

INVESTOR PRESENTATION

Second Quarter 2023



Create Exceptional™



FORWARD LOOKING STATEMENTS AND NON-GAAP DISCLAIMER

This presentation may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation statements regarding the prospects of the industry of MGP Ingredients, Inc. (the “Company” or “MGP”); the Company’s prospects, plans, mission, strategies, capital allocation priorities; financial position, and strategic plan; the timing of and charges associated with the Atchison, Kansas distillery closure; the expected effects on us of the Penelope Bourbon acquisition, including the ability to be accretive to gross margin and cost synergies; and the Company’s 2023 guidance, including its expectations for sales, adjusted EBITDA, adjusted basic EPS, and shares outstanding. 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 disruptions in our operations or a catastrophic event at our facilities; commodity price fluctuations; the effectiveness or execution of our strategic plan; our reliance on a limited number of suppliers; climate change and legal, regulatory or market measures to address climate change; product recalls or other product liability claims; damage to our reputation or that of any of our key customers or their brands; adverse public opinion about any of our specialty ingredients; warehouse expansion issues; our reliance on fewer, more profitable customer relationships; commercial, political, and financial risks; regulation and taxation requirements; tariffs, trade relations, and trade policies; labeling or warning requirements or limitations on the availability of our products; anti-corruption laws, trade sanctions and restrictions; changes in consumer preferences and purchases and our ability to anticipate or react to those changes; changes in public opinion about alcohol; our reliance on our distributors to distribute our branded spirits within their territories; failure to secure and maintain listings in control states; changes in excise taxes, incentives and customs duties; class action or other litigation; the availability and cost of raw materials, product ingredients, energy resources, or labor; global supply chain challenges; inflation; the ongoing military conflict between Ukraine and Russia; our ability to protect our intellectual property rights and defend against alleged intellectual property rights infringement claims; our dual-class stock structure and governing document provisions; our reliance on key information technology systems, networks, processes, associated sites, or service providers; acquisitions and potential future acquisitions; our ability to compete and competitive market conditions; work disruptions or stoppages; our reliance on key management personnel; covenants and other provisions in our credit arrangements; interest rate increases; pandemics or other health crises; and our planned closure of our Atchison, Kansas distillery. 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, 2022 and its Quarterly Reports on Form 10-Q for the quarters ended March 31 and June 30, 2023, as well as the Company’s other SEC filings. The Company undertakes no obligation to update any forward-looking statements or information in this presentation, 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 adjusted gross profit, adjusted operating income, adjusted net income, adjusted EBITDA, adjusted EBITDA less capital expenditures, 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 gross profit, operating income, net income, capital expenditures, 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 appendix provide a full reconciliation of historical non-GAAP financial measures to the most directly comparable U.S. GAAP financial measure. Full year 2023 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.

MISSION STATEMENT

Secure our future by consistently delivering superior financial results by more fully participating in all levels of the alcohol, spirits and food ingredients segments for the betterment of our shareholders, employees, partners, consumers and communities.



MGP OVERVIEW



Total sales were \$782MM for the year ended December 31, 2022

DISTILLING SOLUTIONS

Sales: \$428MM
(55% of Total)
GP Margin: 29.5%



- Leading supplier of distilled spirits, facilitating the creation of bourbons, rye whiskeys, American single malt whiskey, distilled gins, and vodkas
- Shifting business mix towards higher margin opportunities as a supplier to our increasingly diverse range of customers
- Capacity and capability provide key competitive advantage
- Continued position as legacy producer of food grade alcohol

BRANDED SPIRITS

Sales: \$238MM
(30% of Total)
GP Margin : 40.1%



- Attractive and growing portfolio of spirit brands in fastest growing categories
- Branded Spirits segment provides a platform for both organic and acquisitive growth opportunities
- Award winning premium, super premium and ultra premium brands offer a significant long-term upside
- Diversified standard and value portfolio positioned at affordable price points and provides stable cash flows

INGREDIENT SOLUTIONS

Sales: \$116MM
(15% of Total)
GP Margin: 27.2%



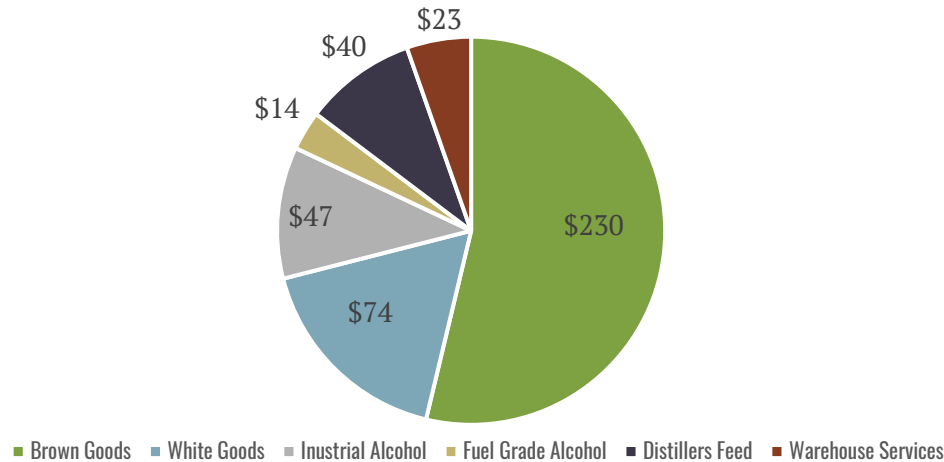
- Leading U.S. producer of specialty wheat proteins and starches
- Rapidly growing category with significant long-term upside
- Aligned with several important consumer trends (e.g. plant based high protein foods, and lower net carbohydrate foods)
- MGP's history affords unique know-how in the specialty ingredient category and we are widely regarded as experts in the industry

DISTILLING SOLUTIONS

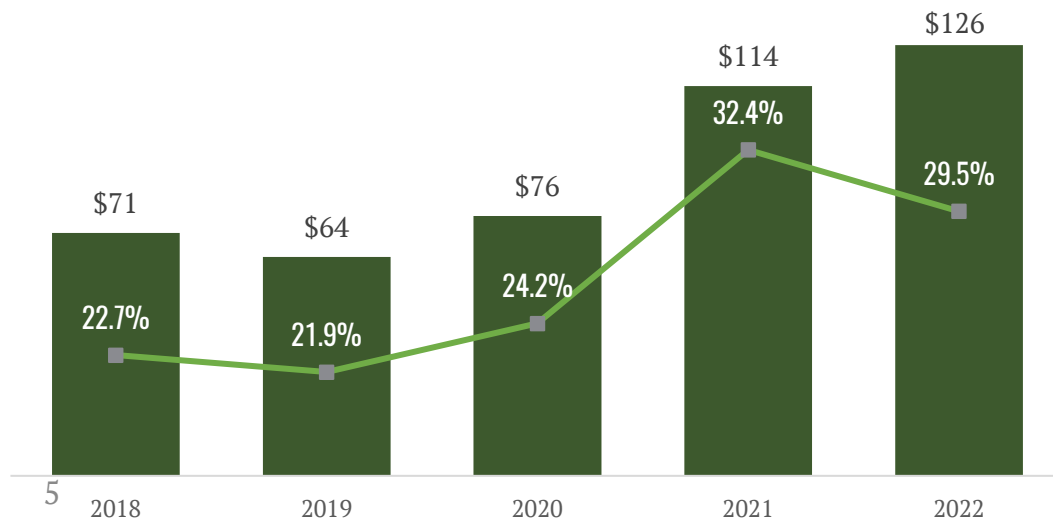
A LEADING SUPPLIER OF DISTILLED SPIRITS TO THIRD PARTIES



2022 Total Revenue of \$428MM



Historical Gross Profit and Margin (%)



Products consist of the following:

- **Brown Goods:** Premium bourbon, rye and other whiskeys sold as aged whiskey or unaged new distillate, which is then aged by customers from two to four years on average
- **White Goods:** Primarily grain neutral spirits (“GNS”), including vodka and gin
- **Industrial Alcohol:** Used as an ingredient in foods, personal care products, cleaning solutions, pharmaceuticals, and other products
- **Fuel Grade Alcohol:** Sold primarily for blending with gasoline to increase the octane and oxygen levels
- **Distillers Feed and Related Co-Products** (“Distillers Feed”): Primarily dried mash and corn oil sold to processors of animal feeds
- **Warehouse Services:** Services related primarily to customer storage of Brown Goods product for aging

Diversified customer base supporting over 750 new distillate and aged customers

Compete on product innovation, product characteristics, functionality, price, service, and quality factors, like flavor

Note: All figures in millions. Amounts may not foot due to rounding. Distilling Solutions segment results are exclusive of Branded Spirits segment results

DISTILLING SOLUTIONS

UNIQUE EXPERTISE POSITIONS US AS THE PREFERRED PARTNER TO OUR CUSTOMERS

Scale provides competitive pricing

Capacity supports long-term growth

Capabilities to meet diverse customer needs - multiple mash bills; blending to achieve multiple flavor profiles

Flexibility to shift between various offerings

Library of different mash bills and ages

Broad base of premium beverage offerings

Leveraging aged whiskey to retain and attract new customers

Partnership approach to our core business



Lawrenceburg, IN Operations

- Distillery
 - Top-5 American Whiskey producer
 - One of the largest U.S. suppliers of rye whiskey
 - Bourbon
 - American Single Malt Whiskey
 - Gin & Grain Neutral Spirits/Vodka
- Whiskey aging warehouses
- Research & Development

