**UNITED STATES**
**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 10-Q

(Mark One)
☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
**For the quarterly period ended March 31, 2026**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from _________________________ to _________________________________

**Commission File Number: 0-17196**

**MGP INGREDIENTS, INC.**
(Exact name of registrant as specified in its charter)

| | |
|---|---|
| **Kansas** | **45-4082531** |
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| **100 Commercial Street**<br>**Atchison, Kansas** | **66002** |
| (Address of principal executive offices) | (Zip Code) |

**(913) 367-1480**
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol | Name of each exchange on which registered |
|---|---|---|
| Common Stock, no par value | MGPI | NASDAQ Global Select Market |

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). x Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

☐ Large accelerated filer x Accelerated filer
☐ Non-accelerated filer ☐ Smaller reporting company
☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐Yes x No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:
21,371,237 shares of Common Stock, no par value, as of April 24, 2026

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**METHOD OF PRESENTATION**

Throughout this Quarterly Report on Form 10-Q (this "Report"), when we refer to the "Company," "MGP," "we," "us," "our," and words of similar import, we are referring to the combined business of MGP Ingredients, Inc. and its consolidated subsidiaries, except to the extent that the context otherwise indicates. In this Report, for any references to Note 1 through Note 10, refer to the Notes to Unaudited Condensed Consolidated Financial Statements in Item 1.

All amounts in this Report, except for share, par values, bushels, gallons, pounds, mmbtu, proof gallons, 9-liter cases, per share, per bushel, per gallon, per proof gallon, per 9-liter case, and percentage amounts, are shown in thousands unless otherwise noted.

## PART I. FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

**MGP INGREDIENTS, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)**
**(Unaudited)**
**(Dollars in thousands, except share and per share amounts)**

| | Quarter Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Sales | **$ 106,427** | $ 121,653 |
| Cost of sales | **72,845** | 78,323 |
| **Gross profit** | **33,582** | 43,330 |
| Advertising and promotion expenses | **6,191** | 8,172 |
| Selling, general, and administrative expenses | **21,066** | 21,205 |
| Goodwill and other long-lived assets impairment | **179,526** | — |
| Change in fair value of contingent consideration | **—** | 14,700 |
| **Operating loss** | **(173,201)** | (747) |
| Interest expense, net | **(1,421)** | (1,854) |
| Other income (expense), net | **(50)** | 215 |
| **Loss before income taxes** | **(174,672)** | (2,386) |
| Income tax expense (benefit) | **(39,865)** | 671 |
| **Net loss** | **(134,807)** | (3,057) |
| Attributable to noncontrolling interest | **3** | 33 |
| **Net loss attributable to MGP Ingredients, Inc.** | **(134,804)** | (3,024) |
| Attributable to participating securities | **(35)** | 30 |
| **Net loss used in earnings per common share calculation** | **$ (134,839)** | $ (2,994) |
| | | |
| **Weighted average common shares** | | |
| Basic | **21,389,441** | 21,342,531 |
| Diluted | **21,389,441** | 21,342,531 |
| | | |
| **Earnings per common share** | | |
| Basic | **$ (6.30)** | $ (0.14) |
| Diluted | **$ (6.30)** | $ (0.14) |

See accompanying notes to unaudited condensed consolidated financial statements

**MGP INGREDIENTS, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**
**(Unaudited)**
**(Dollars in thousands)**

| | Quarter Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Net loss attributable to MGP Ingredients, Inc. | **$ (134,804)** | $ (3,024) |
| Other comprehensive income (loss), net of tax: | | |
| Unrealized gain (loss) on foreign currency translation adjustment | **(244)** | 317 |
| Change in Company-sponsored post-employment benefit plan | **(21)** | (21) |
| **Other comprehensive income (loss)** | **(265)** | 296 |
| **Comprehensive loss attributable to MGP Ingredients, Inc.** | **(135,069)** | (2,728) |
| Comprehensive loss attributable to noncontrolling interest | **(3)** | (33) |
| **Comprehensive loss** | **$ (135,072)** | $ (2,761) |

