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# MGP Ingredients Completes Acquisition of Penelope Bourbon

*Penelope further strengthens MGP's portfolio of premium-plus American Whiskey brands;*

*Expected to be immediately accretive to Branded Spirits segment gross margin*

ATCHISON, Kan., June 01, 2023 (GLOBE NEWSWIRE) -- **MGP Ingredients, Inc. (Nasdaq: MGPI)**, a leading provider of distilled spirits, branded spirits, and food ingredient solutions, today announced that its Luxco, Inc. subsidiary has completed its previously announced acquisition of Penelope Bourbon LLC.

The completed acquisition welcomes Penelope's team into the MGP family, bringing innovation capabilities and deep expertise in high-quality whiskeys. It also extends MGP's portfolio of premium-plus price tier brands and is expected to be immediately accretive to its Branded Spirits segment gross margin and consolidated earnings per share.

"The acquisition of Penelope Bourbon represents an exciting chapter in our long-term strategy and expands the number of premium-plus price tier brands in our portfolio," said David Colo, President and CEO of MGP Ingredients, Inc. "Penelope has been a valued and growing customer, and we look forward to integrating Penelope's passionate team into the MGP family."

"Our mission for Penelope was to create a spirit that embodied the daily joy of celebrating life's pleasures," said Michael Paladini, CEO & Founder of Penelope. "As part of MGP, we will be uniquely positioned to expand the reach of our brand with consumers. We could not be more excited for what's to come," said Daniel Polise, COO & Founder of Penelope.

## About Penelope Bourbon

Founded in 2018, Penelope Bourbon has been one of the country's fastest-growing whiskey brands. Named after the founder's daughter, Penelope boasts a series of straight bourbon whiskey expressions that are all uniquely blended from three different mash bills. Remarkably smooth and flavorful, Penelope is perfect whether sipping neat or mixing in a cocktail.

Penelope's core expressions, Four Grain, Barrel Strength, Architect and Toasted Series, have received over 30 combined awards and industry accolades. Most recently, the brand won Double Gold and 'Best of Class' at the 2022 San Francisco World Spirits Competition and was awarded three Double Platinum Medals – along with the title 'Blender of the Year' – by the ASCOT Awards (2022).

In addition to its cornerstone expressions, Penelope continues to introduce new and innovative limited releases within its Cooper Series, Private Select and Founders Reserve lines.

Today, Penelope Bourbon is sold in over 30 states and 4 countries. Proving that with enough love and care, and hard work, anything is possible. To learn more about Penelope, please visit [penelopebourbon.com](http://penelopebourbon.com).

### **About MGP Ingredients, Inc.**

MGP Ingredients, Inc. (Nasdaq: MGPI) is a leading producer of premium distilled spirits, branded spirits, and food ingredient solutions. Since 1941, we have combined our expertise and energy aimed at formulating excellence, bringing product ideas to life collaboratively with our customers.

As one of the largest distillers in the U.S., MGP's offerings include bourbon and rye whiskeys, gins, and vodkas, which are created at the intersection of science and imagination, for customers of all sizes, from crafts to multinational brands. With distilleries in Kentucky, Indiana, and Kansas, and bottling operations in Missouri, Ohio, and Northern Ireland, MGP has the infrastructure and expertise to create on any scale.

MGP's branded spirits portfolio covers a wide spectrum of brands in every segment, including iconic brands from Luxco, which was founded in 1958 by the Lux family. Luxco is a leading producer, supplier, importer and bottler of beverage alcohol products. Our branded spirits mission is to meet the needs and exceed the expectations of consumers, associates and business partners. Luxco's award-winning spirits portfolio includes well-known brands from four distilleries: Bardstown, Kentucky-based Lux Row Distillers, home of Ezra Brooks, Rebel, Blood Oath, David Nicholson and Daviess County; Lebanon, Kentucky-based Limestone Branch Distillery, maker of Yellowstone Kentucky Straight Bourbon Whiskey, Minor Case Straight Rye Whiskey and Bowling & Burch Gin; Jalisco, Mexico-based Destiladora González Lux, producer of 100% agave tequilas, El Mayor, Exotico and Dos Primos; and the historic Ross & Squibb Distillery in Lawrenceburg, Indiana, where the Remus Straight Bourbon Whiskey and Rossville Union Straight Rye Whiskey are produced. The innovative and high-quality brand portfolio also includes Everclear Grain Alcohol, Pearl Vodka, Green Hat Gin, Saint Brendan's Irish Cream, The Quiet Man Irish Whiskey and other well-recognized brands.

In addition, our Ingredient Solutions segment offers specialty proteins and starches that help customers harness the power of plants and provide a host of functional, nutritional, and sensory benefits for a wide range of food products.

The transformation of American grain into something more is in the soul of our people, products, and history. We're devoted to unlocking the creative potential of this extraordinary resource. For more information, visit [mgpingredients.com](http://mgpingredients.com).

### **Cautionary Note Regarding Forward-Looking Statements**

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation, statements about the expected effects on MGP Ingredients, Inc. (the "Company," or "MGP") of the Penelope

acquisition as well as the ability of Penelope to be accretive and expand its brand and customer reach. Forward looking statements are usually identified by or are associated with words such as “intend,” “plan,” “believe,” “estimate,” “expect,” “anticipate,” “project,” “forecast,” “hopeful,” “should,” “may,” “will,” “could,” “encouraged,” “opportunities,” “potential” and similar terminology. These forward-looking statements reflect management’s current beliefs and estimates of future economic circumstances, industry conditions, Company performance, and Company financial results and financial condition and are not guarantees of future performance. All forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially. Factors that could cause actual results to differ materially from our expectations include without limitation:

- the ability to realize the anticipated benefits of the acquisition of Penelope,
- the ability to successfully integrate the Penelope business,
- disruption from the acquisition of Penelope making it more difficult to maintain business and operational relationships,
- significant transaction costs and unknown liabilities,
- litigation or regulatory actions related to the Penelope acquisition,
- potential loss of key management personnel,
- our reliance on distributors to adequately distribute our products within their territories, and
- risks related to acquisitions, the competitive market in which we sell our products and related market conditions.

For further information on these and other risks and uncertainties that may affect our business, see the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of the Company’s Annual Report on Form 10-K for the year ended Dec. 31, 2022 and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, as well as the Company’s other SEC filings. The Company undertakes no obligation to update any forward-looking statements made in this press release to reflect future events or developments, except as required by law. Because it is not possible to predict or identify all such factors, this list cannot be considered a complete set of all potential risks or uncertainties.

## **For More Information**

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