Atchison, KS Operations

- Company
- Distillery ⁽¹⁾
 - One of the largest U.S. suppliers of distilled gin
 - Grain Neutral Spirits/Vodka
 - Industrial alcohol
- Research & Development

AGED WHISKEY CUSTOMER ECONOMIC BENEFITS

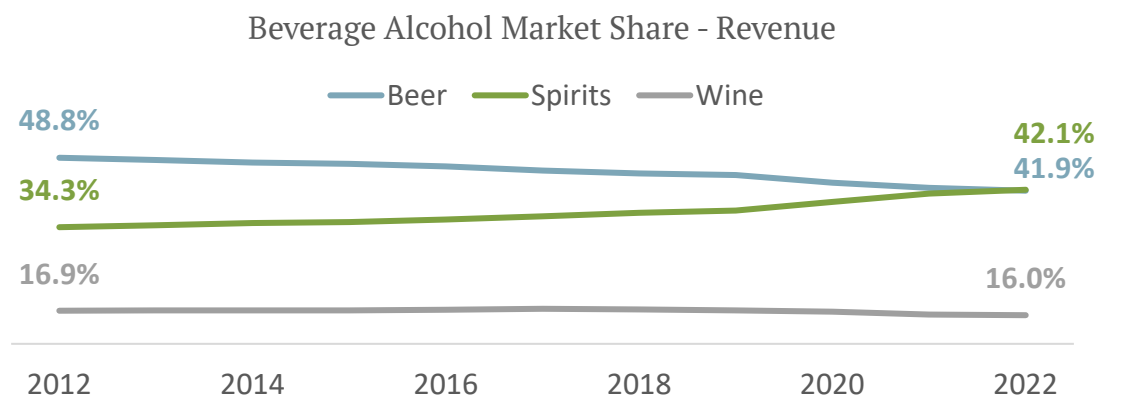
- Shortens timeline to cash flow
- Brand launches can occur in weeks rather than years
- Reduces working capital investment
- No need to build additional distillation capacity or warehouses
- Enables M&A-related growth and brand expansion
- Provides a reliable long-term supply chain solution

DISTILLING SOLUTIONS



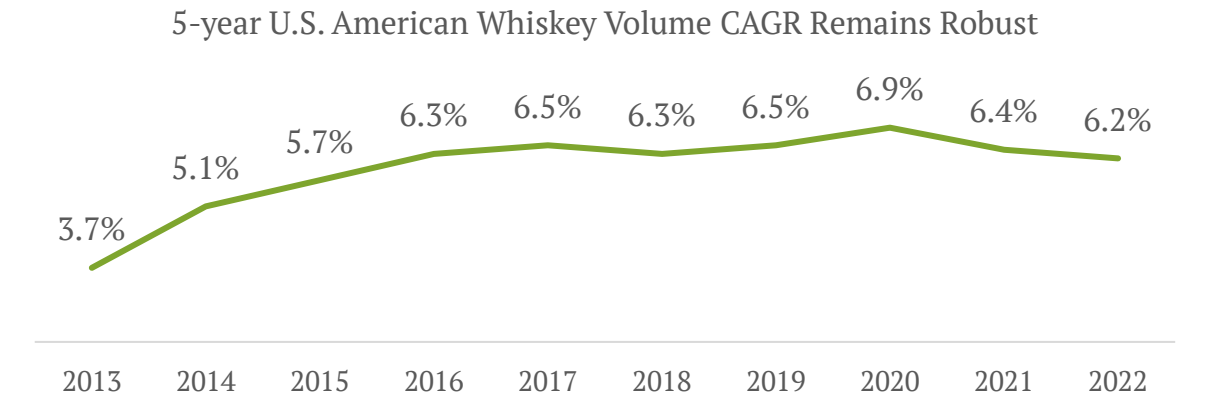
WELL POSITIONED TO CONTINUE BENEFITTING FROM GROWTH IN U.S. SPIRITS – PRIMARILY AMERICAN WHISKEY

U.S. Spirits Continue To Gain Share Of Total Beverage Alcohol



- Total distilled spirits have experienced 13 straight years of market share gains in the U.S.
 - 2022 volume up 4.8% vs. 2021 to 305M cases
 - 2022 revenues up 5.1% vs. 2021 to \$38B
- Premiumization trends across categories continued to drive U.S. volume growth for high end and super premium brands in 2022 vs. 2021
 - Super Premium American Whiskey +15.1%
 - Rye Whiskey +8.6%
 - Super Premium Gin +5.1%

Growth of American Whiskey Continues To Outperform



- 2022 volume was up 5.2% vs. 2021 to 31.2M cases, revenues up 10.5% vs. 2021 to \$5.1B
- Historical length of trends in the U.S. indicates sustainable growth opportunities
- Significant headroom for additional American Whiskey growth in the U.S.

9-LTR Case Volume	1970	2010	2022
American Whiskey	35.6M	15.3M	31.2M
Vodka	18.8M	62.1M	76.9M
Tequila	0.4M	11.6M	29.9M

Amer. Whiskey Metrics	1970	2010	2022
9-LTR Case Volume	35.6M	15.3M	31.2M
Per Capita Consumption	0.69	0.16	0.30
LDA Population	122M	221M	247M ⁽¹⁾
Share of TDS	22.8%	8.0%	10.2%

(1) The LDA population for 2022 is an estimate provided by Distilled Spirits Council

DISTILLING SOLUTIONS



FOUR STRATEGIES TO CONTINUE DELIVERING LONG-TERM GROWTH WITHIN THE DISTILLING SOLUTIONS SEGMENT

Distilling Solutions Growth Strategy

1. Focus on Strategic and Targeted Craft Customers For New Distillate and Aged Whiskey Sales
2. Further Develop the Export Market For Long-Term Growth of Our Aged Business
3. Build out a Kentucky Whiskey Program
4. Focus on White Goods Optimization to Enhance Margins

Distilling Solutions Gross Profit Ladder

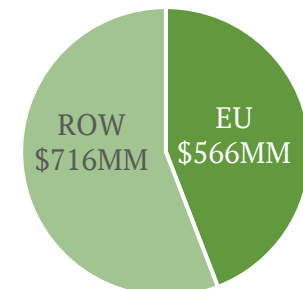


American Whiskey is Underdeveloped Outside U.S.

- Exports expected to be a key driver of long-term growth, particularly in the European Union



2022 Total American Whiskey Exports (~\$1.3B)



Note: Data sourced from Distilled Spirits Council, USITC Dataweb and Impact.

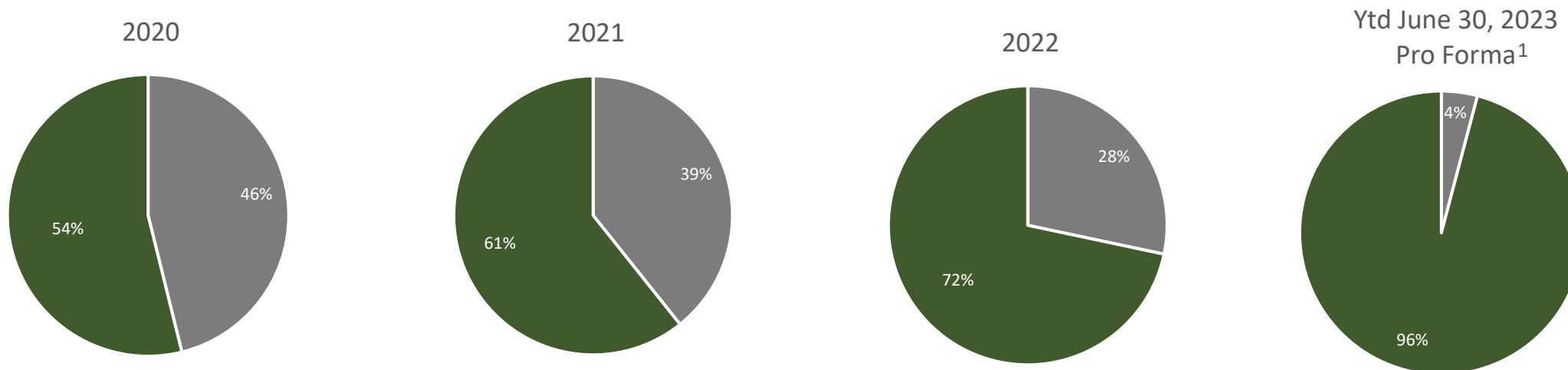
DISTILLING SOLUTIONS

PROGRESS OF PLANNED CLOSURE OF THE ATCHISON DISTILLERY



- Due to their lower relative gross margin profiles, white goods and industrial alcohol sales have been de-emphasized in recent years
- Beginning in 2022, as a result of increased supply into the market following COVID and the continued high corn basis values in the Atchison, KS region, gross margins turned negative for these product lines in Atchison, KS
- In response, on July 13, 2023, the Company announced the planned closure of the Atchison Distillery by January 2024

White Goods & Industrial Alcohol Sales as a Percent of Total Segment Sales



■ Other Distilling Solutions Sales

■ White Goods and Industrial Sales

DISTILLING SOLUTIONS

PLANNED CLOSURE OF THE ATCHISON DISTILLERY



Pro-Forma Results⁽¹⁾, excluding the Atchison Distillery

	Consolidated			
	FY 2022		Ytd June 30, 2023	
	Pro-Forma ⁽¹⁾	Change	Pro-Forma ⁽¹⁾	Change
Sales	\$641.5	(\$140.8)	\$347.7	(\$62.3)
Gross Profit	\$253.9	\$0.6	\$146.2	\$0.1
Gross Margin	39.6%	7.2 pp ⁽²⁾	42.1%	6.5 pp ⁽²⁾

