

AGM Trading Statement and Brewery Strategy Update

Shepherd Neame, Britain's Oldest Brewer, sets out a new strategy for its brewery in Faversham.

- **The Company will invest in a modern production facility that will improve operational efficiency, enhance sustainability and drive higher returns for the business.**
- **The Company will focus on its own beer brands and exit large third-party contract brewing. The full range of Shepherd Neame's existing portfolio will be maintained.**
- **The planned investment underpins Shepherd Neame's continued commitment to brewing in Faversham.**
- **The Company will continue with its existing programme of sustained investment in the pubs to unlock the many development opportunities we have in our estate.**

Ahead of the Company's AGM on 30th October 2026, Shepherd Neame today announces a £15 million investment, over three years, in a modern, smaller brewery on its town centre site in Faversham. This is a major investment which will secure the next generation of brewing in the town.

Alongside the brewery investment, Shepherd Neame will bring forward a 10-year Development Vision for its Heritage Core that will create a future new destination for the town and a home for the Shepherd Neame story, drawing visitors to this historic market town and supporting its wider hospitality and visitor economy.

The Company will move to a new brewing model that combines in-house production with certain outsourced functions, such as small packaging. The new brewing operation will be located within the existing Bottling Hall which will close in mid-2027, in order to be adapted for this new purpose. The plant will use some of the existing brewery infrastructure, and will continue to draw water from our historic artesian well, in the heart of our site.

We plan to invest £15 million in this project, over three years, to create a highly efficient and cost-effective facility, with a plant that will enable us to drive quality standards, improve the sustainability of our operations, and provide us with the flexibility to continue to innovate and develop our portfolio in a rapidly evolving beer market.



The investment will simplify operations and drive higher returns for the business. The build phase will take two years from commencement, with target completion by the end of 2029. During this period, brewing operations will continue in their present location.

Our range of award-winning beers will continue to be available from the new facility, including flagship brands Spitfire, Bishops Finger and Whitstable Bay, as well as successful recent launches. We will focus only on brewing our own beers, and will no longer enter large third-party brewing contracts. Our exclusive licence to brew and distribute Singha Lager will terminate at the end of April 2027. Currently the business has revenues of £10.3 million associated with this contract.

The brewery investment is expected to be self-funded through the sale of non-core property. We will reduce our Town Centre footprint to the Heritage Core, on the 'island' of buildings behind Court Street. The Company will bring forward a 10-year Development Vision for the retained site that comprises offices, retail, a pub, events and hospitality space, an enhanced visitor experience, and a new large open-space Brewery Square. Review of the strategy in other parts of the Brewing and Brands business is ongoing and progressing well and we will provide further information in due course.

The combination of the Company's pub estate and brewing remains at the heart of Shepherd Neame's operations. Brewing is integral to our identity and ultimately, our prosperity. We will continue with our existing programme of sustained investment in our pubs to unlock the many development opportunities we have in our estate. This programme is currently focused on our London pubs and will increasingly pivot to our coastal inns and hotels. We are targeting an accelerated focus on our best sites, and will continue to divest those outlets with limited potential and reinvest those sale proceeds to drive higher returns.

There is good underlying momentum in our pubs, and we continue to trade well in the current year, with like-for-like retail sales up + 6.4% for the 17 weeks to 24th October 2026, and like-for-like income growth of +1.1% in our tenanted estate to 26th September 2026. For the 17 weeks to 24th October 2026, total beer volume is down -0.6%, and Own Beer volume is down -2.2%. We do not anticipate any changes to FY2027 market expectations.

Jonathan Neame, Chief Executive, said: *"This plan is a great opportunity to modernise and evolve our operations, and to create a unique brand home, with brewing at its heart. The new brewery, which will be self-funded, will be adapted to the needs of tomorrow, and will be efficient and cost-effective. Combined with sustained investment in our pub business, it will enable us to drive higher returns for the business and its shareholders."*

These steps represent a major commitment to brewing, to Faversham and to our heritage in beer, and our belief in an exciting future for the Company, in the next phase of its development."

This announcement contains inside information for the purposes of the Market Abuse Regulation (EU) No. 596/2014 (as amended) as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended).

29 October 2026

NOTES FOR EDITORS

Shepherd Neame is Britain's oldest brewer. Established in 1698 and based in Faversham, Kent it employs around 1,600 people.

At the announcement date, the Company operated 280 pubs, of which 221 were tenanted or leased, 57 retail and two were held as investment properties under commercial free of tie leases. 86% of the estate is freehold. The pub estate ranges from inns and hotels to destination dining, great traditional and local community pubs.

The Company brews, markets and distributes its own beers to national and export customers under a range of highly successful brand names including Spitfire, Bishops Finger, Whitstable Bay and Bear Island.

Shepherd Neame's shares are traded on the AQUIS Stock Exchange Growth Market. See <https://www.aquis.eu/companies/SHEP> for further information and the current share price.

For further information on the Company, see www.shepherdneame.co.uk

For further information, please contact:

Shepherd Neame Limited

Jonathan Neame, Chief Executive

Mark Rider, Chief Financial Officer

Tel: +44 (0)1795 532 206

jneame@shepherd-neame.co.uk

mrider@shepherd-neame.co.uk

Engage with the company directly

<https://investors.shepherdneame.co.uk/link/P3xLxy>

Team Lewis

Justine Warren

Galyna Kulachek

Tel: +44 (0)7785 555 692

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