See accompanying notes to unaudited condensed consolidated financial statements

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

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Current Assets | | |
| Cash and cash equivalents | **$ 10,357** | $ 18,460 |
| Receivables, net (less allowance for credit loss, $1,190 at both March 31, 2026, and December 31, 2025) | **86,637** | 116,160 |
| Inventory | **403,107** | 382,741 |
| Prepaid expenses | **5,814** | 2,139 |
| Refundable income taxes | **134** | 3,209 |
| **Total current assets** | **506,049** | 522,709 |
| Property, plant, and equipment | **569,739** | 594,898 |
| Less accumulated depreciation and amortization | **(272,199)** | (266,911) |
| **Property, plant, and equipment, net** | **297,540** | 327,987 |
| Operating lease right-of-use assets, net | **11,885** | 13,847 |
| Investment in joint venture | **6,692** | 8,211 |
| Intangible assets, net | **206,893** | 244,696 |
| Goodwill | **—** | 115,667 |
| Other assets | **2,240** | 2,747 |
| **Total assets** | **$ 1,031,299** | $ 1,235,864 |
| Current Liabilities | | |
| Current maturities of long-term debt | **$ 6,400** | $ 6,400 |
| Accounts payable | **49,750** | 54,589 |
| Contingent consideration | **110,800** | 110,800 |
| Federal and state excise taxes payable | **3,654** | 5,755 |
| Accrued expenses and other | **14,387** | 22,507 |
| **Total current liabilities** | **184,991** | 200,051 |
| Long-term debt, less current maturities | **42,295** | 49,735 |
| Convertible senior notes | **196,263** | 196,183 |
| Long-term operating lease liabilities | **9,007** | 10,561 |
| Other noncurrent liabilities | **2,246** | 2,534 |
| Deferred income taxes | **16,856** | 60,010 |
| **Total liabilities** | **451,658** | 519,074 |
| Commitments and Contingencies (Note 7) | | |
| Stockholders' Equity | | |
| Capital stock | | |
| Preferred, 5% non-cumulative; $10 par value; authorized 1,000 shares; issued and outstanding 437 shares | **4** | 4 |
| Common stock | | |
| No par value; authorized 40,000,000 shares; issued 23,125,166 shares at March 31, 2026 and December 31, 2025; and 21,369,125 and 21,294,315 shares outstanding at March 31, 2026 and December 31, 2025, respectively | **6,715** | 6,715 |
| Additional paid-in capital | **328,479** | 330,872 |
| Retained earnings | **308,307** | 445,736 |
| Accumulated other comprehensive loss | **(638)** | (373) |
| Treasury stock, at cost, 1,756,041 and 1,830,851 shares at March 31, 2026 and December 31, 2025, respectively | **(61,577)** | (64,518) |
| **Total MGP Ingredients, Inc. stockholders' equity** | **581,290** | 718,436 |
| Noncontrolling interest | **(1,649)** | (1,646) |
| **Total equity** | **579,641** | 716,790 |
| **Total liabilities and equity** | **$ 1,031,299** | $ 1,235,864 |