	Distilling Solutions			
	FY 2022		Ytd June 30, 2023	
	Pro-Forma ⁽¹⁾	Change	Pro-Forma ⁽¹⁾	Change
Sales	\$287.7	(\$140.8)	\$167.8	(\$62.3)
Gross Profit	\$132.4	\$6.1	\$75.2	\$3.5
Gross Margin	46.0%	16.5 pp ⁽²⁾	44.8%	13.6 pp ⁽²⁾

	Ingredient Solutions			
	FY 2022		Ytd June 30, 2023	
	Pro-Forma ⁽¹⁾	Change	Pro-Forma ⁽¹⁾	Change
Sales	\$115.9	\$-	\$65.4	\$-
Gross Profit	\$26.0	(\$5.5)	\$20.4	(\$3.4)
Gross Margin	22.4%	(4.8) pp ⁽²⁾	31.2%	(5.2) pp ⁽²⁾

Overview of Expected One-Time Expenses

Expect to incur one-time aggregate pre-tax charges of approximately \$23 million - \$31 million for fiscal year 2023. This range includes the following estimates

- \$17 - \$21 million in non-cash restructuring expenses for asset impairments (fixed assets, inventory, leases)
- \$2 - \$4 million in cash expenses for items such as severance costs, contract termination fees and consulting fees
- \$4 - \$6 million in capital expenditures to decouple the Atchison distillery from the Ingredient Solutions business facility also located in Atchison, KS

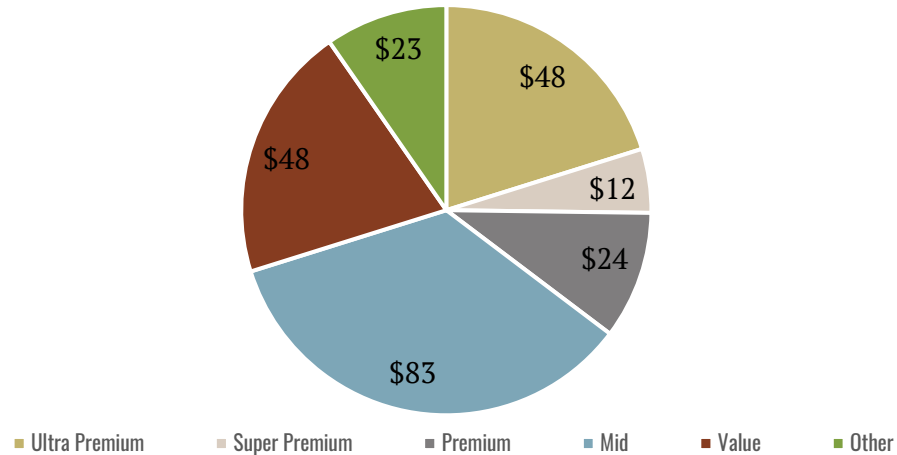
1. Pro-Forma results exclude results associated with the Atchison distillery. See appendix for more information
 2. Percentage points ("pp")

BRANDED SPIRITS

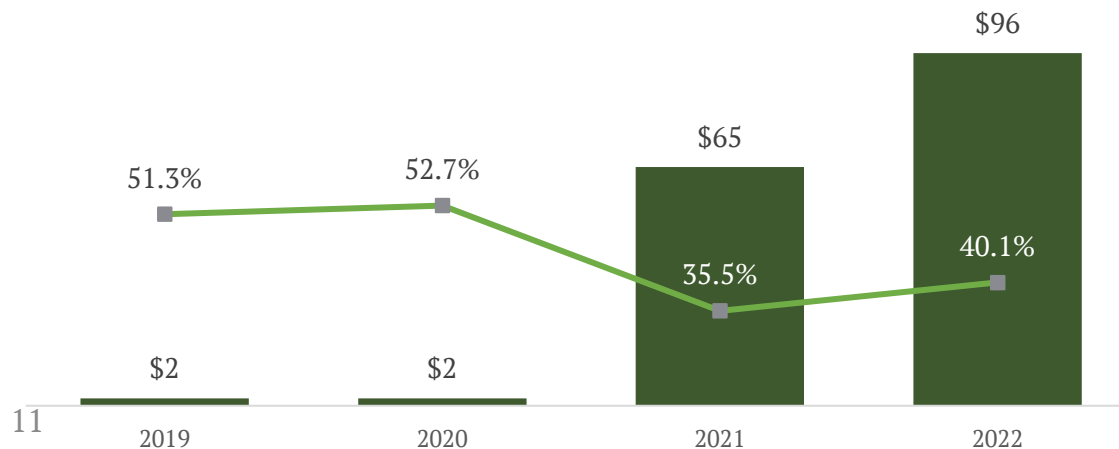


AN ESTABLISHED PORTFOLIO WITH A FOCUS ON GROWING HIGH POTENTIAL, HIGH MARGIN BRANDS

2022 Total Revenue of \$238MM



Historical Adjusted Gross Profit and Adjusted Margin (%) ⁽¹⁾ ⁽²⁾



Brand Examples By Price Tier:

- **Ultra Premium:** Yellowstone Bourbon, Remus Gatsby Bourbon, Penelope Private Select Whiskey, Remus Repeal Bourbon, Blood Oath Bourbon, Rebel 10 Year Bourbon, Old Ezra 7 Year Bourbon
- **Super Premium:** Penelope Four Grain Bourbon, Dos Primos Tequila, Daviess County Bourbon, Ezra Brooks 99 Bourbon, Remus Bourbon, Minor Case Straight Rye Whiskey, Rossville Union Straight Rye Whiskey, The Quiet Man Irish Whiskey, Green Hat Gin
- **Premium:** Everclear, Rebel 100 Proof Bourbon, El Mayor Tequila, St. Brendan's Irish Cream
- **MID:** Brady's Irish Cream, Pearl Vodka, Lord Calvert Canadian Whisky, Exotico Tequila
- **VALUE:** Arrow Cordials, Canada House Canadian Whisky, Lady Bligh Rum, Juarez Tequila
- **Other:** Includes private and control label products, retail sales, and contract bottling

1. Branded Spirits segment includes Luxco results from April 1, 2021 (date of acquisition).

2. Non-GAAP measure. See appendix for GAAP to Non-GAAP Reconciliation

Note: All figures in millions. Amounts may not foot due to rounding.

BRANDED SPIRITS

PENELOPE BOURBON ACQUISITION



Transaction Overview

- Acquired 100% of Penelope Bourbon purchase price as follows:
 - **Upfront:** \$105.0M upon closing
 - **Earnout:** additional potential earn-out up to maximum cash payout of \$110.8M
 - If certain performance conditions are met by December 31, 2025, the maximum earnout will be achieved
 - **Total Consideration:** up to \$215.8M
- Financed using MGP's existing revolving credit facility and cash on hand

Rationale

- Enhances presence in growing American Whiskey category
- Expands portfolio of premium-plus price point brands
- Able to leverage Branded Spirits national distribution platform to extend Penelope's reach
- Was an MGP Distilling Solutions customer prior to the acquisition
- Expected to be immediately accretive to Branded Spirits segment gross margin and consolidated adjusted basic earnings per share after close
- Anticipated total cost synergies of approximately \$5 million by December 31, 2025
- Transaction closed on June 1, 2023

BRANDED SPIRITS

PENELOPE BOURBON OVERVIEW

EXPANSIVE PREMIUM+ WHISKEY FAMILY...

FOUR GRAIN SERIES

CORE BRANDS



COOPER SERIES

LIMITED RELEASES



FOUNDERS RESERVE

LIMITED EDITION



PRIVATE SELECT

LIMITED PRODUCTION & BARREL PROGRAM



PENELOPE
BOURBON

One of the fastest growing
whiskey brands in the US ...

+139%

Source: Nielsen 52 weeks Sales CY All Growth Trend by
American Whiskey Spirits Category thru April 22, 2023

What they're saying about us...

Whisky
ADVOCATE

6 Wonderful Wine Cask-
Finished Whiskeys to Try

"The palate is surprisingly
zippy"

Men's Journal

Penelope Bourbon Feature

"A Relative Newcomer to the
Whiskey Scene Is Making Big
Waves"

UPROXX

The Best Bourbon Whiskeys
On Earth, According To The
Oscars Of Spirits

"This is just straight-up good.
It's unique, deep, and yet very
accessible"

VINEPAIR

The 50 Best Spirits of 2022

"this rye whiskey deserves its
OWN CROWN"



- Founded in 2019 by childhood friends Michael Paladini and Danny Polise
- Vision was to create a spirit that embodies the daily joys of celebrating life's pleasures – big and small
- Distilled at MGP

25x award-winning, including...

