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# NEWS RELEASE

## **MGP INGREDIENTS REPORTS FOURTH QUARTER AND FULL YEAR 2024 RESULTS**

*Fourth quarter results in line with expectations; Provides 2025 financial guidance*

**ATCHISON, Kan., February 26, 2025 - MGP Ingredients, Inc. (Nasdaq:MGPI)**, a leading provider of branded and distilled spirits and food ingredient solutions, today reported results for the fourth quarter and full year ended December 31, 2024.

“Despite ongoing industry-wide challenges, our fourth quarter results were in line with our expectations. Elevated industry-wide barrel whiskey inventories continue to weigh on overall brown goods sales and pricing trends, pressuring our financial performance and overshadowing the meaningful strides we continue to make across our Branded Spirits and Ingredient Solutions businesses. Led by Penelope, our premium plus portfolio outpaced category growth in 2024, even as we faced headwinds from the repositioning of certain brands for long-term success. At the same time, the sequential improvement in Ingredient Solutions sales and gross margin reinforces our belief that our specialty wheat ingredients platform is structurally positioned to win in the faster growing “healthier for me” food segments,” said Brandon Gall, Interim President and CEO, and CFO.

He added, “Our 2025 financial guidance, particularly the revised outlook for the Distilling Solutions business, reflects our decisive, proactive actions that are designed to de-risk our brown goods outlook. As we reposition this business to the evolving industry landscape, executing our long-term strategy to establish MGP as a premier branded spirits company remains a top priority.”

### **2024 fourth quarter consolidated results compared to 2023 fourth quarter**

- Consolidated sales decreased 16% to \$180.8 million. Excluding the impact of the Atchison distillery, consolidated sales decreased by 7%.
- Consolidated gross profit decreased 13% to \$74.5 million and gross profit margin increased by 160 basis points to 41.2%. Excluding the impact of the Atchison distillery, gross profit declined by 15% and gross margin decreased 400 basis points to 41.2%.
- Net income decreased to a loss of \$42.0 million due to a one-time, non-cash adjustment of \$73.8 million to lower the carrying amount of goodwill in the Branded Spirits segment. On an adjusted basis, net income decreased 6% to \$34.4 million.
- Basic earnings per common share (“EPS”) decreased to \$(1.91) per share from \$1.39 per share, primarily due to a one-time, non-cash adjustment to goodwill. Adjusted basic EPS decreased 4% to \$1.57 per share.
- Adjusted EBITDA decreased 9% to \$53.1 million.
- The company repurchased 758,576 shares of its common stock for \$36.6 million during the fourth quarter.

## 2024 full year consolidated results compared to 2023 full year

- Consolidated sales decreased 16% to \$703.6 million. Excluding the impact of the Atchison distillery, consolidated sales decreased by 4%.
- Consolidated gross profit decreased 6.0% to \$286.3 million and gross profit margin increased by 430 basis points to 40.7%. Excluding the impact of the Atchison distillery, gross profit declined by 7%, while gross profit margin decreased 170 basis points to 40.8%.
- Net income decreased 68% to \$34.5 million primarily due to a one-time, non-cash adjustment to goodwill. On an adjusted basis, net income decreased 4% to \$125.3 million.
- Basic EPS decreased to \$1.56 per share from \$4.82 per share primarily due to a one-time, non-cash adjustment to goodwill. Adjusted basic EPS decreased 4% to \$5.64 per share from \$5.90 per share in 2023.
- Adjusted EBITDA decreased 6% to \$196.5 million. Depreciation and amortization remained largely flat at \$22.0 million, while share based compensation expense declined by 57% to \$3.2 million.
- Capital expenditures of \$73.2 million were largely in line with our expectations.
- Operating cash flows increased \$18.5 million to \$102.3 million.
- The company repurchased 886,936 shares of its common stock for \$46.6 million during 2024.
- Net debt leverage ratio stands at approximately 1.5x as of December 31, 2024.

## Consolidated results for the 2024 fourth quarter compared to the 2023 fourth quarter

In the fourth quarter 2024, excluding the impact of the Atchison distillery, consolidated sales decreased by 7% as the expected sales declines in the Distilling Solutions and Branded Spirits segments more than offset higher Ingredient Solutions segment sales. Excluding the impact of the Atchison distillery, consolidated gross profit declined by 15% to \$74.5 million due to lower gross profits across all three operating segments. Gross margin decreased 400 basis points due to lower gross margins in the Distilling Solutions and Ingredient Solutions segments. Operating income decreased to a loss of \$30.4 million, while adjusted operating income decreased 7% to \$46.8 million as lower selling, general and administrative ("SG&A") costs partially offset lower gross profits.

During the fourth quarter, we recorded a \$73.8 million non-cash adjustment to the carrying value of goodwill in the Branded Spirits segment, primarily due to certain unfavorable macroeconomic factors such as a higher discount rate and lower peer company valuation multiples since the 2021 Luxco acquisition. These charges resulted in a net loss of \$42.0 million and basic EPS loss of \$1.91 for the fourth quarter. On an adjusted basis, fourth quarter net income and basic EPS were \$34.4 million and \$1.57 per share.

### Distilling Solutions

For the fourth quarter 2024, Distilling Solutions segment sales decreased 25% to \$82.0 million and gross profit decreased by 8% to \$36.7 million, or 44.8% of segment sales. Excluding the impact of the Atchison distillery, segment sales decreased 6% to \$82.0 million as the expected decline in brown good sales more than offset the double digit increase in warehouse services and other sales. Segment gross profit decreased by 16% to \$36.7 million, or 44.8% of segment sales, excluding the impact of the Atchison distillery, primarily due to lower sales of higher margin aged whiskey.

For the full year 2024, Distilling Solutions segment sales decreased 26% to \$332.2 million. Excluding the impact of the Atchison distillery, segment sales decreased 3% to \$330.9 million, as the 8% decline in brown good sales more than offset the double digit increase in warehouse services and other sales. Full year gross profit decreased by 2% to \$141.9 million, or 42.7% of segment sales. Excluding the impact of

the Atchison distillery, segment gross profit decreased by 9% to \$142.4 million, or 43.0% of segment sales, primarily due to weaker brown goods results in the second half of the year.

### **Branded Spirits**

For the fourth quarter 2024, Branded Spirits segment sales decreased 12% to \$64.0 million as the double digit decline in mid and value priced brands, consistent with full year trends, was further impacted by lower premium plus sales. Sales of our premium plus portfolio declined by 12% during the quarter primarily due to lapping strong growth in the year-ago period. Gross profit decreased by 11% to \$29.6 million while gross margin improved by 60 basis points to 46.2%.

For the full year 2024, Branded Spirits sales decreased 5% to \$240.8 million. Our premium plus sales increased by 5% as we continue to execute focused initiatives across our American whiskey and tequila categories; however this growth was partially offset by the negative impact from the planned optimization of our mid and value priced portfolio as we continue to align our portfolio with consumer trends. Full year gross profit increased by 5% to \$118.2 million and gross margin improved by 470 basis points to 49.1%, benefiting from the ongoing premiumization of our branded portfolio.

### **Ingredient Solutions**

Ingredient Solutions segment sales increased by 4% to \$34.7 million for the fourth quarter 2024. As expected, specialty protein sales posted its first quarterly growth of the year as new business wins offset the stronger U.S. dollar's impact on our international sales. In the fourth quarter, we delivered gross profit of \$8.2 million and gross margin of 23.5%, marking the strongest quarterly performance of the year, as we continue to make progress on realizing the full benefits of operating the Ingredient Solutions business independent of the Atchison distillery.

For the full year 2024, Ingredient Solutions segment sales decreased 1% to \$130.6 million as headwinds from the stronger U.S. dollar and lower commodity starch sales were largely offset by continued strong growth of specialty starch sales, particularly under the Fibersym brand. Excluding the impact of the Atchison distillery, segment gross profit of \$26.2 million and gross margin of 20.1% in 2024 declined from \$40.5 million and 30.8% in 2023.