See accompanying notes to unaudited condensed consolidated financial statements

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

| | Quarter to Date Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| Cash Flows from Operating Activities | | |
| Net loss | **$ (134,807)** | $ (3,057) |
| Adjustments to reconcile net loss to net cash provided by operating activities: | | |
| Depreciation and amortization | **6,265** | 5,808 |
| Goodwill and other long-lived assets impairment | **179,526** | — |
| Share-based compensation | **673** | 742 |
| Equity method investment loss (gain) | **19** | (257) |
| Deferred income taxes, including change in valuation allowance | **(43,154)** | 64 |
| Change in fair value of contingent consideration | **—** | 14,700 |
| Other, net | **290** | 73 |
| Changes in operating assets and liabilities: | | |
| Receivables, net | **29,441** | 40,594 |
| Inventory | **(20,299)** | (13,439) |
| Prepaid expenses | **(3,668)** | (1,025) |
| Income taxes payable (refundable) | **3,075** | (2,094) |
| Accounts payable | **(1,285)** | (146) |
| Accrued expenses and other | **(6,792)** | 2,857 |
| Federal and state excise taxes payable | **(2,102)** | (98) |
| Other, net | **(227)** | (38) |
| **Net cash provided by operating activities** | **6,955** | 44,684 |
| | | |
| Cash Flows from Investing Activities | | |
| Additions to property, plant, and equipment | **(5,722)** | (19,926) |
| Distributions from equity method investment | **1,500** | — |
| Other, net | **449** | — |
| **Net cash used in investing activities** | **(3,773)** | (19,926) |
| | | |
| Cash Flows from Financing Activities | | |
| Payment of dividends and dividend equivalents | **(2,598)** | (2,578) |
| Repurchase of Common Stock | **(886)** | (1,035) |
| Proceeds from long-term debt | **10,000** | — |
| Principal payments on long-term debt | **(17,600)** | (26,600) |
| **Net cash used in financing activities** | **(11,084)** | (30,213) |
| | | |
| Effect of exchange rate changes on cash and cash equivalents | **(201)** | 294 |
| Decrease in cash and cash equivalents | **(8,103)** | (5,161) |
| Cash and cash equivalents, beginning of period | **18,460** | 25,273 |
| Cash and cash equivalents, end of period | **$ 10,357** | $ 20,112 |

See accompanying notes to unaudited condensed consolidated financial statements

**MGP INGREDIENTS, INC.**
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY**
**For Quarter to Date Ended March 31, 2026 and 2025**
**(Unaudited)**
**(Dollars in thousands)**

| | Capital Stock Preferred | Issued Common | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Income (loss) | Treasury Stock | Non-controlling Interest | Total |
|---|---|---|---|---|---|---|---|---|
| **Balance, December 31, 2025** | $ 4 | $ 6,715 | $ 330,872 | $ 445,736 | $ (373) | $ (64,518) | $ (1,646) | $ 716,790 |
| Comprehensive loss: | | | | | | | | |
| Net loss | — | — | — | **(134,804)** | — | — | **(3)** | **(134,807)** |
| Other comprehensive loss | — | — | — | — | **(265)** | — | — | **(265)** |
| Dividends declared[a] | — | — | — | **(2,625)** | — | — | — | **(2,625)** |
| Share-based compensation | — | — | **1,434** | — | — | — | — | **1,434** |
| Stock shares awarded, forfeited or vested | — | — | **(3,827)** | — | — | **3,827** | — | — |
| Stock shares repurchased | — | — | — | — | — | **(886)** | — | **(886)** |
| **Balance, March 31, 2026** | **$ 4** | **$ 6,715** | **$ 328,479** | **$ 308,307** | **$ (638)** | **$ (61,577)** | **$ (1,649)** | **$ 579,641** |

| | Capital Stock Preferred | Issued Common | Additional Paid-In Capital | Retained Earnings | Accumulated Other Comprehensive Income (loss) | Treasury Stock | Non-controlling Interest | Total |
|---|---|---|---|---|---|---|---|---|
| **Balance, December 31, 2024** | $ 4 | $ 6,715 | $ 332,195 | $ 563,929 | $ (658) | $ (68,019) | $ (1,623) | $ 832,543 |
| Comprehensive loss: | | | | | | | | |
| Net loss | — | — | — | (3,024) | — | — | (33) | (3,057) |
| Other comprehensive income | — | — | — | — | 296 | — | — | 296 |
| Dividends declared[a] | — | — | — | (2,578) | — | — | — | (2,578) |
| Share-based compensation | — | — | 524 | — | — | — | — | 524 |
| Stock shares awarded, forfeited or vested | — | — | (3,784) | — | — | 3,784 | — | — |
| Stock shares repurchased | — | — | — | — | — | (1,035) | — | (1,035) |
| **Balance, March 31, 2025** | $ 4 | $ 6,715 | $ 328,935 | $ 558,327 | $ (362) | $ (65,270) | $ (1,656) | $ 826,693 |

(a) Dividends and dividend equivalents were $0.12 per common share, per restricted stock unit, and per performance stock unit for the quarters ended March 31, 2026 and 2025.

