

Blackstone and Vista Equity Partners to Acquire Australia's Energy Exemplar in Billion-Dollar Deal



Investment in Energy Market Software Provider Signals Confidence in Energy Transition

In a significant move highlighting their commitment to the future of the energy sector, Blackstone and Vista Equity Partners have jointly announced their acquisition of Energy Exemplar, a leading provider of energy market software based in Australia. The deal sees the private equity firm Riverside Company relinquish its ownership of Energy Exemplar in a transaction valued at over \$1 billion. However, exact financial details have not been disclosed.

The Energy Exemplar Acquisition: A Strategic Investment

Under the agreement, Blackstone and Vista Equity Partners will each hold a 50% stake in Energy Exemplar. Riverside Company, the previous owner, will exit the ownership structure. While the specifics of the financial arrangement remain undisclosed, this acquisition underscores a forward-thinking approach to the energy sector, particularly in a climate where energy transition, renewable energy, and improved operational efficiencies are paramount.

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Supporting the Energy Transition

The acquisition of Energy Exemplar reflects a strategic bet on the ongoing energy transition, a movement characterized by power utilities, grid operators, and renewable energy developers increasingly relying on simulation software to optimize production capacity and enhance overall efficiency. Energy Exemplar, headquartered in North Adelaide, has experienced remarkable growth with an annual compound rate of 30% since 2018 under Riverside's ownership. The company's software tools are widely used by over 500 businesses across 79 countries to simulate and forecast various energy markets, including electric, water, gas, and renewable energy.

Blackstone's Investment in Energy Transition

Blackstone's investment in Energy Exemplar is channeled through its energy transition arm, currently raising a new fund known as Blackstone Energy Transition Partners IV. This fund has made significant progress, having already raised \$2.2 billion toward its \$5.6 billion target as of the end of August. Bilal Khan, Senior Managing Director at Blackstone Energy Transition Partners, expressed his excitement at the collaboration with Vista and Energy Exemplar, emphasizing the shared mission to drive further development of Energy Exemplar's technology solutions, which will contribute to grid reliability and decarbonization.

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"This investment is the latest in a series demonstrating Blackstone's conviction in the energy transition," Khan stated. It is worth noting that Blackstone has been actively expanding its presence in this sector, committing to deploy \$100 billion in energy transition and climate change solutions projects over the next decade. Previous investments by the firm include Transmission Developers, solar mounting company Esdec, environmental engineering firm Geosyntec, environmental commodity exchange Xpansiv, and renewable energy company Invenergy. In August, Blackstone also announced the successful raising of the world's largest credit fund dedicated to energy transition, amassing an impressive \$7.1 billion.

Vista Equity Partners' Role in the Deal

Vista Equity Partners, recognized as a specialist in the software sector, is joining this strategic venture through its middle-market Foundation strategy. In 2020, the firm successfully raised its fourth Foundation fund, accumulating \$4.5 billion in commitments, with expectations to launch a new fund in the near future. Ryan Atlas, Managing Director at Vista Equity Partners, expressed his enthusiasm for the collaboration, noting that Vista, along with

Blackstone and Energy Exemplar, aims to leverage its extensive experience in scaling transformative enterprise software companies to accelerate innovation further and deliver enhanced value to customers.

This joint acquisition represents a substantial step in the ongoing transformation of the energy sector, highlighting the commitment of Blackstone and Vista Equity Partners to shaping a more sustainable and efficient future.

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