### **Additional Highlights**

Fourth quarter 2024 advertising and promotion expenses decreased 15% to \$10.5 million but increased by 6% for the full year 2024 to \$40.5 million. Corporate SG&A expenses decreased by 21% and 11% for the fourth quarter and full year to \$20.4 million and \$81.4 million, respectively, reflecting lower incentive compensation expenses.

The corporate effective tax rate for the fourth quarter 2024 was (31.5)%, compared with 24.0% from the year ago period, primarily due to a one-time, non-tax deductible adjustment to goodwill. Excluding the impact of the goodwill adjustment, the effective tax rate for fourth quarter 2024 was 24.0%.

### **2025 Financial Guidance**

The consolidated financial guidance for 2025 includes:

- Sales are projected to be in the range of \$520 million to \$540 million.
- Adjusted EBITDA is expected to be in the range of \$105 million to \$115 million.
- Adjusted basic EPS is expected to be in the \$2.45 to \$2.75 range, with weighted average basic shares outstanding of approximately 21.3 million, and an effective tax rate of approximately 25%.
- Full year capital expenditures are expected to be approximately \$36 million.

## **Conference Call and Webcast Information**

MGP Ingredients will host a conference call today, February 26, 2025, at 10 a.m. ET to discuss these results and current business trends. Investors can dial 844-308-6398 or 412-717-9605 (international) to listen to the live call. A live webcast will be available at “News and Events” section of the company’s Investor Relations website at [ir.mgpingredients.com/news-events](http://ir.mgpingredients.com/news-events). A replay of the conference call will be available on the company’s website.

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

MGP Ingredients, Inc. (Nasdaq: MGPI) is a leading producer of premium branded and distilled spirits, as well as 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 and Indiana, 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 Penelope Bourbon, 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 strides in the businesses of MGP Ingredients, Inc. (the “Company” or “MGP”), ability to win in food segments, actions to de-risk its outlook, ability to establish the Company as a premier branded spirits company; and the Company’s 2025 outlook, including its expectations for sales, adjusted EBITDA, adjusted EPS, shares outstanding, tax rate, and capital expenditures. 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, Company financial results, and Company financial condition and are not guarantees of future performance.

All forward-looking statements are subject to 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 any effects of changes in consumer preferences and purchases and our ability to anticipate or react to those changes; our ability to compete effectively and any effects of industry dynamics and market conditions; damage to our reputation or that of any of our key customers or their brands; failure to introduce successful new brands and products or have effective marketing or advertising; changes in public opinion about alcohol or our products; our reliance on our distributors to distribute our branded spirits; our reliance on fewer, more profitable customer relationships; interruptions in our operations or a catastrophic event at our facilities; decisions concerning the quantity of maturing stock of our aged distillate; any inability to successfully complete our capital projects or fund capital expenditures or any warehouse expansion issues; our reliance on a limited number of suppliers; work disruptions or stoppages; climate change and measures to address climate change; regulation and taxation and compliance with existing or future laws and regulations; tariffs, trade relations, and trade policies; excise taxes, incentives and customs duties; our ability to protect our intellectual property rights and defend against alleged intellectual property rights infringement claims; failure to secure and maintain listings in control states; labeling or warning requirements or limitations on the availability of our products; product recalls or other product liability claims; anti-corruption laws, trade sanctions, and restrictions; litigation or legal proceedings; limited rights of common stockholders and anti-takeover provisions in our governing documents; the impact of issuing shares of our common stock; higher costs or the unavailability and cost of raw materials, product ingredients, energy resources, or labor; failure of our information technology systems, networks, processes, associated sites, or service providers; acquisitions and potential future acquisitions; interest rate increases; reliance on key personnel; commercial, political, and financial risks; covenants and other provisions in our credit arrangements; pandemics or other health crises; ability to pay any dividends and make any share repurchases; and the effectiveness or execution of our strategic plan. For further information on these risks and uncertainties and other factors that could affect the Company's 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 December 31, 2024, as well as the Company's other SEC filings. The Company undertakes no obligation to update any forward-looking statements or information in this press release, except as required by law.

### **Non-GAAP Financial Measures**

In addition to reporting financial information in accordance with U.S. GAAP, the Company provides certain non-GAAP financial measures that are not in accordance with, or alternatives for, GAAP. In addition to the comparable GAAP measures, the Company has disclosed measures excluding the impact of the Atchison distillery, adjusted operating income, adjusted income before income taxes, adjusted net income, adjusted MGP earnings, adjusted EBITDA, net debt, net debt leverage ratio, and adjusted basic and diluted EPS, as well as guidance for adjusted EBITDA and adjusted basic EPS. The presentation of these non-GAAP financial measures should be reviewed in conjunction with operating income, income before income taxes, net income, net income used in earnings per common share calculation, debt, and basic and diluted EPS computed in accordance with U.S. GAAP and should not be considered a substitute for the GAAP measure. We believe that the non-GAAP measures provide useful information to investors regarding the Company's performance and overall results of operations. In addition, management uses these non-GAAP measures in conjunction with GAAP measures when evaluating the Company's operating results compared to prior periods on a consistent basis, assessing financial trends, and for forecasting purposes. Non-GAAP financial measures may not provide information that is directly comparable to other companies, even if similar terms are used to identify such measures. The attached schedules provide a full reconciliation of historical non-GAAP financial measures to the most directly comparable U.S. GAAP financial measure. Full year 2024 guidance measures of adjusted EBITDA and adjusted basic EPS are provided on a non-GAAP basis without a reconciliation to the most directly comparable GAAP measures because the Company is unable to predict with a reasonable degree of certainty certain items contained in the GAAP measures without unreasonable efforts. Such items include without limitation, acquisition related expenses, restructuring and related expenses, and other items not reflective of the Company's ongoing operations.

**For More Information**

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**MGP INGREDIENTS, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Dollars in thousands)

|   | Quarter Ended December 31, |                  | Year Ended December 31, |                   |
|---|----------------------------|------------------|-------------------------|-------------------|
|   | 2024                       | 2023             | 2024                    | 2023              |
| Sales   | \$ 180,796                 | \$ 214,888       | \$ 703,625              | \$ 836,523        |
| Cost of sales   | 106,321                    | 129,743          | 417,308                 | 531,811           |
| <b>Gross profit</b>   | <b>74,475</b>              | <b>85,145</b>    | <b>286,317</b>          | <b>304,712</b>    |
| Advertising and promotion expense                               | 10,513                     | 12,336           | 40,508                  | 38,213            |
| Selling, general, and administrative expenses                   | 20,449                     | 25,780           | 81,391                  | 91,395            |
| Impairment of long-lived assets and other                       | —                          | 1,057            | 137                     | 19,391            |
| Goodwill impairment   | 73,755                     | —                | 73,755                  | —                 |
| Change in fair value of contingent consideration                | 200                        | 2,900            | 16,100                  | 7,100             |
| <b>Operating income (loss)</b>                                  | <b>(30,442)</b>            | <b>43,072</b>    | <b>74,426</b>           | <b>148,613</b>    |
| Interest expense, net   | (2,041)                    | (2,017)          | (8,439)                 | (6,647)           |
| Other income (expense), net                                     | 538                        | (225)            | 2,455                   | (220)             |
| <b>Income (loss) before income taxes</b>                        | <b>(31,945)</b>            | <b>40,830</b>    | <b>68,442</b>           | <b>141,746</b>    |
| Income tax expense  | 10,053                     | 9,784            | 33,977                  | 34,616            |
| <b>Net income (loss)</b>  | <b>(41,998)</b>            | <b>31,046</b>    | <b>34,465</b>           | <b>107,130</b>    |
| Net loss attributable to noncontrolling interest                | 36                         | 21               | 198                     | 345               |
| <b>Net income (loss) attributable to MGP Ingredients, Inc.</b>  | <b>(41,962)</b>            | <b>31,067</b>    | <b>34,663</b>           | <b>107,475</b>    |
| Income (loss) attributable to participating securities          | 466                        | (311)            | (373)                   | (1,074)           |
| <b>Net income (loss) used in earnings per share calculation</b> | <b>\$ (41,496)</b>         | <b>\$ 30,756</b> | <b>\$ 34,290</b>        | <b>\$ 106,401</b> |
| <b>Weighted average common shares</b>                           |                            |                  |                         |                   |
| Basic   | 21,732,872                 | 22,070,337       | 22,015,439              | 22,059,816        |
| Diluted   | 21,732,872                 | 22,070,337       | 22,015,439              | 22,173,918        |
| <b>Earnings per common share</b>                                |                            |                  |                         |                   |
| Basic   | \$ (1.91)                  | \$ 1.39          | \$ 1.56                 | \$ 4.82           |
| Diluted   | \$ (1.91)                  | \$ 1.39          | \$ 1.56                 | \$ 4.80           |