Forbes

2022 San Francisco World
Spirits Competition

"Best of Class: Small Batch
Bourbon"

ASCOT
AWARDS

2022 Ascot Awards

Penelope Bourbon named
Blender of the Year

BRANDED SPIRITS

EXPANSIVE FAMILY OF BRANDS



REBEL
100 Proof
SRP: \$19.99



EVERCLEAR
Clear Grain
Spirit
SRP: \$19.99



EZRA BROOKS
99 Proof
SRP: \$24.99



EL MAYOR
Blanco Tequila
SRP: \$26.99



PENELOPE
Four Grain
Whiskey
SRP: \$34.99



ROSSVILLE UNION
Master Crafted
Straight Rye
Whiskey
SRP: \$39.99



MINOR CASE
Straight Rye
Whiskey
SRP: \$39.99



YELLOWSTONE
Straight Bourbon
Whiskey
SRP: \$39.99



REMUS
Straight Bourbon
Whiskey
SRP: \$39.99



THE QUIET MAN
8-Year Irish
Whiskey
SRP: \$42.99



DOS PRIMOS
Blanco Tequila
SRP: \$44.99



YELLOWSTONE
American Single
Malt Whiskey
SRP: \$54.99



PENELOPE
Private Select
Whiskey
SRP: \$74.99



OLD EZRA
7-Year Straight
Rye Whiskey
SRP: \$79.99



YELLOWSTONE LIMITED
Straight Bourbon
Whiskey
SRP: \$99.99



REMUS REPEAL RESERVE
Straight Bourbon
Whiskey
SRP: \$99.99



BLOOD OATH
Straight Bourbon
Whiskey
SRP: \$129.99



REMUS GATSBY RESERVE
Straight Bourbon
Whiskey
SRP: \$199.99

BRANDED SPIRITS

AN ESTABLISHED PORTFOLIO WITH A FOCUS ON GROWING HIGH POTENTIAL, HIGH MARGIN BRANDS



National Sales Platform

- Sales / Distributor representation in every U.S. state and a dedicated international sales team
- Dedicated sales and marketing team of over 40 members spanning coast to coast with decades of experience in the spirits industry
- Strong relationships with major U.S. distributors

National Distribution Partners



Operational Capabilities



Limestone Distillery
Lebanon, KY



Lux Row Distillery
Bardstown, KY



Ross & Squibb Distillery
Lawrenceburg, IN



DGL Distillery (Joint Venture)
Arandas, Mexico

Distilleries

Extensive operational capacity to satisfy future production needs

Bottling / Blending

Various bottling lines with cream, spirits and RTD processing capabilities

Distribution Center

Warehouse and fulfillment center in St. Louis

Diverse Portfolio of Brands



BRANDED SPIRITS

CONTINUE TO FOCUS AND INNOVATE WITHIN U.S. SPIRITS PRICE TIERS THAT ARE GROWING – PRIMARILY HIGH-END AMERICAN WHISKEY, TEQUILA, & GIN



Growth Across Spirits Categories Continues to Outperform in the High-End

BOURBON WHISKEY	Sales CY All	52 Weeks Trend	TEQUILA	Sales CY All	52 Weeks Trend
Ultra Premium	\$620,740,595	+14%	Ultra Premium	\$785,542,785	+7%
Super Premium	\$1,023,474,562	+4%	Super Premium	\$812,851,439	+3%
Premium	\$286,687,775	+5%	Premium	\$891,557,903	+12%
Mid	\$584,698,041	-2%	Mid	\$447,366,710	+7%
Value	\$30,301,338	-1%	Value	\$42,374,133	+5%

GIN	Sales CY All	52 Weeks Trend	AMERICAN WHISKEY	Sales CY All	52 Weeks Trend
Ultra Premium	\$74,688,470	+9%	Ultra Premium	\$813,524,129	+11%
Super Premium	\$119,309,672	-1%	Super Premium	\$1,305,551,916	+3%
Premium	\$257,557,388	-4%	Premium	\$1,024,540,701	+1%
Mid	\$111,959,534	-4%	Mid	\$761,243,235	-1%
Value	\$29,129,371	0%	Value	\$60,551,283	-2%

Recent Innovation Launches are Designed to Capitalize on Fastest Growing Price Segments

Remus Gatsby
Straight Bourbon
SRP: \$199.99
Oct '22



Blood Oath Pact 9
Straight Bourbon
SRP: \$129.99
April '23



El Mayor
Extra Anejo
SRP: \$129.99
June '23



Remus
Straight Bourbon
SRP: \$54.99
July '23



BRANDED SPIRITS

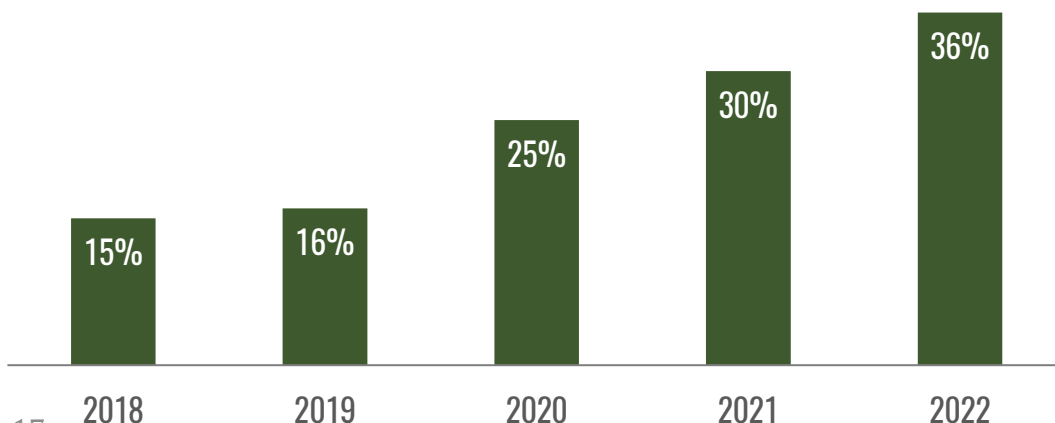
FIVE STRATEGIES TO CONTINUE DELIVERING LONG-TERM GROWTH WITHIN THE BRANDED SPIRITS SEGMENT



Branded Spirits Growth Strategy

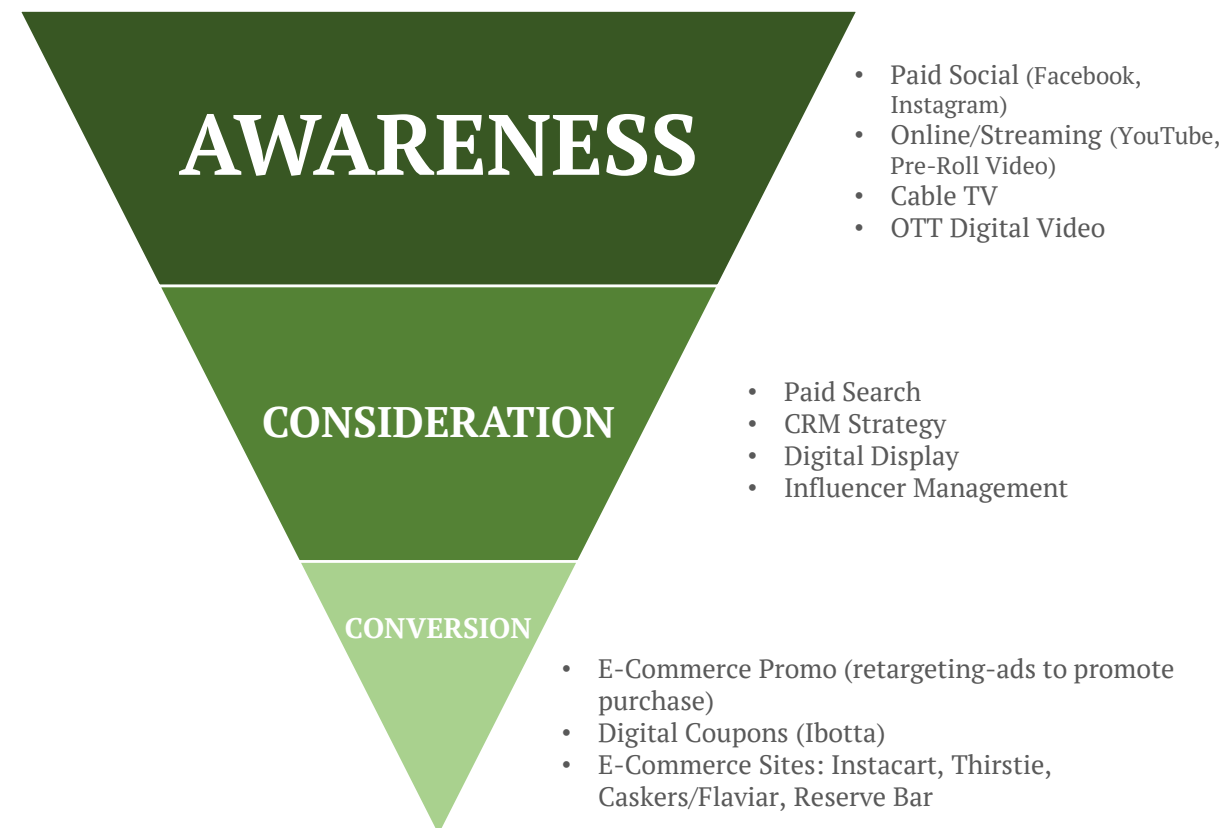
1. Focus on the Right Categories
2. Focus on the Right Brands
3. Focus on the Right Price
4. Focus on the Right Size
5. Focus on the Right Marketing Support

Premium Plus % of Total Segment Net Sales



Note: MGP acquired Luxco on April 1, 2021. Data in the above chart prior to April 1, 2021 is Luxco only and does not include MGP Legacy brands. Premium Plus includes Ultra Premium, Super Premium and Premium price tier categories
Source: Internal Company Data