See accompanying notes to unaudited condensed consolidated financial statements

**MGP INGREDIENTS, INC.**
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**
**(Dollars in thousands, unless otherwise noted)**

**Note 1. Accounting Policies and Basis of Presentation**

**The Company.** MGP Ingredients, Inc. (“MGP” or the “Company”) is a Kansas corporation headquartered in Atchison, Kansas and is a leading producer of branded and distilled spirits, as well as food ingredient solutions. The Company has an extensive award-winning global portfolio of its own high quality branded spirits, which are produced through its distilleries and bottling facilities and sold to distributors. The Company’s branded spirits products account for a range of price points from value products through premium plus brands. Distilled spirits include premium bourbon, rye, and other American whiskeys (“brown goods”) and grain neutral spirits (“GNS”), including vodka and gin. The Company’s distilled spirits are either sold directly or indirectly to manufacturers of other branded spirits. The Company’s protein and starch food ingredients are predominantly wheat based and provide a host of functional, nutritional, and sensory benefits for a wide range of food products to serve the consumer packaged goods industry. The ingredient products are sold directly, or through distributors, to manufacturers and processors of finished packaged goods or to bakeries.

The Company reports three operating segments: Branded Spirits, Distilling Solutions, and Ingredient Solutions.

**Basis of Presentation and Principles of Consolidation.** The unaudited condensed consolidated financial statements include the accounts of the Company and its wholly owned and majority owned subsidiaries. All significant intercompany balances and transactions have been eliminated in consolidation. These unaudited condensed consolidated financial statements as of and for the quarter ended March 31, 2026, should be read in conjunction with the consolidated financial statements and notes thereto in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission (the “SEC”). The results of operations for interim periods are not necessarily indicative of the results to be expected for the full year.

In the opinion of management, the accompanying unaudited condensed consolidated financial statements contain all adjustments (consisting of normal and recurring adjustments) necessary to fairly present the results for interim periods in accordance with U.S. generally accepted accounting principles (“GAAP”). Pursuant to the rules and regulations of the SEC, certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted.

As of March 31, 2026, the Company held a 60 percent interest in Dos Primos Tequila, LLC (“Dos Primos”). The Company consolidated Dos Primos’ activity on the financial statements and presented the 40 percent non-controlling interest portion on a separate line. On April 1, 2026, the Company entered into a membership interest purchase agreement and acquired the remaining 40 percent non-controlling interest in Dos Primos.

**Use of Estimates.** The financial reporting policies of the Company conform to GAAP. The preparation of unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The application of certain of these policies places demands on management’s judgment, with financial reporting results relying on estimation about the effects of matters that are inherently uncertain. For all of these policies, management cautions that future events may not develop as forecast, and estimates routinely require adjustment and may require material adjustment.

**Inventory.** Inventory includes finished goods, raw materials in the form of agricultural commodities used in the production process as well as bottles, caps, and labels used in the bottling process, and certain maintenance and repair items. Bourbons, ryes, and other whiskeys, included in inventory, are normally aged in barrels for several years, following industry practice; all barreled bourbon, rye, and other whiskeys are classified as a current asset. The Company includes warehousing, insurance, and other carrying charges applicable to barreled whiskey in inventory costs.