**MGP INGREDIENTS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Dollars in thousands)

|  | December 31,        |                     |
|--|---------------------|---------------------|
|  | 2024                | 2023                |
| <b>ASSETS</b>                                  |                     |                     |
| Current Assets:                                |                     |                     |
| Cash and cash equivalents                      | \$ 25,273           | \$ 18,388           |
| Receivables, net                               | 148,488             | 144,286             |
| Inventory                                      | 364,944             | 346,853             |
| Prepaid expenses                               | 3,983               | 3,580               |
| Refundable income taxes                        | 3,448               | 1,190               |
| <b>Total current assets</b>                    | <b>546,136</b>      | <b>514,297</b>      |
| Property, plant, and equipment                 | 562,714             | 489,646             |
| Less accumulated depreciation and amortization | (246,042)           | (227,343)           |
| <b>Property, plant, and equipment, net</b>     | <b>316,672</b>      | <b>262,303</b>      |
| Operating lease right-of-use assets, net       | 15,540              | 13,975              |
| Investment in joint venture                    | 7,024               | 5,197               |
| Intangible assets, net                         | 268,451             | 271,706             |
| Goodwill                                       | 247,789             | 321,544             |
| Other assets                                   | 4,173               | 3,326               |
| <b>TOTAL ASSETS</b>                            | <b>\$ 1,405,785</b> | <b>\$ 1,392,348</b> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>    |                     |                     |
| Current Liabilities:                           |                     |                     |
| Current maturities of long-term debt           | \$ 6,400            | \$ 6,400            |
| Accounts payable                               | 66,336              | 73,594              |
| Federal and state excise taxes payable         | 5,358               | 2,251               |
| Accrued expenses and other                     | 14,356              | 31,861              |
| <b>Total current liabilities</b>               | <b>92,450</b>       | <b>114,106</b>      |
| Long-term debt, less current maturities        | 121,277             | 85,305              |
| Convertible senior notes                       | 195,864             | 195,544             |
| Long-term operating lease liabilities          | 11,940              | 11,292              |
| Contingent consideration                       | 85,300              | 69,200              |
| Other noncurrent liabilities                   | 2,981               | 4,763               |
| Deferred income taxes                          | 63,430              | 63,071              |
| <b>Total liabilities</b>                       | <b>573,242</b>      | <b>543,281</b>      |
| Total equity                                   | 832,543             | 849,067             |
| <b>TOTAL LIABILITIES AND TOTAL EQUITY</b>      | <b>\$ 1,405,785</b> | <b>\$ 1,392,348</b> |



**MGP INGREDIENTS, INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Dollars in thousands)

|   | <b>Year Ended December 31,</b> |                  |
|---|--------------------------------|------------------|
|   | <b>2024</b>                    | <b>2023</b>      |
| <b>Cash Flows from Operating Activities</b>                                       |                                |                  |
| Net income  | \$ 34,465                      | \$ 107,130       |
| Adjustments to reconcile net income to net cash provided by operating activities: |                                |                  |
| Depreciation and amortization   | 21,989                         | 22,113           |
| Impairment of long-lived assets and other   | 137                            | 19,391           |
| Goodwill impairment   | 73,755                         | —                |
| Share-based compensation  | 4,016                          | 10,635           |
| Equity method investment loss (gain)  | (1,827)                        | 337              |
| Deferred income taxes, including change in valuation allowance                    | 359                            | (4,041)          |
| Change in fair value of contingent consideration                                  | 16,100                         | 7,100            |
| Other, net  | 465                            | 728              |
| Changes in operating assets and liabilities, net of effects of acquisition:       |                                |                  |
| Receivables, net  | (4,375)                        | (32,397)         |
| Inventory   | (18,155)                       | (46,921)         |
| Prepaid expenses  | (409)                          | (481)            |
| Income taxes payable (refundable)   | (2,258)                        | 3,136            |
| Accounts payable  | (9,099)                        | (2,406)          |
| Accrued expenses and other  | (15,111)                       | 348              |
| Federal and state excise taxes payable  | 3,107                          | (2,375)          |
| Other, net  | (881)                          | 1,486            |
| <b>Net cash provided by operating activities</b>                                  | <b>102,278</b>                 | <b>83,783</b>    |
| <b>Cash Flows from Investing Activities</b>                                       |                                |                  |
| Additions to property, plant, and equipment                                       | (71,181)                       | (55,267)         |
| Purchase of business, net of cash acquired  | —                              | (103,712)        |
| Other, net  | (377)                          | (263)            |
| <b>Net cash used in investing activities</b>                                      | <b>(71,558)</b>                | <b>(159,242)</b> |
| <b>Cash Flows from Financing Activities</b>                                       |                                |                  |
| Payment of dividends and dividend equivalents                                     | (10,630)                       | (10,675)         |
| Purchase of Common Stock  | (48,773)                       | (801)            |
| Proceeds from long-term debt  | 125,000                        | 105,000          |
| Principal payments on long-term debt  | (89,400)                       | (47,600)         |
| <b>Net cash provided by (used in) financing activities</b>                        | <b>(23,803)</b>                | <b>45,924</b>    |
| Effect of exchange rate changes on cash and cash equivalents                      | (32)                           | 34               |
| Increase (decrease) in cash and cash equivalents                                  | 6,885                          | (29,501)         |
| Cash and cash equivalents, beginning of period                                    | 18,388                         | 47,889           |
| Cash and cash equivalents, end of period  | <b>\$ 25,273</b>               | <b>\$ 18,388</b> |

**MGP INGREDIENTS, INC.**  
**SALES BY OPERATING SEGMENT**  
(Dollars in thousands)

**DISTILLING SOLUTIONS SALES**

|                                   | Quarter Ended December 31, |                   | Quarter versus Quarter Sales<br>Change Increase/(Decrease) |              |
|-----------------------------------|----------------------------|-------------------|--|--------------|
|                                   | 2024                       | 2023              | \$ Change  | % Change     |
| Brown goods                       | \$ 66,989                  | \$ 74,334         | \$ (7,345)   | (10)%        |
| Warehouse services                | 8,818                      | 7,674             | 1,144  | 15           |
| White goods and other co-products | 6,238                      | 26,905            | (20,667)   | (77)         |
| <b>Total Distilling Solutions</b> | <b>\$ 82,045</b>           | <b>\$ 108,913</b> | <b>\$ (26,868)</b>   | <b>(25)%</b> |

**BRANDED SPIRITS SALES**

|                              | Quarter Ended December 31, |                  | Quarter versus Quarter Sales<br>Change Increase/(Decrease) |              |
|------------------------------|----------------------------|------------------|--|--------------|
|                              | 2024                       | 2023             | \$ Change  | % Change     |
| Premium plus                 | \$ 28,292                  | \$ 32,113        | \$ (3,821)   | (12)%        |
| Mid                          | 16,844                     | 20,101           | (3,257)  | (16)         |
| Value                        | 10,402                     | 11,859           | (1,457)  | (12)         |
| Other                        | 8,467                      | 8,542            | (75)   | (1)          |
| <b>Total Branded Spirits</b> | <b>\$ 64,005</b>           | <b>\$ 72,615</b> | <b>\$ (8,610)</b>  | <b>(12)%</b> |