Focus on the Right Marketing Support

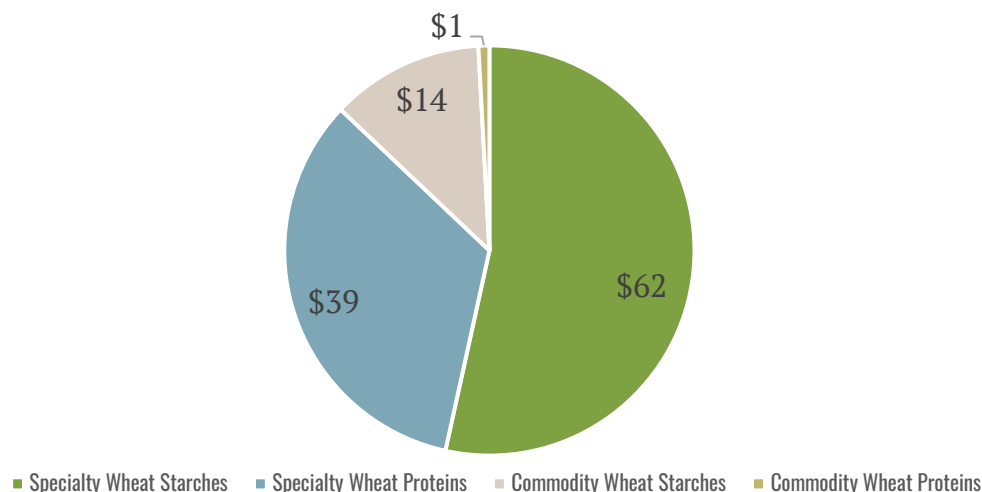


INGREDIENT SOLUTIONS

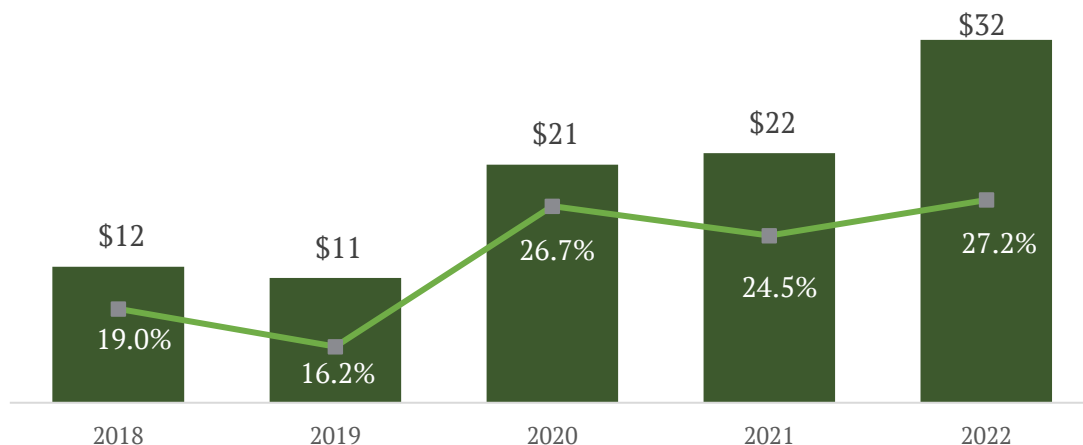
A LEADING SUPPLIER OF SPECIALTY WHEAT STARCHES & PROTEINS



2022 Total Revenue of \$116MM



Historical Gross Profit and Margin (%)



Products consist of the following:

- **Specialty Wheat Starches:** Premium wheat starches sold to food processors and distributors, a substantial portion of which are modified for special applications such as improving tastes and textures or improving the nutritional profile
 - Fibersym® is expertly modified to add dietary fiber in foods while reducing calories and net carbs on labels
- **Specialty Wheat Proteins:** Derived from vital wheat gluten for food applications; competes with other ingredients and modified proteins, primarily soy protein
 - Proterra® is an emerging textured plant protein that is a premium meat replacement solution
 - Arise® improves functional texture and softness in baked goods while increasing protein content in foods
- **Commodity Wheat Starches:** Non-specialized product with non-food and food applications, which primarily competes with corn starch
- **Commodity Wheat Proteins:** Also known as vital wheat gluten, this product represents a free-flowing light tan powder, containing 70 – 80% protein, which is used by bakeries and food processors to improve the nutritional content, texture, strength, shape, and other aspects of their product

INGREDIENT SOLUTIONS

STRONGLY POSITIONED TO SERVE GROWING SPECIALTY PLANT-BASED MARKETS



- Plant-based eating represent the top four most common diets/eating patterns.¹
 - Consumption of plant-based meat alternatives is higher for 22% of consumers surveyed vs. a year ago¹
 - Global Texturized Vegetable Protein Market (Conventional segment, non-organic) accounted for \$682.3 million in 2019 and is expected to reach \$1,209.0 million by 2027 growing at a CAGR of 7.4%.²
- Resistant starches are dietary fiber and prebiotics with several health benefits, including reduced glycemic response, potentially increased satiety, and improved gut health.³
 - Digestive health and weight loss management are the top two and three most sought after benefits from food¹
 - More than 80% of consumers regard dietary fiber as a healthy component of their food⁴
 - Resistant starch demand is projected to grow at a year-on-year growth of 6.1% in 2022.⁵
- Food Extrusion is estimated to be valued at USD 73.1 billion in 2021. It is projected to reach USD 99.7 billion by 2026, recording a CAGR of 6.4% during the forecast period.⁶

Source: CFRA from Sosland Publishing, Foodinsight.org 2021 Food & Health Survey, Foodinsight.org from Sosland Publishing, OYResearch

INGREDIENT SOLUTIONS

FIVE STRATEGIES TO CONTINUE DELIVERING LONG-TERM GROWTH WITHIN THE INGREDIENT SOLUTIONS SEGMENT

Ingredient Solutions Growth Strategy

1. Expand and Optimize Fibersym and Arise Branded Platforms
2. Expand Proterra Plant Proteins under Proterra Brands
3. Maximize the Value of Clean Label Wheat Starches
4. Optimize Customer, Market, and Channel to Drive Additional Profitability
5. Expand Opportunities Through R&D and Innovation

Top Nutrients Americans are Seeking to Consume*

59% Protein

57% Vitamin D

56% Vitamin C

53% Fiber

53% Calcium



Total U.S. Plant-Based Food Market

Year	Sales in Billions	Yearly Growth
2019	\$5.5	
2020	\$7.1	+27.9%
2021	\$7.5	+5.9%
2022	\$8.0	+6.6%

* Percent of consumers answered “Try to consume” the listed nutrients

Source: International Food Information Council (IFIC) Foundation. Plant based Food Association. Plant-based foods state of the marketplace: 2022 Summary Report

INGREDIENT SOLUTIONS

AGGRESSIVELY EXPAND FIBERSYM AND ARISE PLATFORMS

Fibersym RW Overview

- Granular RS4-type resistant wheat starch
- Allows formulators to boost the fiber content and to lower net carbs of a diverse line of food products
- Delivers health benefits to consumers; lowers blood glucose levels, acts as prebiotic and improve gut health



Arise Overview

- Line of wheat protein isolates
- Clean label ingredient
- Provides functional benefits to a wide range of bakery and other flour-based food products



Strategy

- Maximize value of existing capacities
- SKU rationalization
- Develop marketing campaign to connect to end users using real solutions
- Aggressively expand in EU and Asia with new distributor partnership
- Expand market share with industrial bakers leveraging distributor platform
- Expand retained account network volumes in USA to improve margins and profits in both Fibersym and Arise platforms

INGREDIENT SOLUTIONS

EXPAND TEXTURED PLANT PROTEINS

U.S. product launches and plant-based claims

Region	2018	2019	2020	2021	2022
U.S.	291	539	637	772	817



Texturized Protein Extrusion Plant

- \$16.7MM texturized protein extrusion plant slated for completion in the fourth quarter of 2023 designed to be capable of producing 10MM pounds of texturized protein products per year
- Achieving in-house production of ProTerra line expected to:
 - Reduce lead times related to co-packers scheduling issues
 - Increase flexibility related to R&D projects
 - Enhance our ability to effectively commercialize new products

Source: International Food Information Council (IFIC) Foundation.

Strategy

- Expand our production capabilities with new “in-house” extrusion platform in Atchison
- Innovate new products to include pea and other plant proteins under new brand ProTerra to improve nutrition and function
- Launch new flavored textured plant protein food products for food service channel
- Develop new ready-to-eat textured plant-based snack inclusions for potential new channel entry
- Expand into Asia and South America with new textured plant protein blends under ProTerra platform and new distribution

