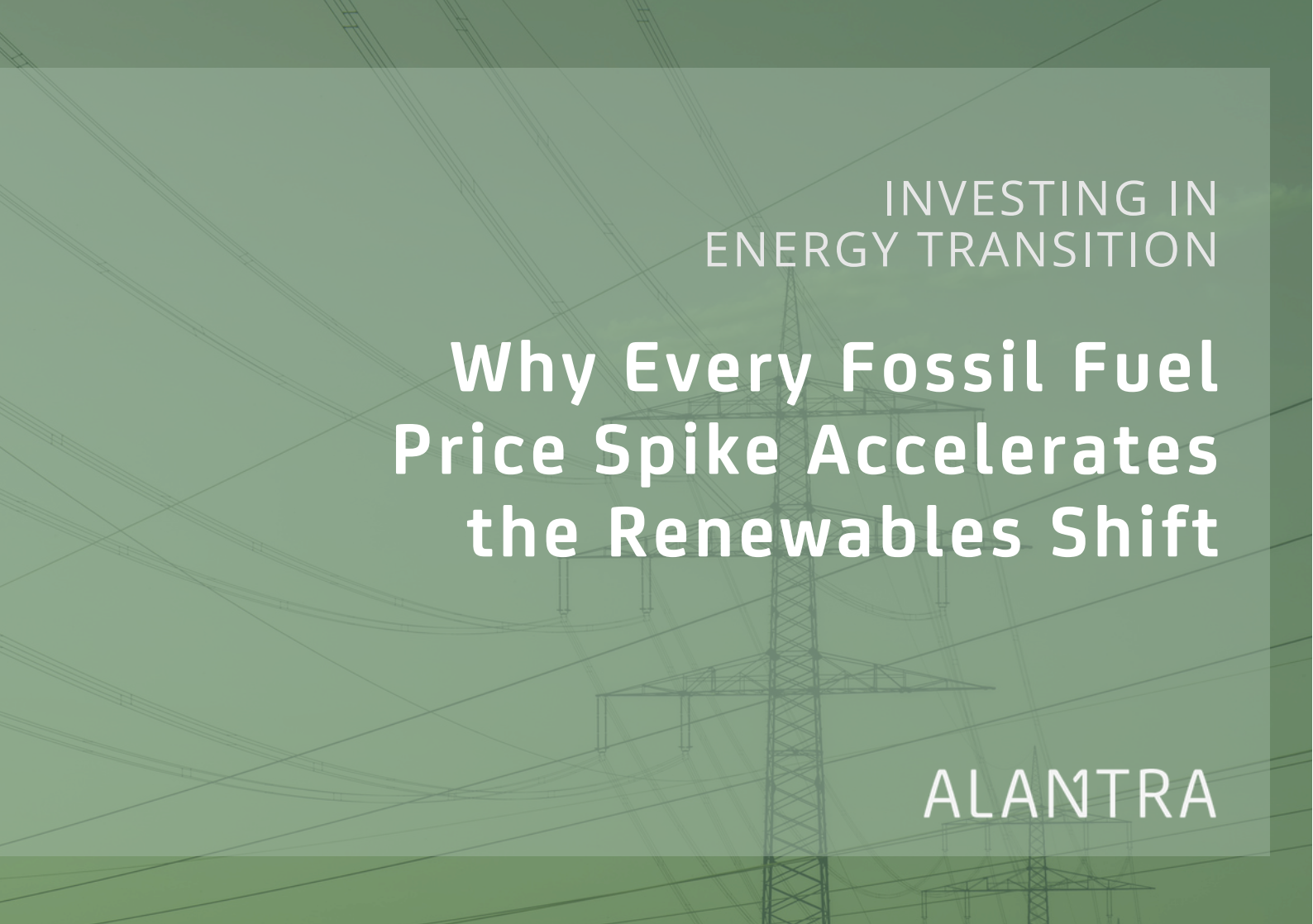


INVESTING IN
ENERGY TRANSITION

Why Every Fossil Fuel Price Spike Accelerates the Renewables Shift

ALANTRA

For decades, energy policy rested on two foundational pillars: security of supply and affordability. The push to decarbonize added a third. But as geopolitical shocks have repeatedly demonstrated, from the war in Ukraine to the more recent conflict in Iran, the first two objectives have reasserted themselves with force.