Inventories are stated at the lower of cost or net realizable value on the first-in, first-out, or FIFO, method.  Inventory valuations are impacted by constantly changing prices paid for key materials. Inventory consists of the following:

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Finished goods | **$ 45,949** | $ 42,263 |
| Barreled distillate (bourbons and other whiskeys) | **316,257** | 301,665 |
| Raw materials | **28,949** | 25,534 |
| Work in process | **1,408** | 2,782 |
| Maintenance materials | **9,404** | 9,097 |
| Other | **1,140** | 1,400 |
| Total | **$ 403,107** | $ 382,741 |

**Revenue Recognition.** Revenue is recognized when control of the promised goods or services, through performance obligations by the Company, is transferred to the customer in an amount that reflects the consideration the Company expects to be entitled to receive in exchange for the performance obligations. The term between invoicing and when payment is due is not significant and the period between when the entity transfers the promised good or service to the customer and when the customer pays for that good or service is generally one year or less.

Revenue is recognized for the sale of products at the point in time finished products are delivered to the customer in accordance with shipping terms. This is a faithful depiction of the satisfaction of the performance obligation because, at the point control passes to the customer, the customer has legal title and the risks and rewards of ownership have transferred, and the customer has a present obligation to pay.

The Distilling Solutions segment routinely enters into bill and hold arrangements, whereby the Company produces and sells aged and unaged distillate to customers, and the product is barreled at the customer's request and warehoused by the Company for an extended period of time in accordance with directions received from the Company's customers. Even though the aged and unaged distillate remains in the Company's possession, a sale is recognized at the point in time when the customer obtains control of the product. Control is transferred to the customer in bill and hold transactions when the customer acceptance specifications have been met, legal title has transferred, the customer has a present obligation to pay for the product, and the risks and rewards of ownership have transferred to the customer. Additionally, all of the following bill and hold criteria have been met in order for control to be transferred to the customer: the reason for the bill and hold arrangement is substantive, the customer has requested the product be warehoused, the product has been identified as separately belonging to the customer, the product is currently ready for physical transfer to the customer, and the Company does not have the ability to use the product or direct it to another customer.

Warehouse services revenue is recognized over the time that warehouse services are rendered and as they are rendered. This is a faithful depiction of the satisfaction of the performance obligation because control of the aging products has already passed to the customer and there are no additional performance activities required by the Company, except as requested by the customer. The performance of the service activities, as requested, is invoiced as satisfied and revenue is concurrently recognized. Contract bottling is recognized over the time contract bottling services are rendered and as they are rendered.

Sales in the Branded Spirits segment reflect reductions attributable to consideration given to customers in incentive programs, including discounts and allowances for certain volume targets. These allowances and discounts are not for distinct goods and are paid only when the depletion volume targets are achieved by the customer. The amounts reimbursed to customers are determined based on agreed-upon amounts and are recorded as a reduction of revenue.

**Excise Taxes.** The Company is responsible for compliance with the Alcohol and Tobacco Tax and Trade Bureau of the U.S. Treasury Department (the "TTB") regulations, which include making timely and accurate excise tax payments. The Company is subject to periodic compliance audits by the TTB. Individual U.S. states also impose excise taxes on alcohol beverages in varying amounts. The Company calculates its U.S. federal and state excise tax expense based upon units shipped and on its understanding of the applicable excise tax laws. Excise taxes that are both imposed on and concurrent with a specific revenue-producing transaction, and that are collected by the Company from a customer, are excluded from revenue and expense.

**Income Taxes.** The Company accounts for income taxes using an asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. A valuation allowance is recognized if it is more likely than not that at least some portion of the deferred tax asset will not be realized.

**Earnings Per Common Share ("EPS").** Basic and diluted EPS is computed using the two-class method, which is an earnings allocation formula that determines net income per share for each class of the Company's common stock, no par value ("Common Stock") and participating securities according to dividends declared and participation rights in undistributed earnings. Basic EPS amounts are computed by dividing net income attributable to common shareholders by the weighted average shares outstanding during each period. Diluted EPS is computed using the if-converted method by dividing the net income attributable to common shareholders by the weighted average shares outstanding, inclusive of the impact of potentially dilutive items such as the Convertible Senior Notes or stock options, except for where the result would be anti-dilutive as of the balance sheet date.