OPERATIONAL EXCELLENCE

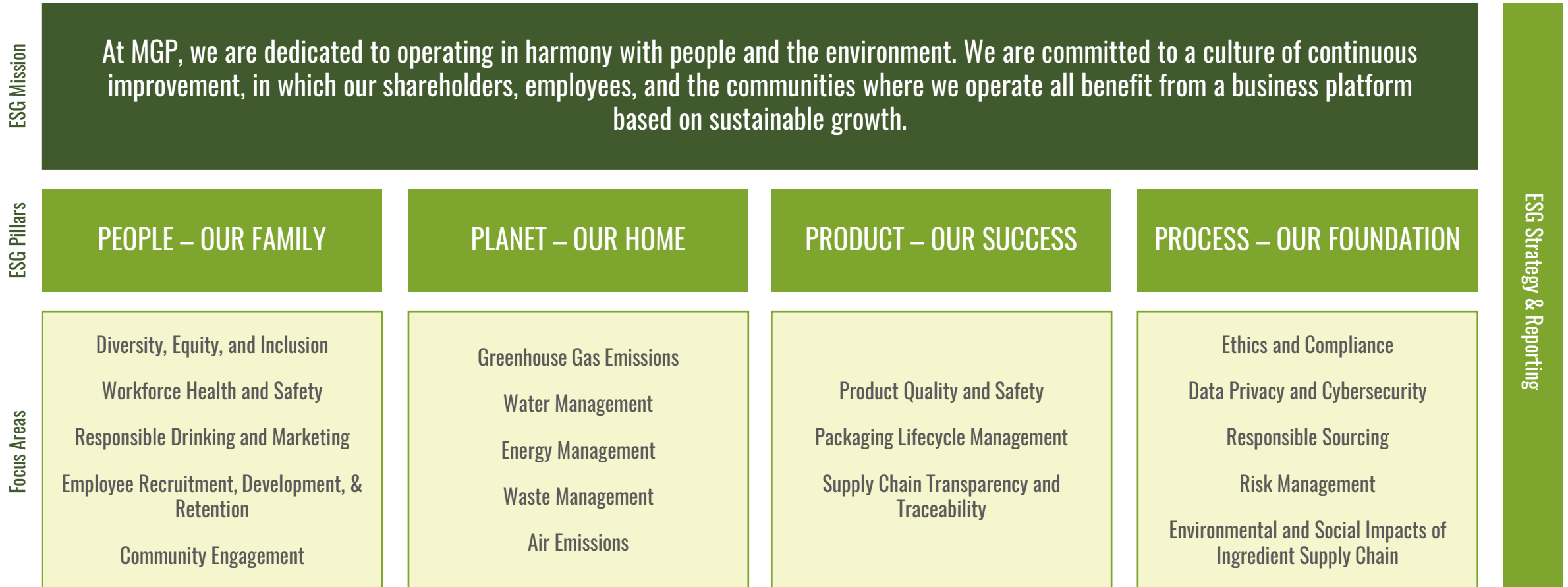
A CULTURE OF CONTINUOUS IMPROVEMENT



- “House of Zero Loss” operational excellence initiative
 - Improving throughput of existing assets while maintaining consistency of high-quality products
 - Lawrenceburg, IN operations increased capacity 28% from 2019 to 2022 to support growth of the Distilling Solutions segment
 - Atchison, KS operations increased capacity 37% from 2019 to 2022 to support growth of the Ingredient Solutions segment
- Managing commodity cost risks
 - Formula-driven pricing
 - Locking in margins where possible
 - Passing through significant swings in cost where feasible
 - Focus on value-added, higher margin product lines
- Continued focus on improving safety culture at all locations
- BRC audit Grade AA ratings (highest rating) at our Distilling Solutions and Ingredient Solutions facilities
- Ongoing sustainability efforts to support our ESG initiatives
- Developing the talent to support our growth

OUR APPROACH TO SUSTAINABILITY

THE COMPANY'S ESG STRATEGY IS DISTILLED DOWN AND ORGANIZED INTO AN EASY TO DIGEST AND COMMUNICATE PLATFORM.



FINANCIAL RESULTS



CONSOLIDATED FINANCIAL RESULTS

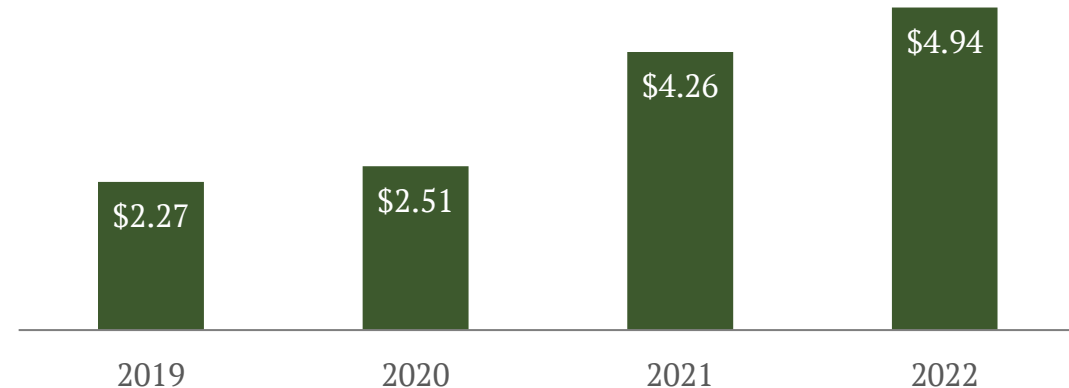
THE COMPANY HAS DELIVERED RECORD RESULTS IN EACH BUSINESS SEGMENT



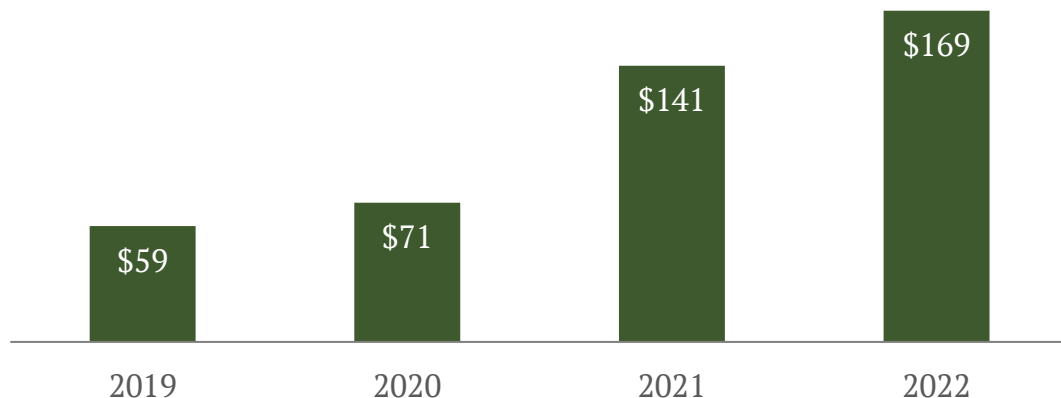
Revenue (\$MM)



Adjusted Basic EPS¹ (\$)



Adjusted EBITDA¹ (\$MM)



FY 2023 Guidance²

Sales are projected to be in the range of \$815 million to \$835 million.

Adjusted EBITDA³ is expected to be in the range of \$187 million to \$192 million.

Adjusted basic earnings per common share³ are forecasted to be in the \$5.35 to \$5.50 range, with basic weighted average shares outstanding expected to be approximately 22.1 million at year end.

² Guidance as of August 3, 2023.

³ Full year 2023 guidance measures of adjusted EBITDA and adjusted basic earnings per share are provided on a non-GAAP basis without a reconciliation to the most directly comparable GAAP measures because MGP is unable to predict with a reasonable degree of certainty certain items contained in the GAAP measures without unreasonable efforts.

Such items include, but are not limited to, acquisition related expenses, restructuring and related expenses, and other items not reflective of MGP's ongoing operations.

Note: Financial results include Luxco results from April 1, 2021 (date of acquisition).

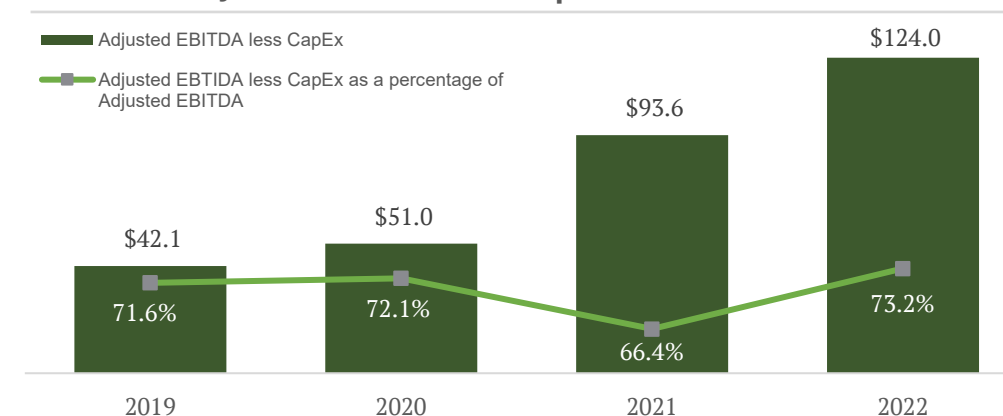
¹Non-GAAP measure; See appendix for GAAP to Non-GAAP Reconciliation

STRONG BALANCE SHEET, CASH FLOW, AND EXCELLENT ACCESS TO CAPITAL

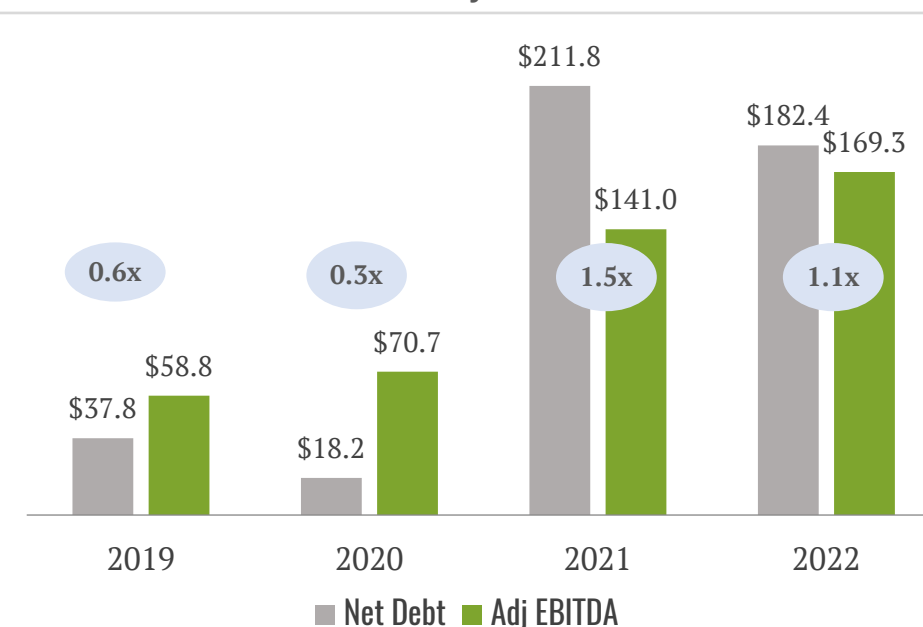


- MGP has seen strong, consistent improvement in adjusted EBITDA¹ less capital expenditures (“CapEx”)
- MGP’s library of aging whiskey inventory is expected to increase in market value as it matures, resulting in sustainable contributions to cash flow in the coming years
- Adjusted EBITDA¹ less CapEx as a percentage of adjusted EBITDA¹ remains at a healthy level inclusive of recent elevated capital expenditure investments
- The Branded Spirits’ platform has driven improved cash flows and provides for long-term growth opportunities
- Access to capital remains robust
 - \$400 million capacity on Credit Agreement
 - Approved for an additional \$120 million in private placement notes through August 23, 2023
- As of December 31, 2022, net leverage ratio was 1.1x

