

Scandinavian Biogas receives SEK 135 million in investment grants from Klimatklivet

To be used to convert plants in Stockholm to produce liquid biogas (LBG)

Scandinavian Biogas, through two subsidiaries with production units in the Stockholm region, has received investment grants from Klimatklivet amounting to SEK 135 million. The grants relate to projects to expand the production capacity of liquefied biogas produced at the companies' plants in the Stockholm region.

Klimatklivet is a grant to reduce emissions of carbon dioxide and other gases with a negative impact on the climate. The Swedish Environmental Protection Agency (Naturvårdsverket) decides which projects should be awarded the subsidy. The funds shall provide the maximum possible reduction of hazardous emissions per krona invested.

Will provide market with liquified biogas equivalent of 23.5 million liters of diesel

The projects are scheduled to begin in 2021. In total, this will enable an annual production of 235 GWh of liquid biogas (LBG) in Stockholm. That equates to about 23.5 million liters of diesel.

It is primarily the transport sector that is choosing biogas as an opportunity to meet the increased demands for a smaller carbon footprint. Across Europe, a network of biogas filling stations is now being built to meet the requirements of heavy transport. In Sweden, the number of filling stations for biogas has increased by over 200 percent since 2018. Liquid biogas (LBG) only requires one sixth of the tank volume that of gaseous biogas does, and to transport liquid gas has become a very interesting possibility to refuel vehicles.

"The investment grant shows that Klimatklivet believes in our projects, and that we have the financial strength to complete them. This is fully in line with business area Sweden's transition to production of liquid biogas. We are seeing a significant increase in demand for liquid biogas from both national and European customers", says Michael Wallis Olausson, Director of Business Area Sweden.

"The projects in Stockholm are an important part of the company's growth and adaptation to a growing market with new customer segments. Klimatklivets contributions are important steps towards the Group's 2024 targets of a production capacity of 700 GWh and an EBITDA margin of at least 30%", says Matti Vikkula, CEO Scandinavian Biogas Group

For more information

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Scandinavian Biogas is a leading Nordic producer of biogas for vehicle fuel and fertilizer. Biogas is CO₂-neutral and made from sewage and household-, agriculture as well as industrial organic waste. Today Scandinavian Biogas has facilities in Sweden, Norway and South Korea. In 2020, the company delivered 355 GWh of energy. Scandinavian Biogas has 92 employees and total sales of SEK 455 million (proforma) in 2020. The head office is located in Stockholm and the company is listed on Nasdaq First North. www.scandinavianbiogas.com