**Translation of Foreign Currencies.** Assets and liabilities of Niche Drinks Co Ltd ("Niche"), a wholly-owned subsidiary of the Company whose functional currency is the British pound sterling, are translated to U.S. dollars using the exchange rate in effect at the condensed consolidated balance sheet date. Results of operations are translated using average rates during the period. Adjustments resulting from the translation process are included as a component of accumulated other comprehensive income.

**Goodwill and Indefinite-Lived Intangible Assets.** The Company records goodwill and indefinite-lived intangible assets in connection with various acquisitions of businesses and allocates the goodwill and indefinite-lived intangible assets to its respective reporting units. All goodwill and indefinite-lived intangible assets included in the Condensed Consolidated Balance Sheets are related to the Branded Spirits reporting unit. The Company evaluates goodwill for impairment at least annually, in the fourth quarter, or on an interim basis if events and circumstances occur that would indicate it is more likely than not that the fair value of a reporting unit is less than the carrying value. To the extent that the carrying value exceeds fair value, an impairment of goodwill is recognized. Judgment is required in the determination of reporting units, the assignment of assets and liabilities to reporting units, including goodwill, and the determination of fair value of the reporting units. The Company separately evaluates indefinite-lived intangible assets for impairment. See Note 3, Goodwill and Other Intangible Assets for more information.

**Impairment of Long-Lived Assets.** The Company reviews long-lived assets for impairment when events or changes in circumstances indicate the carrying amount of the assets group may not be fully recoverable. The Company determines the carrying amount of asset group compared to the future projected undiscounted cash flows as well as quantitative and qualitative factors. An impairment loss is recognized when the carrying value exceeds the fair value of the assets group.

During the quarter, the Company committed to a plan to abandon a long-lived asset at its distillery located in Bardstown, Kentucky, which is being temporarily idled beginning in May 2026. The Company has not placed the equipment, a feed dryer not used in the distillation process, into service and does not intend to sell it. As a result, during the quarter ended March 31, 2026, the Company recorded a $26,869 impairment of assets, which was recorded in goodwill and other long-lived assets impairment on the Condensed Consolidated Statement of Income (Loss). The impaired assets were recorded within the Branded Spirits segment.

**Fair Value of Financial Instruments.** The Company determines the fair values of its financial instruments based on a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The hierarchy is broken down into three levels based upon the observability of inputs. Fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Level 2 inputs include quoted prices for similar assets and liabilities in active markets and inputs other than quoted prices that are observable for the asset or liability. Level 3 inputs are unobservable inputs for the asset or liability, and include situations where there is little, if any, market activity for the asset or liability. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value in its entirety requires judgment and considers factors specific to the asset or liability.

The Company's short-term financial instruments include cash and cash equivalents, accounts receivable, and accounts payable. The carrying value of the short-term financial instruments approximates the fair value due to their short-term nature. These financial instruments have no stated maturities or have short-term maturities that approximate market.

The fair value of the Company's debt is estimated based on current market interest rates for debt with similar maturities and credit quality. Excluding the impact of the conversion feature of the Convertible Senior Notes and using the stated maturity of 2041, the fair value of the Company's debt was $190,344 and $195,527 at March 31, 2026 and December 31, 2025, respectively. The financial statement carrying value of total debt (net of unamortized loan fees) was $244,958 and $252,318 at March 31, 2026 and December 31, 2025, respectively. These fair values are considered Level 2 under the fair value hierarchy.