Adjusted EBITDA less CapEx and Conversion ¹



Net Debt to Adjusted EBITDA ¹



Source: Company filings

Note: \$ in millions; Net debt is defined as debt less cash

¹ Non-GAAP measure; See appendix for GAAP to Non-GAAP Reconciliation

CAPITAL ALLOCATION PRIORITIES REMAIN FOCUSED ON GROWTH OPPORTUNITIES



Capital Allocation Priorities

M&A

- M&A will continue to be an important lever to increase our capabilities, margin up our portfolios, and accelerate growth in Branded Spirits.

Whiskey Put-Away

- With our inventory in balance, matching put-away with growing future Distilling Solutions sales and Branded Spirits sales is a priority.

Capital Expenditures

- In addition to maintenance and EHS capital, projects contributing to growth and strengthening our competitive position (high payback) will continue to be prioritized.

Dividends

- Achieved a consistent quarterly dividend to approximately 22 million shares of common stock.
- Dividends are viewed as an important way to share the success of the company with stockholders; assessed quarterly with the board.

CONSOLIDATED FINANCIAL RESULTS – Q2 2023



CONSOLIDATED SALES INCREASED 7% TO A QUARTERLY RECORD OF \$209.0 MILLION

- Sales increased 7% to \$209.0 million.
- Gross profit increased 29% to \$76.3 million, representing 36.5% of sales.
- Operating income increased 25% to \$44.1 million. Adjusted operating income¹ increased 29% to \$45.6 million.
- Net income increased 26% to \$32.0 million. Adjusted net income¹ increased 31% to \$33.1 million.
- Adjusted EBITDA¹ increased 28% to \$51.2 million.
- Basic and diluted earnings per common share (“EPS”) increased to \$1.44 per share from \$1.15 per share. Adjusted Basic and diluted EPS¹ increased to \$1.49 per share from \$1.15 per share.

Note: Totals may not foot due to rounding. All comparisons are on a year-over-year basis.

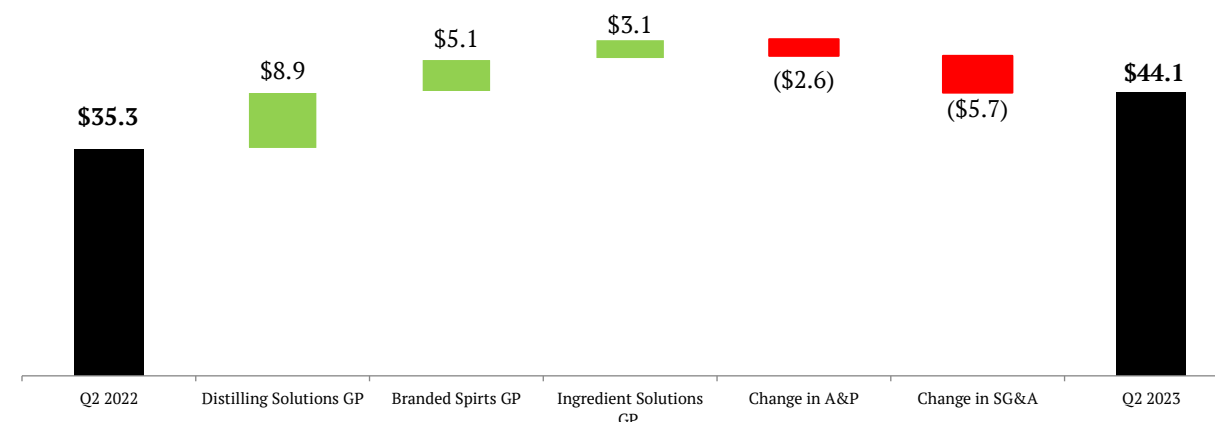
A&P: Advertising and Promotion expenses. GP: Gross Profit

SG&A: Selling, General and Administrative expense

29 ¹Non-GAAP measure; See appendix for GAAP to Non-GAAP Reconciliation

²Items are net of tax based on the effective tax rate for the base year (2022)

Operating Income Drivers Second Quarter 2022-23 (\$MM)



EPS Drivers² Second Quarter 2022-23



CONSOLIDATED SALES



SALES WERE UP 7% WITH GROWTH IN THE DISTILLING SOLUTIONS AND INGREDIENT SOLUTIONS SEGMENTS

Key Drivers

- Distilling Solutions growth primarily due to increased sales of premium beverage alcohol, due to higher brown goods sales.
- Branded Spirits sales decreased due primarily to decreased sales of brands within the mid and value price tiers, this was partially offset by increased sales of brands within the premium plus price tiers.
- Ingredient Solutions growth primarily increased due to higher sales of specialty wheat proteins and commodity wheat starches.

Consolidated Sales (Quarter Ended 6/30/2023)	\$MM	Change vs Prior Year	
		\$MM	%
Distilling Solutions	\$116.9	\$9.7	9%
Branded Spirits	57.6	(0.9)	(2)
Ingredient Solutions	34.5	5.2	18
MGP Ingredients	\$209.0	\$14.0	7%

DISTILLING SOLUTIONS



INCREASED SALES OF BROWN GOODS PRIMARILY DUE TO HIGHER PRICING

Distilling Solutions Sales (Quarter ended 6/30/2023)	SMM	Change vs Prior Year	
		SMM	%
Brown Goods	\$73.1	\$16.8	30%
White Goods	16.8	(0.6)	(4)
Premium Beverage Alcohol	89.9	16.2	22
Industrial Alcohol	10.1	(2.8)	(22)
Food Grade Alcohol	100.0	13.4	15
Fuel Grade Alcohol	1.9	(1.4)	(43)
Distillers Feed and Related Co-Products	8.2	(3.1)	(27)
Warehouse Services	6.7	0.9	14
Total Distilling Solutions	\$116.9	\$9.7	9%

BRANDED SPIRITS



DECREASED SALES OF BRANDS WITHIN MID AND VALUE PRICE TIERS, OFFSET BY INCREASED SALES OF BRANDS WITHIN PREMIUM PLUS PRICE TIERS

Branded Spirits Sales (Quarter ended 6/30/2023)	\$MM	Change vs Prior Year	
		\$MM	%
Ultra premium	\$14.4	\$4.9	52%
Super premium	3.1	(0.1)	(3)
Premium	6.3	0.5	8
Premium Plus	23.8	5.3	29
Mid	17.1	(6.2)	(27)
Value	11.6	(1.3)	(10)
Other	5.2	1.3	32
Total Branded Spirits	\$57.6	\$(0.9)	(2)%

INGREDIENT SOLUTIONS



SALES GROWTH PRIMARILY DRIVEN BY SPECIALTY WHEAT PROTEINS, COMMODITY WHEAT STARCHES AND SPECIALTY WHEAT STARCHES

Ingredient Solutions Sales (Quarter ended 6/30/2023)	SMM	Change vs Prior Year	
		SMM	%
Specialty wheat starches	\$17.1	\$1.1	7%
Specialty wheat proteins	12.6	2.5	25
Commodity wheat starches	4.8	1.7	55
Commodity wheat proteins	-	(0.1)	N/A
Total Ingredient Solutions	\$34.5	\$5.2	18%

APPENDIX

U.S. SPIRITS MARKET

9-Liter Cases (000s)

	2022 Volume	% Change Y/Y
Total Distilled Spirits (TDS)	305,004	+4.8%
Total Whiskey	77,882	+1.9%
American Whiskey (Bourbon/Rye/Tennessee)	31,236	+5.2%
Super Premium	5,435	+15.1%
Rye	1,730	+8.6%
Vodka	76,897	-1.5%
Super Premium	5,162	-9.0%
Gin	9,831	-1.6%
Super Premium	609	+5.1%
Tequila/Mezcal	29,868	+11.5%
Super Premium	8,060	+13.5%

RECONCILIATION OF SELECTED GAAP TO NON-GAAP MEASURES



BRANDED SPIRITS GROSS PROFIT TO ADJUSTED GROSS PROFIT¹

Branded Spirits segment (\$ in thousands)	2019	2020	2021	2022
Gross Profit	\$1,536	\$2,187	\$62,644	\$95,521
Inventory Step-Up	-	-	2,529	-
Adjusted Gross Profit¹	\$1,536	\$2,187	\$65,173	\$95,521
Adjusted Gross Margin ¹	51.3%	52.7%	35.5%	40.1%