The reason is straightforward: **fossil fuel dependency is not just an environmental liability, it is a strategic and economic one.** Europe's painful exposure to volatile gas prices in recent years laid bare the cost of relying on imports it cannot control.

The answer, increasingly, is not to double down on fossil fuels but to invest in energy sources that are domestically generated and increasingly cheap. Renewables, supported by battery storage, in other words. And that investment imperative is reshaping capital allocation on a global scale.

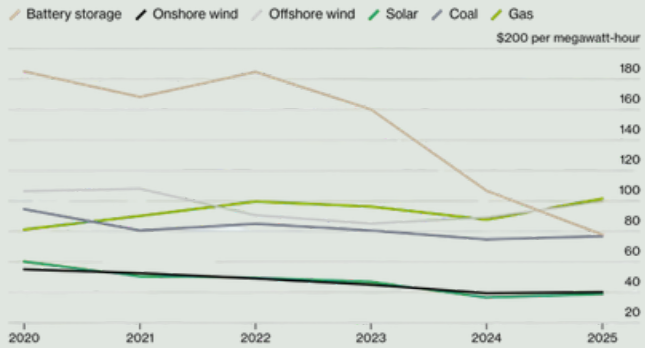
> *"Decarbonization, affordability, and security all point toward the Energy Transition*

Renewable Economics Have Shifted Decisively

The old argument that renewable energy was too expensive has been comprehensively dismantled. Solar energy today costs roughly one-tenth of what it did a decade ago. Battery storage prices have been falling by 8% annually in the past years. The result is that **electrification is no longer a sacrificial choice; it is increasingly the economically rational one**.

This matters for investors because it shifts the nature of the opportunity. We are no longer in the era of subsidized green projects requiring policy support to pencil out.

Most Clean Power is Now Cheaper than Fossil Fuels
Levelized cost of electricity by source



The energy transition has entered a phase of structural economic competitiveness. In China and the U.S., industrial electricity prices sit at roughly half European levels, and the only credible route for Europe to close that gap is through a grid built on renewables and storage.

The investment opportunity is correspondingly vast. **Global annual investment in energy transition technologies is estimated at between $2-$2.5 trillion per year**, spanning renewable generation, grid infrastructure, storage, electrified transport, and smart energy management.

Since 2020, clean energy investment has exceeded fossil fuel investment globally, representing one of the largest capital reallocations in modern economic history, and one that creates compelling entry points across the full risk-return spectrum.

ALANTRA KLIMA

Opportunities Across the Value Chain

Investors should be looking at the full value chain of the transition: decarbonized generation enablers, smart grid infrastructure, energy storage, sustainable transport, energy and carbon markets, and efficient buildings.

These verticals are all targeted by Alantra's Klima$_2$ fund, a growth equity vehicle focused on energy transition companies across Europe and North America. The fund seeks out businesses with proven technology, commercial revenues of at least €5mn, and strong growth trajectories. Importantly, the fund is looking at technologies which are already economically viable when compared to fossil fuel alternatives.

Across the first fund, revenues have grown on average by 50% per year since Klima's investment, reflecting strong underlying demand and the structural tailwinds supporting these businesses.

The global market size for Klima's target segments ranges from $7bn to $795bn, with growth rates to 2030 projected between 12% and 40% annually. The energy and carbon markets segment growth is increasingly driven by the proliferation of power purchase agreements, virtual power plants, and automated trading platforms.

KLIMA, ALANTRA'S ENERGY TRANSITION GROWTH FUND

€210mn
Assets under management Klima I

50%
Average revenue growth in Klima I portfolio since investment

maxwell+spark · DEXTER · Echandia · SWTCH · eturnity · enmacc · meteomatics · SUNROOF · Mainspring · GridBeyond

ALANTRA SOLAR

Stable Returns at Scale

Against a backdrop of valuations in many sectors being increasingly driven by future growth in tech and AI expectations, **renewable infrastructure and solar assets continue to stand out for investors seeking exposure to real assets with inflation protection and recurring yield.** There is a clear opportunity to back the physical assets themselves, such as solar farms, battery storage systems, and the platforms that aggregate them.