The fair value calculation of contingent consideration associated with the acquisition of Penelope Bourbon LLC ("Penelope") uses unobservable inputs, such as estimated net sales over the term of the earn-out period, discount rates, and volatility rates. The contingent consideration is measured using the Monte Carlo simulation approach. The inputs used in the calculation of the contingent consideration liability are considered Level 3 under the fair value hierarchy due to the lack of relevant market activity. There was no adjustment to the fair value of the contingent consideration liability during the quarter ended March 31, 2026, as the Company achieved the maximum net sales target as defined in the Penelope acquisition agreement during the third quarter 2025. During the quarter ended March 31, 2025, there was $14,700 in adjustments to the fair value measurement of the contingent consideration obligation which was included in the change in fair value of contingent consideration on the Condensed Consolidated Statements of Income.

The fair value of the Company's contingent consideration liability was $110,800 at both March 31, 2026 and December 31, 2025. The amount payable is based upon achievement of certain net sales targets between the acquisition date and December 31, 2025. The Company paid the full contingent consideration of $110,800 on April 28, 2026.

Fair value disclosure for deferred compensation plan investments is included in Note 8, Employee and Non-Employee Benefit Plans.

**Equity Method Investments.** The Company holds 50 percent interests in DGL Destiladores, S.de R.L. de C.V. ("DGL") and Agricola LG, S.de R.L. de C.V. ("Agricola" and together with DGL, "LMX"), which are accounted for as equity method investments and are considered affiliates of the Company. The investment in LMX, which is recorded in investment in joint venture on the Condensed Consolidated Balance Sheets, was $6,692 and $8,211 at March 31, 2026 and December 31, 2025, respectively. During the quarters ended March 31, 2026 and 2025, the Company recorded a loss of $19 and gain of $257, respectively, from its equity method investments. Income from the equity method investment is recorded in other income, net on the Condensed Consolidated Statements of Income (Loss). Additionally, during the quarter ended March 31, 2026, the Company received a $1,500 distribution payment from LMX.

During the quarters ended March 31, 2026 and 2025, the Company purchased $1,462 and $4,042, respectively, of finished goods from LMX and bulk beverage alcohol from the other 50 percent owner of DGL.

**Recently Adopted Accounting Standard Updates.** ASU 2024-04, *Induced Conversions of Convertible Debt Instruments,* clarifies the requirement for determining whether certain settlements of convertible debt instruments should be accounted for as induced conversions or extinguishments. This ASU is effective for annual periods beginning after December 15, 2025. Early adoption is permitted and can be applied either on a prospective basis or retrospective basis. The Company adopted this standard during the period, and it had no impact on the Company's consolidated financial statements.

**Recently Issued Accounting Pronouncements.** ASU 2024-03, *Disaggregation of Income Statement Expenses*, requires disaggregated disclosures in the notes to the consolidated financial statements of certain categories of expenses that are included in expense line items on the Consolidated Statements of Income. This ASU is effective for annual periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. The guidance is required to be applied on a prospective basis with the option to apply retrospectively to all prior periods presented in the consolidated financial statements. The Company is currently evaluating the impact of this ASU to the Company's consolidated financial statements.

ASU 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software,* amends certain aspects of the accounting for software costs, including removing software development project stages and requiring companies to capitalize software costs when both of the following occur: (1) management authorizes or commits to funding a software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended. This ASU is effective for annual periods beginning after December 15, 2027 and interim periods within those fiscal years. Early adoption is permitted and can be applied prospectively, retrospectively, or utilizing a modified transition approach. The Company is currently evaluating the impact of this ASU to its consolidated financial statements.

ASU 2025-11, *Narrow-Scope Improvement (Topic 270 - Interim Reporting),* clarifies the current interim reporting requirements and the form and content of the interim reporting requirements, and, includes a disclosure principle that requires companies to disclose material events since the end of the last annual reporting period. This ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of this ASU to the Company's consolidated financial statements.