Source: Company filings; unaudited

Note: Branded Spirits segment includes Luxco results from date of acquisition (4/1/2021)

¹ Non-GAAP figure

RECONCILIATION OF SELECTED GAAP TO NON-GAAP MEASURES



BASIC EARNINGS PER COMMON SHARE (“EPS”) TO ADJUSTED BASIC EARNINGS PER COMMON SHARE¹

	2019	2020	2021	2022
Basic EPS	\$2.27	\$2.37	\$4.37	\$4.94
Insurance recoveries	-	-	(0.59)	-
Inventory Step-Up – Branded Spirits	-	-	0.12	-
Business Acquisition Costs	-	0.05	0.36	-
CEO Transition Costs	-	0.09	-	-
Adjusted Basic EPS¹	\$2.27	\$2.51	\$4.26	\$4.94

RECONCILIATION OF SELECTED GAAP TO NON-GAAP MEASURES



NET INCOME TO ADJUSTED EBITDA¹ AND ADJUSTED EBITDA¹ LESS CAPITAL EXPENDITURES²

(\$ in thousands)	2019	2020	2021	2022
Net Income	\$38,793	\$40,345	\$90,817	\$108,872
Interest	1,305	2,267	4,037	5,451
Taxes	7,144	12,256	30,279	31,300
Depreciation and Amortization	11,572	12,961	19,092	21,455
Equity Method Investment Loss (Income)	-	-	1,611	2,220
Insurance Recoveries	-	-	(16,325)	-
Inventory Step-Up – Branded Spirits	-	-	2,529	-
Business Acquisition Costs	-	919	8,927	-
CEO Transition Costs	-	1,932	-	-
Adjusted EBITDA¹	\$58,814	\$70,680	\$140,967	\$169,298
Capital Expenditures ²	16,730	19,701	47,389	45,323
Adjusted EBITDA¹ less Capital Expenditures²	\$42,084	\$50,979	\$93,578	\$123,975
Adjusted EBITDA ¹ less Capital Expenditures ² as a percentage of Adjusted EBITDA ¹	71.6%	72.1%	66.4%	73.2%

RECONCILIATION OF DEBT TO NET DEBT

(\$ in thousands)	2019	2020	2021	2022
Total Debt	\$41,060	\$39,871	\$233,399	\$230,335
Cash and cash equivalents	3,309	21,662	21,568	47,889
Net Debt	\$37,751	\$18,209	\$211,831	\$182,446

RECONCILIATION OF SELECTED GAAP TO NON-GAAP MEASURES

FOR THE QUARTERS ENDED JUNE 30, 2023 AND 2022



Quarter Ended June 30, 2023 (in thousands)	Gross Profit	Operating Income	Net Income	Basic and Diluted EPS
Reported GAAP Results	\$76,295	\$44,143	\$31,964	\$1.44
Business Acquisition Costs	-	1,500	1,125	0.05
Adjusted Non-GAAP Results¹	\$76,295	\$45,643	\$33,089	\$1.49

Quarter Ended June 30, 2022 (in thousands)	Gross Profit	Operating Income	Net Income	Basic and Diluted EPS
Reported GAAP Results	\$59,224	\$35,306	\$25,362	\$1.15
No adjustments for the period	-	-	-	-
Adjusted Non-GAAP Results¹	\$59,224	\$35,306	\$25,362	\$1.15

RECONCILIATION OF SELECTED GAAP TO NON-GAAP MEASURES

RECONCILIATION OF NET INCOME TO ADJUSTED EBITDA¹



(\$ in thousands)	Quarter Ended 6/30/2023	Quarter Ended 6/30/2022
Net income	\$31,964	\$25,362
Interest	1,282	1,543
Income tax expense	10,804	7,339
Depreciation and amortization	5,319	5,303
Equity method investment loss	319	574
Business acquisition costs	1,500	-
Adjusted EBITDA ¹	\$51,188	\$40,121

Source: Company filings; unaudited

¹ Non-GAAP figure

IMPACT OF PLANNED CLOSURE OF THE ATCHISON DISTILLERY

PRO-FORMA RESULTS – CONSOLIDATED

(Year Ended 12/31/2022)	As Reported ⁽¹⁾	Pro-Forma ⁽³⁾	Change	
			\$	%
Sales	\$782,358	\$641,536	\$(140,822)	(18)%
Gross Profit	\$253,306	\$253,926	\$620	-
Gross Margin %	32.4%	39.6%		7.2 pp ⁽⁴⁾

(Year to Date Ended 6/30/2023)	As Reported ⁽²⁾	Pro-Forma ⁽³⁾	Change	
			\$	%
Sales	\$410,011	\$347,689	\$(62,322)	(15)%
Gross Profit	\$146,119	\$146,237	\$118	-
Gross Margin %	35.6%	42.1%		6.5 pp ⁽⁴⁾

- (1) Represents actual results of the Company for the year ended December 31, 2022, as reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.
- (2) Represents actual results of the Company for the year to date ended June 30, 2023, as reported in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023.
- (3) Represents the Company's results for the year ended December 31, 2022 or year to date ended June 30, 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, 2022 and the year to date ended June 30, 2023 would not have been impacted by a closure of the Atchison, Kansas distillery.
- (4) Percentage points ("pp").

IMPACT OF PLANNED CLOSURE OF THE ATCHISON DISTILLERY



PRO-FORMA RESULTS – DISTILLING SOLUTIONS

Year Ended December 31, 2022	As Reported ⁽¹⁾	Pro-Forma ⁽²⁾	Change	
			\$	%
Brown Goods	\$229,523	\$229,523	\$-	-%
White Goods	74,510	24,110	(50,400)	(68)
Premium Beverage Alcohol	304,033	253,633	(50,400)	(17)
Industrial Alcohol	46,812	907	(45,905)	(98)
Food Grade Alcohol	350,845	254,540	(96,305)	(27)
Fuel Grade Alcohol	13,681	41	(13,640)	(100)
Distillers Feed and Related Co-Products	40,354	9,477	(30,877)	(77)
Warehouse Services	23,598	23,598	-	-
Sales	\$428,478	\$287,656	\$(140,822)	(33)%
Gross Profit	\$126,282	\$132,388	\$6,106	5%
Gross Margin %	29.5%	46.0%		16.5 pp⁽³⁾

(1) Represents actual results of the Company for the year ended December 31, 2022, as reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

(2) Represents the Company's results for the year ended December 31, 2022 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, 2022 would not have been impacted by a closure of the Atchison, Kansas distillery.

(3) Percentage points ("pp").

IMPACT OF PLANNED CLOSURE OF THE ATCHISON DISTILLERY

PRO-FORMA RESULTS – DISTILLING SOLUTIONS



Year to Date Ended June 30, 2023	As Reported ⁽¹⁾	Pro-Forma ⁽²⁾	Change	
			\$	%
Brown Goods	\$141,448	\$141,448	\$-	-%
White Goods	32,770	6,895	(25,875)	(79)
Premium Beverage Alcohol	174,218	148,343	(25,875)	(15)
Industrial Alcohol	20,504	-	(20,504)	(100)
Food Grade Alcohol	194,722	148,343	(46,379)	(24)
Fuel Grade Alcohol	4,454	14	(4,440)	(100)
Distillers Feed and Related Co-Products	17,307	5,804	(11,503)	(66)
Warehouse Services	13,605	13,605	-	-
Sales	\$230,088	\$167,766	\$(62,322)	(27)%
Gross Profit	\$71,706	\$75,238	\$3,532	5%
Gross Margin %	31.2%	44.8%		13.6 pp⁽³⁾

(1) Represents actual results of the Company for the year ended December 31, 2022, as reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

(2) Represents the Company's results for the year ended December 31, 2022 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, 2022 would not have been impacted by a closure of the Atchison, Kansas distillery.

(3) Percentage points ("pp").

IMPACT OF PLANNED CLOSURE OF THE ATCHISON DISTILLERY

PRO-FORMA RESULTS – INGREDIENT SOLUTIONS

(Year Ended 12/31/2022)	As Reported ⁽¹⁾	Pro-Forma ⁽³⁾	Change	
			\$ ⁽⁵⁾	%
Specialty Wheat Starches	\$62,567	\$62,567	\$-	-%
Specialty Wheat Proteins	39,313	39,313	-	-
Commodity Wheat Starches	14,023	14,023	-	-
Commodity Wheat Proteins	38	38	-	-
Sales	\$115,941	\$115,941	\$-	-%
Gross Profit	\$31,503	\$26,017	\$(5,486)	(17)%
Gross Margin %	27.2%	22.4%		(4.8) pp⁽⁴⁾

(Year to Date Ended 6/30/2023)	As Reported ⁽²⁾	Pro-Forma ⁽³⁾	Change	
			\$ ⁽⁵⁾	%
Specialty Wheat Starches	\$31,781	\$31,781	\$-	-%
Specialty Wheat Proteins	24,478	24,478	-	-
Commodity Wheat Starches	8,644	8,644	-	-
Commodity Wheat Proteins	521	521	-	-
Sales	\$65,424	\$65,424	\$-	-%
Gross Profit	\$23,817	\$20,403	\$(3,414)	(14)%
Gross Margin %	36.4%	31.2%		(5.2) pp⁽⁴⁾

(1) Represents actual results of the Company for the year ended December 31, 2022, as reported in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

(2) Represents actual results of the Company for the year to date ended June 30, 2023, as reported in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2023.

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(4) Percentage points ("pp").

(5) 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.