**INGREDIENT SOLUTIONS SALES**

|                                   | Quarter Ended December 31, |                  | Quarter versus Quarter Sales<br>Change Increase / (Decrease) |            |
|-----------------------------------|----------------------------|------------------|--|------------|
|                                   | 2024                       | 2023             | \$ Change  | % Change   |
| Specialty wheat starches          | \$ 18,359                  | \$ 17,073        | \$ 1,286   | 8 %        |
| Specialty wheat proteins          | 12,821                     | 12,373           | 448  | 4          |
| Commodity wheat starches          | 3,505                      | 3,543            | (38)   | (1)        |
| Commodity wheat proteins          | 61                         | 371              | (310)  | (84)       |
| <b>Total Ingredient Solutions</b> | <b>\$ 34,746</b>           | <b>\$ 33,360</b> | <b>\$ 1,386</b>  | <b>4 %</b> |

**MGP INGREDIENTS, INC.**  
**SALES BY OPERATING SEGMENT**  
(Dollars in thousands)

**DISTILLING SOLUTIONS SALES**

|                                   | Year Ended December 31, |                   | Year versus Year Sales Change Increase/(Decrease) |              |
|-----------------------------------|-------------------------|-------------------|---|--------------|
|                                   | 2024                    | 2023              | \$ Change   | % Change     |
| Brown goods                       | \$ 265,873              | \$ 289,191        | \$ (23,318)                                       | (8)%         |
| Warehouse services                | 33,430                  | 28,632            | 4,798   | 17           |
| White goods and other co-products | 32,901                  | 133,031           | (100,130)   | (75)         |
| <b>Total Distilling Solutions</b> | <b>\$ 332,204</b>       | <b>\$ 450,854</b> | <b>\$ (118,650)</b>                               | <b>(26)%</b> |

**BRANDED SPIRITS SALES**

|                              | Year Ended December 31, |                   | Year versus Year Sales Change Increase/(Decrease) |             |
|------------------------------|-------------------------|-------------------|---|-------------|
|                              | 2024                    | 2023              | \$ Change   | % Change    |
| Premium Plus                 | \$ 110,991              | \$ 105,465        | \$ 5,526  | 5 %         |
| Mid                          | 63,454                  | 75,676            | (12,222)  | (16)        |
| Value                        | 42,100                  | 47,907            | (5,807)   | (12)        |
| Other                        | 24,271                  | 24,885            | (614)   | (2)         |
| <b>Total Branded Spirits</b> | <b>\$ 240,816</b>       | <b>\$ 253,933</b> | <b>\$ (13,117)</b>                                | <b>(5)%</b> |

**INGREDIENT SOLUTIONS SALES**

|                                   | Year Ended December 31, |                   | Year versus Year Sales Change Increase/(Decrease) |             |
|-----------------------------------|-------------------------|-------------------|---|-------------|
|                                   | 2024                    | 2023              | \$ Change   | % Change    |
| Specialty wheat starches          | \$ 76,005               | \$ 66,050         | \$ 9,955  | 15 %        |
| Specialty wheat proteins          | 41,768                  | 48,291            | (6,523)   | (14)        |
| Commodity wheat starches          | 12,351                  | 16,413            | (4,062)   | (25)        |
| Commodity wheat proteins          | 481                     | 982               | (501)   | (51)        |
| <b>Total Ingredient Solutions</b> | <b>\$ 130,605</b>       | <b>\$ 131,736</b> | <b>\$ (1,131)</b>                                 | <b>(1)%</b> |

**MGP INGREDIENTS, INC.**  
**OPERATING INCOME ROLLFORWARD**  
(Dollars in thousands)

| <b>Operating income, quarter versus quarter</b>           | <b>Operating<br/>Income</b> | <b>Change</b>         |
|---|-----------------------------|-----------------------|
| Operating income for quarter ended December 31, 2023      | \$ 43,072                   |                       |
| Decrease in gross profit - Ingredient Solutions segment   | (3,859)                     | (9) pp <sup>(a)</sup> |
| Decrease in gross profit - Branded Spirits segment        | (3,560)                     | (8) pp                |
| Decrease in gross profit - Distilling Solutions segment   | (3,251)                     | (8) pp                |
| Decrease in advertising and promotion expenses            | 1,823                       | 4 pp                  |
| Decrease in SG&A expenses                                 | 5,331                       | 12 pp                 |
| Decrease in impairment of long-lived assets and other     | 1,057                       | 2 pp                  |
| Goodwill impairment                                       | (73,755)                    | (171) pp              |
| Change in fair value of contingent consideration          | 2,700                       | 6 pp                  |
| <b>Operating loss for quarter ended December 31, 2024</b> | <b>\$ (30,442)</b>          | <b>(171)%</b>         |

| <b>Operating income, year versus year</b>                | <b>Operating<br/>Income</b> | <b>Change</b>          |
|--|-----------------------------|------------------------|
| Operating income for year ended December 31, 2023        | \$ 148,613                  |                        |
| Decrease in gross profit - Ingredient Solutions segment  | (20,773)                    | (14) pp <sup>(a)</sup> |
| Decrease in gross profit - Distilling Solutions segment  | (3,037)                     | (2) pp                 |
| Increase in gross profit - Branded Spirits segment       | 5,415                       | 4 pp                   |
| Increase in advertising and promotion expenses           | (2,295)                     | (2) pp                 |
| Decrease in SG&A expenses                                | 10,004                      | 7 pp                   |
| Decrease in impairment of long-lived assets and other    | 19,254                      | 13 pp                  |
| Goodwill impairment                                      | (73,755)                    | (50) pp                |
| Change in fair value of contingent consideration         | (9,000)                     | (6) pp                 |
| <b>Operating income for year ended December 31, 2024</b> | <b>\$ 74,426</b>            | <b>(50)%</b>           |

<sup>(a)</sup> Percentage points ("pp").

**MGP INGREDIENTS, INC.**  
**EARNINGS PER SHARE (“EPS”) ROLLFORWARD**

| <b>Change in EPS, quarter versus quarter</b>                     | <b>EPS</b>       | <b>Change</b> |                   |
|--|------------------|---------------|-------------------|
| Basic and Diluted EPS for quarter ended December 31, 2023        | \$ 1.39          |               |                   |
| Change in operating income <sup>(a)</sup>                        | (2.53)           | (182)         | pp <sup>(b)</sup> |
| Change in other expense, net <sup>(a)</sup>                      | 0.03             | 2             | pp                |
| Change in weighted average shares outstanding                    | (0.03)           | (2)           | pp                |
| Change in effective tax rate                                     | (0.77)           | (55)          | pp                |
| <b>Basic and Diluted EPS for quarter ended December 31, 2024</b> | <b>\$ (1.91)</b> | <b>(237)%</b> |                   |

| <b>Change in EPS, year versus year</b>                        | <b>EPS</b>     | <b>Change</b> |                   |
|---|----------------|---------------|-------------------|
| Basic EPS for year ended December 31, 2023                    | \$ 4.82        |               |                   |
| Change in operating income <sup>(a)</sup>                     | (2.53)         | (52)          | pp <sup>(b)</sup> |
| Change in interest expense <sup>(a)</sup>                     | (0.06)         | (2)           | pp                |
| Change in other expense, net <sup>(a)</sup>                   | 0.09           | 2             | pp                |
| Change in weighted average shares outstanding                 | 0.01           | —             | pp                |
| Change in effective tax rate                                  | (0.77)         | (16)          | pp                |
| <b>Basic and Diluted EPS for year ended December 31, 2024</b> | <b>\$ 1.56</b> | <b>(68)%</b>  |                   |

(a) Items are net of tax based on the effective tax rate for the base year (2023).

