



MGP Announces Acquisition of New Columbia Distillers LLC

March 3, 2020

ATCHISON, Kan., March 3, 2020 /PRNewswire/ -- MGP Ingredients, Inc. (**Nasdaq: MGPI**), a leading U.S. supplier of premium distilled spirits and specialty wheat proteins and starches, today announced the acquisition of New Columbia Distillers LLC, based in Washington, D.C. New Columbia Distillers produces and markets Green Hat Gin and operates a distillery with retail tasting room, bar and gin garden in Northeast Washington, D.C. The distillery and its retail operations will continue to operate with the current management team, and its popular range of Green Hat Gin styles will be phased into expanded distribution as a new addition to MGP's portfolio of award-winning brands. Terms of the transaction were not disclosed.

"We are thrilled to add New Columbia Distillers and Green Hat Gin to the MGP Brands portfolio," said MGP president and CEO Gus Griffin. "As the largest producer of distilled gin in the U.S., we have a depth of expertise and commitment to the category that makes this a very exciting complement to our vodka, bourbon and rye whiskey range. We look forward to growing our brand strategy with gin, while also developing a direct-to-consumer experience in the vibrant Washington metropolitan market."

Michael Lowe, co-founder of New Columbia Distillers, stated, "We are honored to be a part of the MGP team and help them realize the full potential of Green Hat Gin. MGP shares our vision to celebrate authentic, quality-made spirits with the resources to support our existing customers while also expanding our reach to new markets. We look forward to working with them to ensure the success of this next chapter of our brand story." As part of the team integration, John Uselton, co-founder of New Columbia Distillers with Lowe, will join MGP Brands as a regional sales director, supporting the continued success of Green Hat Gin in the Maryland and Washington, D.C. markets. He will also focus on the continued growth of the MGP Brands portfolio in the region. The distillery and retail operations will remain in place, and Michael Lowe will serve in an advisory capacity.

New Columbia Distillers LLC (1832 Fenwick St. NE) was founded in 2011 in the Ivy City neighborhood of Washington, D.C. Housed in an historic warehouse, New Columbia Distillers was the first distillery licensed in D.C. after Prohibition, and offers on-site production as well as a tasting room, bar and gin garden. Green Hat Gin is named for local bootlegger, George Cassidy, who was known for his signature green fedora. During Prohibition, Cassidy operated an illicit distribution center out of the House and Senate Office Buildings, where he supplied bootleg spirits to senators, congressmen and their staffs. He became an outspoken critic of Prohibition until its repeal.

MGP's proprietary portfolio of brands includes TILL American Wheat Vodka, George Remus Straight Bourbon Whiskey, Remus Repeal Reserve Straight Bourbon Whiskey, Rossville Union Straight Rye Whiskey and Eight & Sand Blended Bourbon Whiskey. Products are available in Arizona, Colorado, Connecticut, Illinois, Indiana, Kansas, Kentucky, Maryland, Montana, Minnesota, Missouri, Nebraska, Ohio, Tennessee, Texas, Wisconsin, and District of Columbia (DC).

About MGP Ingredients, Inc.

Founded in 1941, MGP (Nasdaq: MGPI) is a leading supplier of premium distilled spirits and specialty wheat proteins and starches. Distilled spirits include bourbon and rye whiskeys, gins and vodkas, which are carefully crafted through a combination of art and science backed by decades of experience. The company's proteins and starches are created in the same manner and provide a host of functional, nutritional and sensory benefits for a wide range of food products. MGP additionally is a top producer of high quality industrial alcohol for use in both food and non-food applications. The company is headquartered in Atchison, Kansas, where distilled alcohol products and food ingredients are produced. Premium spirits are also distilled and matured at the company's facility in Lawrenceburg, Indiana. For more information, visit mgpingredients.com.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements as well as historical information. All statements, other than statements of historical facts, included in this news release regarding the prospects of our industry and our prospects, plans, financial position, business strategy, guidance in operating income, sales, gross profit, gross margin, earnings per share and future effective tax rate may constitute forward-looking statements. In addition, forward-looking statements are usually identified by or are associated with such words as "intend," "plan," "believe," "estimate," "expect," "anticipate," "hopeful," "should," "may," "will," "could," "encouraged," "opportunities," "potential," and/or the negatives or variations of these terms or similar terminology. They reflect management's current beliefs and estimates of future economic circumstances, industry conditions, Company performance, and Company financial results and are not guarantees of future performance. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others: (i) disruptions in operations at our Atchison facility or our Indiana facility, (ii) the availability and cost of grain and flour, and fluctuations in energy costs, (iii) the effectiveness of our grain purchasing program to mitigate our exposure to commodity price fluctuations, (iv) the effectiveness or execution of our strategic plan, (v) potential adverse effects to operations and our system of internal controls related to the loss of key management personnel, (vi) the competitive environment and related market conditions, (vii) the ability to effectively pass raw material price increases on to customers, (viii) our ability to maintain compliance with all applicable loan agreement covenants, (ix) our ability to realize operating efficiencies, (x) actions of governments, and (xi) consumer tastes and preferences. For further information on these and other risks and uncertainties that may affect our business, including risks specific to our Distillery Products and Ingredient Solutions segments, see Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2019.

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