



Dear Celtic Renewables Shareholders,

We are pleased to provide our latest investor update, highlighting recent developments, ongoing activity and our focus for the months ahead at Celtic Renewables.

We wrapped up 2025 by announcing that we had been awarded £6.23 million in Scottish Government Project Willow 'Just Transition' Grant funding to progress our plans for an Industrial-Scale biorefinery in Grangemouth. Alongside, we secured an additional £10 million funding commitment from Scottish Enterprise and private investors, including the Crowdcube investors who participated in the December 2025 fundraise.

This latest funding was marked by a visit to our Grangemouth facility in early March 2026 by the Scottish Government's Cabinet Secretary for Energy & Security, Gillian Martin. [View more here](#).

The £16.23 million is to fund the project development activities through to FID (Final Investment Decision) on the planned industrial-scale biorefinery in Grangemouth (now called Project Mobius) that will have over 10x the production capacity of our current facility. We expect to reach FID on Project Mobius by Q3 2026 and reach financial close and mobilise on the project by the end of 2026.

Project Mobius

Significant progress has been made on our plans for our first Industrial-scale plant at Grangemouth.

Land has been secured and the planning application process has been initiated. The Front-End Engineering & Design (FEED) process, that commenced with Allan Associates in November 2025, is progressing as planned with completion expected by Q3 2026. The detailed Project execution plan is progressing well to determine the next phase of work streams post FEED completion.

Commercial discussions with feedstock providers and green chemical off-takers for the new plant are being progressed to ensure that these are secured in advance of FID.

Feedstock for Project Mobius is expected to be the same as that currently utilised at our existing demonstrator facility, also based at Grangemouth, namely reject potatoes, pot ale/stillage syrup and molasses. There is an abundance of potential feedstocks that could be considered and these will continue to be reviewed for future plants.

The process to raise funding for the construction of the next biorefinery (with the capital cost estimated at £125m) is also underway with the demonstration of continued progress on project plans being integral to securing such funding.



Commercial

Commercial activities have intensified as we work to secure forward offtake commitments to underpin investment in our first industrial-scale plant. We are in detailed discussions with two blue-chip pharmaceutical companies and two chemical industry manufacturers, who collectively have the demand potential well above the output of the next plant.

In addition, we have completed further sales within the pharmaceutical and reagent segments. Three additional cosmetics customers are currently trialling our bio-solvents across a range of applications; all focused on replacing fossil-derived solvents with our sustainable alternatives.

Caledon Green Operations

We continue to produce and sell green chemicals from our existing biorefinery based at Grangemouth. Positive results were achieved in Q4 2025 in terms of performance and yield improvement through the trialling of new strains. Caledon Green remains integral to trialling new recipes, improving solvent recovery-rates and quality and providing engineering and operational insight into future biorefinery plans.

Funding

The £16.23m funding committed in December 2025 provides a strong financial foundation that enables progression towards FID on Project Mobius and provides a funding runway well into 2027.

The Company is now looking to secure funding (equity and debt) for the next phase of the Group's growth including the project finance required to construct and commission the full scale biorefinery at Grangemouth.

Other - Governance

The audit of the Group's financial statements for the year ended 31 December 2025 is well underway and these accounts are expected to be lodged with Companies House well in advance of the statutory deadline at the end September 2026.

Market outlook

With the oil price being influenced by the current crisis in the Middle East, the fossil-derived solvent market has also seen steep increases. Since the end of February, acetone has quadrupled in price, and butanol is predicted to have double in price by mid-May. In addition, exporters from China have declared force majeure and stopped exporting to Europe as they are trying to satisfy their home market demand first. This creates supply chain challenges and price volatility for European manufacturers using these fossil-derived chemicals and who are also faced with rising fuel costs.



Whilst it is a difficult global backdrop, it can also create opportunity for companies like Celtic Renewables. Such conditions clearly demonstrate the value of our technology with locally sourced feedstocks overcoming some of the supply-chain challenges and provides mitigation against the price volatility experienced from fossil-sourced products, narrowing the differential between fossil and green alternatives. We will continue to monitor the global environment as we progress plans.

Other specific market updates

Partnership with Rosebank:

We have partnered with local whisky distillers, Rosebank, to receive their pot ale for the past 3 years. We have just recently announced partnership for a further 3 years.

Partnerships like this are helping to create a blueprint for the future of Grangemouth, supporting the transition to low-carbon solutions in Scotland and across the world.

Read more in the [Scotsman](#).

UK consortium to help accelerate adoption of low carbon medicines manufacturing:

Celtic Renewables is delighted to be part of a new UK-based consortium to advance the production of bio-based solvents for medicines manufacturing.

This consortium has been awarded over £7 million in funding over a 3 year period (Celtic Renewables share circa £800K) from Innovate UK and Department of Health & Social Care, as part of the Sustainable Medicines Manufacturing Innovation Programme (SMMIP). The project brings together technology providers, manufacturers and global pharmaceutical companies, and will tackle the barriers to bio-based solvent adoption.

- Technology providers – Exactmer, Queen Mary University London, Atmospheric AI and SOLVE Chemistry
- Solvent manufacturers – OXCCU, Celtic Renewables and University of Leeds
- Global pharmaceutical companies – GSK and Croda
- Global life sciences company – Cytiva
- Translational research and innovation organisation – CPI

Apprenticeship programme:

We're also proud to continue developing future talent. During Apprenticeship week in March 2026, we released our second film in partnership with Forth Valley College, showcasing the



work and progress of our apprentices who are currently studying at the college. [Watch video here.](#)

We are all recruiting three new apprentices to begin their apprenticeship and start work with Celtic Renewables later this year.

Events & Awards:

We attended in-cosmetics Global in Paris, continuing engagement with global industry leaders. We have been shortlisted for the SCI Sustainability Awards, alongside Unilever, AstraZeneca and Synthomer, and nominated for CEO of the Year and Innovation & Sustainability at the Scotland Business of the Year Awards.