(b) Percentage points ("pp")

**MGP INGREDIENTS, INC.**  
**RECONCILIATION OF SELECTED GAAP MEASURES TO ADJUSTED NON-GAAP MEASURES**  
(UNAUDITED)(in thousands)

|   | Quarter Ended December 31, 2024 |                            |                           |                             |                       |
|---|---------------------------------|----------------------------|---------------------------|-----------------------------|-----------------------|
|   | Operating Income                | Income before Income Taxes | Net Income <sup>(b)</sup> | MGP Earnings <sup>(a)</sup> | Basic and Diluted EPS |
| <b>Reported GAAP Results</b>                          | \$ (30,442)                     | \$ (31,945)                | \$ (41,998)               | \$ (41,496)                 | \$ (1.91)             |
| Goodwill impairment <sup>(c)</sup>                    | 73,755                          | 73,755                     | 73,755                    | 72,943                      | 3.36                  |
| Fair value of contingent consideration <sup>(d)</sup> | 200                             | 200                        | 152                       | 150                         | 0.01                  |
| Business acquisition costs <sup>(e)</sup>             | 15                              | 15                         | 11                        | 11                          | —                     |
| Executive transition costs <sup>(f)</sup>             | 2,857                           | 2,857                      | 2,171                     | 2,145                       | 0.10                  |
| Unusual items costs <sup>(g)</sup>                    | 408                             | 408                        | 310                       | 306                         | 0.01                  |
| <b>Adjusted Non-GAAP results</b>                      | <u>\$ 46,793</u>                | <u>\$ 45,290</u>           | <u>\$ 34,401</u>          | <u>\$ 34,059</u>            | <u>\$ 1.57</u>        |

|  | Quarter Ended December 31, 2023 |                            |                  |                             |                       |
|--|---------------------------------|----------------------------|------------------|-----------------------------|-----------------------|
|  | Operating Income                | Income before Income Taxes | Net Income       | MGP Earnings <sup>(a)</sup> | Basic and Diluted EPS |
| <b>Reported GAAP Results</b>                             | \$ 43,072                       | \$ 40,830                  | \$ 31,046        | \$ 30,756                   | \$ 1.39               |
| Impairment of long-lived assets and other <sup>(h)</sup> | 1,057                           | 1,057                      | 803              | 803                         | 0.04                  |
| Fair value of contingent consideration <sup>(d)</sup>    | 2,900                           | 2,900                      | 2,204            | 2,204                       | 0.10                  |
| Business acquisition costs <sup>(e)</sup>                | 246                             | 246                        | 187              | 187                         | 0.01                  |
| Executive transition costs <sup>(f)</sup>                | 3,134                           | 3,134                      | 2,382            | 2,382                       | 0.10                  |
| <b>Adjusted Non-GAAP results</b>                         | <u>\$ 50,409</u>                | <u>\$ 48,167</u>           | <u>\$ 36,622</u> | <u>\$ 36,332</u>            | <u>\$ 1.64</u>        |

|  | Year Ended December 31, 2024 |                            |                           |                             |                       |
|--|------------------------------|----------------------------|---------------------------|-----------------------------|-----------------------|
|  | Operating Income             | Income before Income Taxes | Net Income <sup>(b)</sup> | MGP Earnings <sup>(a)</sup> | Basic and Diluted EPS |
| <b>Reported GAAP Results</b>                             | \$ 74,426                    | \$ 68,442                  | \$ 34,465                 | \$ 34,290                   | \$ 1.56               |
| Goodwill impairment <sup>(c)</sup>                       | 73,755                       | 73,755                     | 73,755                    | 72,950                      | 3.31                  |
| Impairment of long-lived assets and other <sup>(h)</sup> | 137                          | 137                        | 104                       | 103                         | 0.01                  |
| Fair value of contingent consideration <sup>(d)</sup>    | 16,100                       | 16,100                     | 12,252                    | 12,118                      | 0.55                  |
| Business acquisition costs <sup>(e)</sup>                | 116                          | 116                        | 88                        | 87                          | —                     |
| Executive transition costs <sup>(f)</sup>                | 4,075                        | 4,075                      | 3,101                     | 3,067                       | 0.14                  |
| Unusual items costs <sup>(g)</sup>                       | 2,081                        | 2,081                      | 1,584                     | 1,566                       | 0.07                  |
| <b>Adjusted Non-GAAP results</b>                         | <u>\$ 170,690</u>            | <u>\$ 164,706</u>          | <u>\$ 125,349</u>         | <u>\$ 124,181</u>           | <u>\$ 5.64</u>        |

|  | Year Ended December 31, 2023 |                            |                   |                             |                |                |
|--|------------------------------|----------------------------|-------------------|-----------------------------|----------------|----------------|
|  | Operating Income             | Income before Income Taxes | Net Income        | MGP Earnings <sup>(a)</sup> | Basic EPS      | Diluted EPS    |
| <b>Reported GAAP Results</b>                             | \$ 148,613                   | \$ 141,746                 | \$ 107,130        | \$ 106,401                  | \$ 4.82        | \$ 4.80        |
| Impairment of long-lived assets and other <sup>(h)</sup> | 19,391                       | 19,391                     | 14,660            | 14,660                      | 0.66           | 0.66           |
| Fair value of contingent consideration <sup>(d)</sup>    | 7,100                        | 7,100                      | 5,368             | 5,368                       | 0.24           | 0.24           |
| Business acquisition costs <sup>(e)</sup>                | 2,060                        | 2,060                      | 1,557             | 1,557                       | 0.07           | 0.07           |
| Executive transition costs <sup>(f)</sup>                | 3,134                        | 3,134                      | 2,369             | 2,369                       | 0.11           | 0.11           |
| <b>Adjusted Non-GAAP results</b>                         | <u>\$ 180,298</u>            | <u>\$ 173,431</u>          | <u>\$ 131,084</u> | <u>\$ 130,355</u>           | <u>\$ 5.90</u> | <u>\$ 5.88</u> |

**MGP INGREDIENTS, INC.**  
**DESCRIPTION OF NON-GAAP ITEMS**

- (a) MGP Earnings has been defined as "Net income (loss) used in earnings per share calculation," which accounts for the impacts of the net loss attributable to noncontrolling interest and income (loss) attributable to participating securities.
- (b) Excluding the impacts of the nondeductible goodwill impairment, the effective tax rate was 24.0% and 23.9% for the quarter and year ended December 31, 2024, respectively. This is the effective tax rate used for the non-GAAP items.
- (c) Goodwill impairment relates to the write down of the goodwill during the quarter and year ended December 31, 2024. This is nondeductible for income tax purposes. It is included in the Consolidated Statement of Income as a component of operating income and relates to the Branded Spirits segment.
- (d) Fair value of contingent consideration relates to the quarterly adjustment of the contingent consideration liability related to the acquisition of Penelope Bourbon LLC. It is included in the Consolidated Statement of Income as a component of operating income and relates to the Branded Spirits segment.
- (e) Business acquisition costs are included in the Consolidated Statement of Income within the selling, general, and administrative line item and include transaction and integration costs associated with the acquisition of Penelope Bourbon LLC.
- (f) The executive transition costs are included in the Consolidated Statement of Income within the selling, general and administrative line item. The adjustment includes costs related to the transition of certain executive positions.
- (g) The unusual items costs are included in the Consolidated Statement of Income within the selling, general, and administrative line item. The adjustment includes professional and legal costs associated with special projects.
- (h) The impairment of long-lived assets and other relates to the closure of the Company's distillery located in Atchison, Kansas, which included \$17,112 of impairment of assets as well as \$2,279 of expenses related to severance costs, inventory write offs, contract termination fees, consulting fees, and other miscellaneous expenses for the year ended December 31, 2023. For the quarter ended December 31, 2023, the full expense amount relates to severance costs, inventory write offs, contract termination fees, consulting fees and other miscellaneous expenses. For the year ended December 31, 2024, the full expense amount relates to miscellaneous expenses. Impairment of long-lived assets and other are included in the Consolidated Statement of Income as a component of operating income and relates to the Distilling Solutions segment.

