Hello Equity Punks,

Please see below update that was shared with the BrewDog crew this week.

BUSINESS UPDATE

After July's return to growth, August proved to be a challenging month. Revenue slipped back versus last year, and profit followed. Some of this was due to timing differences, but also to proactive choices we made in the business. Key drivers below:

Grocery & Impulse: Both underperformed due to service challenges. In August, we deliberately carried out significant proactive maintenance and cleaning at Ellon, which impacted service levels. This reduced stock availability to customers like Tesco, Sainsbury's and Co-op. The short-term cost was reduced revenue in August, but this investment ensures Ellon is in the best possible shape for the crucial Q4 period.

Bars: Footfall was strong early in August but fell away in the final two weeks. This appears to be a wider market issue – post-holiday belt-tightening ahead of schools returning. The trend was compounded by a September tube strike in London. Despite this, pre-bookings for Christmas remain very strong.

We also want to share that we've agreed to sell the lease on our Queen Charlotte pub which will close on 30 September. This is not linked to July's bar strategy, the site was on track for a small profit, but we received a strong offer from Ironstone Pubs Limited (owners of the Blue Maid and co-owners of UnBarred Brewery). After careful review, we concluded this is the right long-term decision. All Queen Charlotte crew will transfer, under TUPE, securing jobs and continuity as the pub begins its next chapter.

USA: Still challenged by distributor stock reductions and the impact of contract brewing exits. However, the team has 15–20 promising leads in play, with larger wins expected in 2026.

September is forecast to return to growth in Grocery, Impulse, On Trade, and Distilling. Bars need to recover post-tube strike, and the US focus remains on turning sites around under new retail leadership. Q4 remains the key growth window, with strong Christmas activations planned.

ON TRADE & EXPERIENCES

On Trade volumes and sales continue to grow as we shift focus from national accounts to experiential partnerships. Three highlights:

London Stadium: Our biggest partnership ever. Early concerts (e.g. Sam Fender) sold over 520hl, with bespoke beers and activations bringing BrewDog to tens of thousands of fans.

Lords Cricket Ground: A huge success. BrewDog activations transformed the experience, with the Lord's Test match setting a record for beer sales – more than at any previous Test in Lord's history.

Festivals: Over 80 festivals this summer, delivering brilliant brand activations and strong volume growth.

These showcase the power of BrewDog in front of massive audiences and reinforce our strategy of focusing on high-energy, high-visibility venues.

UPCOMING EVENTS

Collabfest: Returns this year with 30 of the UK's best breweries collaborating with our bar teams and Equity Punks to create 35 incredible beers. A true celebration of "all about the beer."

Oktoberfest: Launching in our bars on October 10th with guest German beers, entertainment, and Bavarian-inspired fun.

Hazy Jane Manchester: A dedicated brand takeover at BrewDog Manchester, complete with DJs and a full "Into the Haze" vibe, bringing new energy and identity to one of our hero beers.

Retail Christmas Push: The whole business is behind making this the best Christmas in our bars ever. Pre-bookings are already strong – everyone can play a role in driving a record festive season.

OVERALL

July's momentum didn't carry into August, but the causes are short-term. September is already showing stronger signs across Grocery, Impulse, and On Trade, with Q4 set up to deliver.

There's plenty of work to do, but with strong partnerships, a busy events calendar, and an incredible crew, we are well positioned to finish the year with momentum into 2026.

Thank you,

JT