One such project is Alantra Solar's N-Sun platform, which has assembled a portfolio of 565MW of solar PV capacity across 14 assets in Italy and Spain. The platform is anchored in Italy, a market selected through continuous monitoring and underpinned by attractive fundamentals.

The portfolio is further enhanced by up to 270MWh of battery energy storage. Critically, offtake has been secured across all projects, with 80% of production contracted at a fixed average price of 57.1€/MWh for an average tenor of 17.5 years.

The investment strategy is built around disciplined risk management, with assets acquired at ready-to-build stage and construction undertaken under bankable EPC contracts. Battery storage adds a further return enhancement layer while also contributing to greater price stability in power delivery.

565MW

Total capacity acquired

RTB and under construction across 14 projects

57.1€/MWh

Average portfolio price

1GW+

Solar infrastructure projects in pipeline

300MWh+

BESS (battery energy storage system) projects in pipeline

N-SUN ENERGY, A LEADING SOLAR DEVELOPMENT PLATFORM IN SOUTHERN EUROPE

€898mn

AUM in solar infrastructure across Southern Europe

€660mn

Financing secured in 2025 to advance N-Sun Energy's portfolio in Italy

80%

of production contracted at a fixed price for an avg. tenor of 17.5 years

A Structural Opportunity Across Every Risk Profile

The energy transition is often framed as a policy-dependent theme, vulnerable to political headwinds. The reality is more durable. Even as decarbonization objectives face political pushback in some jurisdictions, the underlying economics of renewables continue to increase their attractiveness. Electricity demand is growing structurally, driven by data centers, electric vehicles, and industrial electrification, and the cheapest way to meet that demand at scale is with solar, wind, and battery storage.

Every episode of fossil fuel price volatility makes the case for energy independence more urgent, and every year that passes makes renewable technology cheaper and more capable. The shift is therefore not only environmental in nature, but increasingly economic and strategic, driven by cost competitiveness and the need for secure, domestically generated energy.

For investors, this creates a rare combination of structural growth with increasingly attractive fundamentals, a clear policy tailwind, and a range of entry points suited to different return profiles and risk appetites.

The energy transition is no longer a question of if. The investment question is simply where, and how.

> *"The shift is increasingly economic and strategic, driven by cost competitiveness and the need for secure, domestically generated energy.*

REACH OUT TO OUR ASSET MANAGEMENT ENERGY TRANSITION TEAM

ALANTRA KLIMA

Bastien Gambini
Managing Partner
bastien.gambini@alantra.com

Lucille Bonnet
Managing Partner
lucille.bonnet@alantra.com

Iñigo Echaniz
Partner
inigo.echaniz@alantra.com

Manuel Alamillo
Partner
manuel.alamillo@alantra.com

ALANTRA SOLAR

Javier Mellado
Managing Partner
javier.mellado@alantra.com

Peer Piske
Managing Partner
peer.piske@alantra.com

Carmelo Medrano
Managing Partner
carmelo.medrano@alantra.com

BUSINESS DEVELOPMENT

Manuel Delgado
Managing Director
manuel.delgado@alantra.com

Carlos Varela Da Costa
Managing Director
carlos.varela@alantra.com

José Alberto Parejo
Managing Director
jose.parejo@alantra.com

Andreas Apitz
Managing Director
andreas.apitz@alantra.com

Anja Cavigilli
Managing Director
anja.cavigilli@alantra.com

Paloma Vega
Vice President
paloma.vega@alantra.com

ALANTRA

About Alantra Asset Management

Alantra is an independent global financial services firm that provides investment banking and asset management services to small and mid-market companies and investors, with over 500 professionals in Europe, the U.S., Latin America, Asia, and the Middle East.

In Alternative Asset Management, Alantra offers its clients unique access to a wide range of investment strategies across highly specialized asset classes, including private equity, active funds, private debt, energy transition, and venture capital.

Direct Investments

Private Equity

Private Debt

Active Funds

Energy Transition (Klima & Solar)

Venture Capital (Cybersecurity & Life Sciences)

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