**MGP INGREDIENTS, INC.**

**RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA AND NET DEBT LEVERAGE RATIO**

(UNAUDITED) (in thousands)

|  | Quarter Ended December 31, |                  | Year Ended December 31, |                   |
|--|----------------------------|------------------|-------------------------|-------------------|
|  | 2024                       | 2023             | 2024                    | 2023              |
| Net Income (loss)                            | \$ (41,998)                | \$ 31,046        | \$ 34,465               | \$ 107,130        |
| Interest expense                             | 2,041                      | 2,017            | 8,439                   | 6,647             |
| Income tax expense                           | 10,053                     | 9,784            | 33,977                  | 34,616            |
| Depreciation and amortization                | 5,691                      | 5,841            | 21,989                  | 22,113            |
| Share based compensation                     | 440                        | 1,850            | 3,188                   | 7,501             |
| Equity method investment loss (gain)         | (381)                      | 146              | (1,827)                 | 337               |
| Impairment of long-lived assets and other    | —                          | 1,057            | 137                     | 19,391            |
| Goodwill impairment                          | 73,755                     | —                | 73,755                  | —                 |
| Fair value of contingent consideration       | 200                        | 2,900            | 16,100                  | 7,100             |
| Business acquisition costs                   | 15                         | 246              | 116                     | 2,060             |
| Executive transition costs                   | 2,857                      | 3,134            | 4,075                   | 3,134             |
| Unusual items costs                          | 408                        | —                | 2,081                   | —                 |
| <b>Adjusted EBITDA</b>                       | <b>\$ 53,081</b>           | <b>\$ 58,021</b> | <b>\$ 196,495</b>       | <b>\$ 210,029</b> |
| Total debt                                   |                            |                  | \$ 323,541              | \$ 287,249        |
| Cash and cash equivalents                    |                            |                  | 25,273                  | 18,388            |
| <b>Net debt</b>                              |                            |                  | <b>\$ 298,268</b>       | <b>\$ 268,861</b> |
| <b>Net debt leverage ratio<sup>(a)</sup></b> |                            |                  | <b>1.5</b>              | <b>1.3</b>        |

<sup>(a)</sup> Net leverage ratio defined as net debt divided by adjusted EBITDA

The non-GAAP adjusted EBITDA measure is defined as earnings before interest expense, income tax expense, depreciation and amortization, share based compensation, equity method investment loss (gain), impairment of long-lived assets and other, goodwill impairment, fair value of contingent consideration, business acquisition costs, executive transition costs, and unusual items costs.

See "Reconciliation of selected GAAP measures to adjusted non-GAAP measures" and "Description of Non-GAAP items" for further details.



**MGP INGREDIENTS, INC.**  
**DILUTIVE SHARES OUTSTANDING CALCULATION**  
(UNAUDITED)

|   | Quarter Ended December 31, |                | Year Ended December 31, |                |
|---|----------------------------|----------------|-------------------------|----------------|
|   | 2024                       | 2023           | 2024                    | 2023           |
| Principal amount of the bonds               | \$ 201,250,000             | \$ 201,250,000 | \$ 201,250,000          | \$ 201,250,000 |
| Par value                                   | \$ 1,000                   | \$ 1,000       | \$ 1,000                | \$ 1,000       |
| Number of bonds outstanding (b)             | 201,250                    | 201,250        | 201,250                 | 201,250        |
| Initial conversion rate                     | 10.3911                    | 10.3911        | 10.3911                 | 10.3911        |
| Conversion price                            | \$ 96.23620                | \$ 96.23620    | \$ 96.23620             | \$ 96.23620    |
| Average share price (c)                     | \$ 54.41547                | \$ 96.08000    | \$ 75.30083             | \$ 101.79016   |
| Impact of conversion (d)                    | \$ —                       | \$ —           | \$ —                    | \$ 212,864,486 |
| Cash paid for principal                     | (201,250,000)              | (201,250,000)  | (201,250,000)           | (201,250,000)  |
| <b>Conversion premium</b>                   | \$ —                       | \$ —           | \$ —                    | \$ 11,614,486  |
| Average share price                         | \$ 54.41547                | \$ 96.08000    | \$ 75.30083             | \$ 101.79016   |
| <b>Conversion premium in shares (a) (e)</b> | —                          | —              | —                       | 114,102        |

- (a) Number of bonds outstanding is calculated by taking the principal amount of the bonds divided by the par value.
- (b) Average share price is calculated by taking the average of the daily closing share price for the period. If the average share price is less than the conversion price of \$96.23620 per share, the impact to EPS is anti-dilutive and therefore the shares were excluded from the diluted EPS calculation.
- (c) Impact of conversion is calculated by taking the number of bonds outstanding multiplied by the initial conversion rate multiplied by the average share price. If the average share price is less than the conversion price then the impact of conversion is zero.
- (d) The impacts of the Convertible Senior Notes were included in the diluted weighted average common shares outstanding if the impact was dilutive. The Convertible Senior Notes would only have a dilutive impact if the average market price per share during the quarter and year to date period exceeds the conversion price of \$96.23620 per share.
- (e) Conversion premium in shares is calculated by taking the conversion premium divided by the average share price. If the average share price is less than the conversion price, then the conversion premium in shares is zero.

**MGP INGREDIENTS, INC.**  
**Impact of the Planned Closure of the Atchison Distillery**  
**Segment Operating Results and Pro-Forma Results**  
**Quarter Ended December 31, 2024**  
(UNAUDITED) (in thousands)

|                                   | <b>Distilling Solutions</b>            |                                 |                            |                           |
|-----------------------------------|--|---------------------------------|----------------------------|---------------------------|
|                                   | <b>Quarter Ended December 31, 2024</b> |                                 | <b>Increase/(Decrease)</b> |                           |
|                                   | <b>As Reported <sup>(a)</sup></b>      | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>           |
| Brown Goods                       | \$ 66,989                              | \$ 66,989                       | \$ —                       | — %                       |
| Warehouse services                | 8,818                                  | 8,818                           |                            |                           |
| White goods and other co-products | 6,238                                  | 6,238                           | —                          | —                         |
| <b>Total Sales</b>                | <b>\$ 82,045</b>                       | <b>\$ 82,045</b>                | <b>\$ —</b>                | <b>— %</b>                |
| <b>Gross profit</b>               | <b>\$ 36,727</b>                       | <b>\$ 36,727</b>                | <b>\$ —</b>                | <b>— %</b>                |
| <b>Gross margin %</b>             | <b>44.8 %</b>                          | <b>44.8 %</b>                   |                            | <b>— pp<sup>(c)</sup></b> |

|                          | <b>Ingredient Solutions</b>            |                                 |                            |                           |
|--------------------------|--|---------------------------------|----------------------------|---------------------------|
|                          | <b>Quarter Ended December 31, 2024</b> |                                 | <b>Increase/(Decrease)</b> |                           |
|                          | <b>As Reported <sup>(a)</sup></b>      | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>           |
| Specialty wheat starches | \$ 18,359                              | \$ 18,359                       | \$ —                       | — %                       |
| Specialty wheat proteins | 12,821                                 | 12,821                          | —                          | —                         |
| Commodity wheat starches | 3,505                                  | 3,505                           | —                          | —                         |
| Commodity wheat proteins | 61                                     | 61                              | —                          | —                         |
| <b>Total Sales</b>       | <b>\$ 34,746</b>                       | <b>\$ 34,746</b>                | <b>\$ —</b>                | <b>— %</b>                |
| <b>Gross profit</b>      | <b>\$ 8,163</b>                        | <b>\$ 8,163</b>                 | <b>\$ — <sup>(d)</sup></b> | <b>— %</b>                |
| <b>Gross margin %</b>    | <b>23.5 %</b>                          | <b>23.5 %</b>                   |                            | <b>— pp<sup>(c)</sup></b> |

|                       | <b>Consolidated</b>                    |                                 |                            |                           |
|-----------------------|--|---------------------------------|----------------------------|---------------------------|
|                       | <b>Quarter Ended December 31, 2024</b> |                                 | <b>Increase/(Decrease)</b> |                           |
|                       | <b>As Reported <sup>(a)</sup></b>      | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>           |
| <b>Sales</b>          | <b>\$ 180,796</b>                      | <b>\$ 180,796</b>               | <b>\$ —</b>                | <b>— %</b>                |
| <b>Gross profit</b>   | <b>\$ 74,475</b>                       | <b>\$ 74,475</b>                | <b>\$ —</b>                | <b>— %</b>                |
| <b>Gross margin %</b> | <b>41.2 %</b>                          | <b>41.2 %</b>                   |                            | <b>— pp<sup>(c)</sup></b> |

(a) Represents actual results of the Company for the quarter ended December 31, 2024.

(b) Represents the Company's results for the quarter ended December 31, 2024 excluding results associated with the Company's Atchison, Kansas distillery. These are pro-forma unaudited financial results and are preliminary. In some circumstances, white goods, industrial alcohol, fuel grade alcohol, and at times certain co-products are produced at the Company's Lawrenceburg, Indiana distillery. The pro-forma financial results assume the loss of the waste starch slurry credit and no gain or loss on the disposal. The results of the Branded Spirits segment for the quarter ended December 31, 2024 would not have been impacted by a closure of the Atchison, Kansas distillery.

(c) Percentage points ("pp").

(d) There was no reduction in gross profit for the Ingredient Solutions segment as the Company is no longer receiving an intercompany credit for the waste starch slurry by-product since the closure of the distillery in Atchison Kansas during December 2023.

**MGP INGREDIENTS, INC.**  
**Impact of the Planned Closure of the Atchison Distillery**  
**Segment Operating Results and Pro-Forma Results**  
**Quarter Ended December 31, 2023**  
(UNAUDITED) (in thousands)

|                                   | <b>Distilling Solutions</b>            |                                 |                            |                              |
|-----------------------------------|--|---------------------------------|----------------------------|------------------------------|
|                                   | <b>Quarter Ended December 31, 2023</b> |                                 | <b>Increase/(Decrease)</b> |                              |
|                                   | <b>As Reported <sup>(a)</sup></b>      | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>              |
| Brown Goods                       | \$ 74,334                              | \$ 74,334                       | \$ —                       | — %                          |
| Warehouse services                | 7,674                                  | 7,674                           | —                          | —                            |
| White goods and other co-products | 26,905                                 | 5,390                           | (21,515)                   | (80)                         |
| <b>Total Sales</b>                | <b>\$ 108,913</b>                      | <b>\$ 87,398</b>                | <b>\$ (21,515)</b>         | <b>(20)%</b>                 |
| <b>Gross profit</b>               | <b>\$ 39,978</b>                       | <b>\$ 43,528</b>                | <b>\$ 3,550</b>            | <b>9 %</b>                   |
| <b>Gross margin %</b>             | <b>36.7 %</b>                          | <b>49.8 %</b>                   |                            | <b>13.1 pp<sup>(c)</sup></b> |

|                          | <b>Ingredient Solutions</b>            |                                 |                                  |                               |
|--------------------------|--|---------------------------------|----------------------------------|-------------------------------|
|                          | <b>Quarter Ended December 31, 2023</b> |                                 | <b>Increase/(Decrease)</b>       |                               |
|                          | <b>As Reported <sup>(a)</sup></b>      | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>                 | <b>% Change</b>               |
| Specialty wheat starches | \$ 17,073                              | \$ 17,073                       | \$ —                             | — %                           |
| Specialty wheat proteins | 12,373                                 | 12,373                          | —                                | —                             |
| Commodity wheat starches | 3,543                                  | 3,543                           | —                                | —                             |
| Commodity wheat proteins | 371                                    | 371                             | —                                | —                             |
| <b>Total Sales</b>       | <b>\$ 33,360</b>                       | <b>\$ 33,360</b>                | <b>\$ —</b>                      | <b>— %</b>                    |
| <b>Gross profit</b>      | <b>\$ 12,022</b>                       | <b>\$ 10,726</b>                | <b>\$ (1,296) <sup>(d)</sup></b> | <b>(11)%</b>                  |
| <b>Gross margin %</b>    | <b>36.0 %</b>                          | <b>32.2 %</b>                   |                                  | <b>(3.8) pp<sup>(c)</sup></b> |

|                       | <b>Consolidated</b>                    |                                 |                            |                             |
|-----------------------|--|---------------------------------|----------------------------|-----------------------------|
|                       | <b>Quarter Ended December 31, 2023</b> |                                 | <b>Increase/(Decrease)</b> |                             |
|                       | <b>As Reported <sup>(a)</sup></b>      | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>             |
| <b>Sales</b>          | <b>\$ 214,888</b>                      | <b>\$ 193,373</b>               | <b>\$ (21,515)</b>         | <b>(10)%</b>                |
| <b>Gross profit</b>   | <b>\$ 85,145</b>                       | <b>\$ 87,399</b>                | <b>\$ 2,254</b>            | <b>3 %</b>                  |
| <b>Gross margin %</b> | <b>39.6 %</b>                          | <b>45.2 %</b>                   |                            | <b>5.6 pp<sup>(c)</sup></b> |

(a) Represents actual results of the Company for the quarter ended December 31, 2023.

(b) Represents the Company's results for the quarter ended December 31, 2023 excluding results associated with the Company's Atchison, Kansas distillery. These are pro-forma unaudited financial results and are preliminary. In some circumstances, white goods, industrial alcohol, fuel grade alcohol, and at times certain co-products are produced at the Company's Lawrenceburg, Indiana distillery. The pro-forma financial results assume the loss of the waste starch slurry credit and no gain or loss on the disposal. The results of the Branded Spirits segment for the quarter ended December 31, 2023 would not have been impacted by a closure of the Atchison, Kansas distillery.

(c) Percentage points ("pp").

(d) The reduction in gross profit for the Ingredient Solutions segment is the result of increased cost of goods sold from no longer receiving an intercompany credit for the waste starch slurry by-product purchased by the adjoining Atchison, Kansas distillery. The value of the intercompany credit is derived from the value of corn which has fluctuated over time.

**MGP INGREDIENTS, INC.**  
**Impact of the Planned Closure of the Atchison Distillery**  
**Segment Operating Results and Pro-Forma Results**  
**Year Ended December 31, 2024**  
(UNAUDITED) (in thousands)

|                                   | <b>Distilling Solutions</b>         |                                 |                            |                              |
|-----------------------------------|-------------------------------------|---------------------------------|----------------------------|------------------------------|
|                                   | <b>Year Ended December 31, 2024</b> |                                 | <b>Increase/(Decrease)</b> |                              |
|                                   | <b>As Reported <sup>(a)</sup></b>   | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>              |
| Brown Goods                       | \$ 265,873                          | \$ 265,873                      | \$ —                       | — %                          |
| Warehouse services                | 33,430                              | 33,430                          |                            |                              |
| White goods and other co-products | 32,901                              | 31,609                          | (1,292)                    | (4)                          |
| <b>Total Sales</b>                | <b>\$ 332,204</b>                   | <b>\$ 330,912</b>               | <b>\$ (1,292)</b>          | <b>— %</b>                   |
| <b>Gross profit</b>               | <b>\$ 141,927</b>                   | <b>\$ 142,380</b>               | <b>\$ 453</b>              | <b>— %</b>                   |
| <b>Gross margin %</b>             | <b>42.7 %</b>                       | <b>43.0 %</b>                   |                            | <b>0.3 pp <sup>(c)</sup></b> |

|                          | <b>Ingredient Solutions</b>         |                                 |                            |                            |
|--------------------------|-------------------------------------|---------------------------------|----------------------------|----------------------------|
|                          | <b>Year Ended December 31, 2024</b> |                                 | <b>Increase/(Decrease)</b> |                            |
|                          | <b>As Reported <sup>(a)</sup></b>   | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>            |
| Specialty wheat starches | \$ 76,005                           | \$ 76,005                       | \$ —                       | — %                        |
| Specialty wheat proteins | 41,768                              | 41,768                          | —                          | —                          |
| Commodity wheat starches | 12,351                              | 12,351                          | —                          | —                          |
| Commodity wheat proteins | 481                                 | 481                             | —                          | —                          |
| <b>Total Sales</b>       | <b>\$ 130,605</b>                   | <b>\$ 130,605</b>               | <b>\$ —</b>                | <b>— %</b>                 |
| <b>Gross profit</b>      | <b>\$ 26,194</b>                    | <b>\$ 26,194</b>                | <b>\$ — <sup>(d)</sup></b> | <b>— %</b>                 |
| <b>Gross margin %</b>    | <b>20.1 %</b>                       | <b>20.1 %</b>                   |                            | <b>— pp <sup>(c)</sup></b> |

|                       | <b>Consolidated</b>                 |                                 |                            |                              |
|-----------------------|-------------------------------------|---------------------------------|----------------------------|------------------------------|
|                       | <b>Year Ended December 31, 2024</b> |                                 | <b>Increase/(Decrease)</b> |                              |
|                       | <b>As Reported <sup>(a)</sup></b>   | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>              |
| <b>Sales</b>          | <b>\$ 703,625</b>                   | <b>\$ 702,333</b>               | <b>\$ (1,292)</b>          | <b>— %</b>                   |
| <b>Gross profit</b>   | <b>\$ 286,317</b>                   | <b>\$ 286,770</b>               | <b>\$ 453</b>              | <b>— %</b>                   |
| <b>Gross margin %</b> | <b>40.7 %</b>                       | <b>40.8 %</b>                   |                            | <b>0.1 pp <sup>(c)</sup></b> |

(a) Represents actual results of the Company for the year ended December 31, 2024, as reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

(b) Represents the Company's results for the year ended December 31, 2024 excluding results associated with the Company's Atchison, Kansas distillery. These are pro-forma unaudited financial results and are preliminary. In some circumstances, white goods, industrial alcohol, fuel grade alcohol, and at times certain co-products are produced at the Company's Lawrenceburg, Indiana distillery. The pro-forma financial results assume the loss of the waste starch slurry credit and no gain or loss on the disposal. The results of the Branded Spirits segment for the year ended December 31, 2024 would not have been impacted by a closure of the Atchison, Kansas distillery.

(c) Percentage points ("pp").

(d) There was no reduction in gross profit for the Ingredient Solutions segment as the Company is no longer receiving an intercompany credit for the waste starch slurry by-product since the closure of the distillery in Atchison Kansas during December 2023.

**MGP INGREDIENTS, INC.**  
**Impact of the Planned Closure of the Atchison Distillery**  
**Segment Operating Results and Pro-Forma Results**  
**Year Ended December 31, 2023**  
(UNAUDITED) (in thousands)

|                                   | <b>Distilling Solutions</b>         |                                 |                            |                               |
|-----------------------------------|-------------------------------------|---------------------------------|----------------------------|-------------------------------|
|                                   | <b>Year Ended December 31, 2023</b> |                                 | <b>Increase/(Decrease)</b> |                               |
|                                   | <b>As Reported <sup>(a)</sup></b>   | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>               |
| Brown Goods                       | \$ 289,191                          | \$ 289,191                      | \$ —                       | — %                           |
| Warehouse services                | 28,632                              | 28,632                          | —                          | —                             |
| White goods and other co-products | 133,031                             | 24,533                          | (108,498)                  | (82)                          |
| <b>Total Sales</b>                | <b>\$ 450,854</b>                   | <b>\$ 342,356</b>               | <b>\$ (108,498)</b>        | <b>(24)%</b>                  |
| <b>Gross profit</b>               | <b>\$ 144,964</b>                   | <b>\$ 156,075</b>               | <b>\$ 11,111</b>           | <b>8 %</b>                    |
| <b>Gross margin %</b>             | <b>32.2 %</b>                       | <b>45.6 %</b>                   |                            | <b>13.4 pp <sup>(c)</sup></b> |

|                          | <b>Ingredient Solutions</b>         |                                 |                                  |                                |
|--------------------------|-------------------------------------|---------------------------------|----------------------------------|--------------------------------|
|                          | <b>Year Ended December 31, 2023</b> |                                 | <b>Increase/(Decrease)</b>       |                                |
|                          | <b>As Reported <sup>(a)</sup></b>   | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>                 | <b>% Change</b>                |
| Specialty wheat starches | \$ 66,050                           | \$ 66,050                       | \$ —                             | — %                            |
| Specialty wheat proteins | 48,291                              | 48,291                          | —                                | —                              |
| Commodity wheat starches | 16,413                              | 16,413                          | —                                | —                              |
| Commodity wheat proteins | 982                                 | 982                             | —                                | —                              |
| <b>Total Sales</b>       | <b>\$ 131,736</b>                   | <b>\$ 131,736</b>               | <b>\$ —</b>                      | <b>— %</b>                     |
| <b>Gross profit</b>      | <b>\$ 46,967</b>                    | <b>\$ 40,538</b>                | <b>\$ (6,429) <sup>(d)</sup></b> | <b>(14)%</b>                   |
| <b>Gross margin %</b>    | <b>35.7 %</b>                       | <b>30.8 %</b>                   |                                  | <b>(4.9) pp <sup>(c)</sup></b> |

|                       | <b>Consolidated</b>                 |                                 |                            |                              |
|-----------------------|-------------------------------------|---------------------------------|----------------------------|------------------------------|
|                       | <b>Year Ended December 31, 2023</b> |                                 | <b>Increase/(Decrease)</b> |                              |
|                       | <b>As Reported <sup>(a)</sup></b>   | <b>Pro-Forma <sup>(b)</sup></b> | <b>\$ Change</b>           | <b>% Change</b>              |
| <b>Sales</b>          | <b>\$ 836,523</b>                   | <b>\$ 728,025</b>               | <b>\$ (108,498)</b>        | <b>(13)%</b>                 |
| <b>Gross profit</b>   | <b>\$ 304,712</b>                   | <b>\$ 309,394</b>               | <b>\$ 4,682</b>            | <b>2 %</b>                   |
| <b>Gross margin %</b> | <b>36.4 %</b>                       | <b>42.5 %</b>                   |                            | <b>6.1 pp <sup>(c)</sup></b> |

(a) Represents actual results of the Company for the year ended December 31, 2023, as reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

(b) Represents the Company's results for the year ended December 31, 2023 excluding results associated with the Company's Atchison, Kansas distillery. These are pro-forma unaudited financial results and are preliminary. In some circumstances, white goods, industrial alcohol, fuel grade alcohol, and at times certain co-products are produced at the Company's Lawrenceburg, Indiana distillery. The pro-forma financial results assume the loss of the waste starch slurry credit and no gain or loss on the disposal. The results of the Branded Spirits segment for the year ended December 31, 2023 would not have been impacted by a closure of the Atchison, Kansas distillery.

(c) Percentage points ("pp").

(d) The reduction in gross profit for the Ingredient Solutions segment is the result of increased cost of goods sold from no longer receiving an intercompany credit for the waste starch slurry by-product purchased by the adjoining Atchison, Kansas distillery. The value of the intercompany credit is derived from the value of corn which has fluctuated over time.