**Note 2. Revenue**

The Company generates revenue from the Branded Spirits segment by the sale of products and by providing contract bottling services. The Company generates revenue from the Distilling Solutions segment by the sale of products and by providing warehouse services related to the storage and aging of customer products. The Company generates revenue from the Ingredient Solutions segment by the sale of products. Revenue related to sales of products is recognized at a point in time, whereas revenue generated from warehouse services and contract bottling services are recognized over time. Contracts with customers include a single performance obligation (either the sale of products or the provision of warehouse services and contract bottling services).

**Disaggregation of Sales.** The following table presents the Company's sales disaggregated by segment and major products and services:

| | Quarter Ended March 31, | |
|---|---|---|
| | **2026** | **2025** |
| **Branded Spirits** | | |
| Premium plus | **$ 22,651** | $ 22,318 |
| Mid | **13,243** | 13,027 |
| Value | **6,503** | 7,341 |
| Other | **1,840** | 5,541 |
| **Total Branded Spirits** | **44,237** | 48,227 |
| | | |
| **Distilling Solutions** | | |
| Brown goods | **14,909** | 33,656 |
| Warehouse services | **8,292** | 8,077 |
| White goods and other co-products | **4,799** | 5,210 |
| **Total Distilling Solutions** | **28,000** | 46,943 |
| | | |
| **Ingredient Solutions** | | |
| Specialty wheat starches | **18,416** | 15,853 |
| Specialty wheat proteins | **12,708** | 7,348 |
| Commodity wheat starches | **2,617** | 2,719 |
| Commodity wheat proteins | **383** | 563 |
| Biofuel and other | **66** | — |
| **Total Ingredient Solutions** | **34,190** | 26,483 |
| | | |
| **Total sales** | **$ 106,427** | $ 121,653 |

**Note 3. Goodwill and Other Intangible Assets**

**Definite-Lived Intangible Assets.** The Company acquired definite-lived intangible assets in connection with various acquisitions of businesses prior to 2026. The distributor relationships have a carrying value of $51,393, net of accumulated amortization of $13,707. The distributor relationships have a useful life of 20 years. The amortization expense for the quarters ended March 31, 2026 and 2025 was $813.

As of March 31, 2026, the expected future amortization expense related to definite-lived intangible assets is as follows:

| | | |
|---|---|---|
| Remainder of 2026 | $ | 2,442 |
| 2027 | | 3,255 |
| 2028 | | 3,255 |
| 2029 | | 3,255 |
| 2030 | | 3,255 |
| Thereafter | | 35,931 |
| Total | $ | 51,393 |

**Goodwill.** Changes in carrying amount of goodwill by business segment were as follows:

| | Distilling Solutions | Branded Spirits | Ingredient Solutions | Total |
|---|---|---|---|---|
| Balance, December 31, 2025 | $ — | $ 115,667 | $ — | $ 115,667 |
| Impairment | — | (115,667) | — | (115,667) |
| Balance, March 31, 2026 | **$ —** | **$ —** | **$ —** | **$ —** |

*Impairment Analysis.* During the first quarter 2026, the Company experienced a decrease in stock price and market capitalization, and as a result, the Company performed a quantitative assessment of goodwill. The Company engaged a third party valuation specialist to assist in comparing the fair value of the Branded Spirits reporting unit to the respective carrying value. The estimate of fair value of the Company's reporting unit was calculated using equal weighting of the income approach that utilized the discounted cash flow method and the market approach that utilized the guideline public company method. Estimates in the determination of fair value of the reporting unit through the income approach were based on (i) discount rates based on the reporting unit's weighted average cost of capital, (ii) future expected cash flows including revenue and operating margin projections, and (iii) long-term growth rates based on inflation forecasts, industry growth, and long-term economic growth potential. The market approach compares enterprise values and historical and projected results of public companies that reflect economic conditions and risks that are similar to the reporting unit to calculate an estimated enterprise value. These assumptions are based on historical trends as well as the projections and assumptions used in the Company's budget and long-range plans. These assumptions reflect the Company's estimates of future economic and competitive conditions which can be affected by several factors such as inflation, business valuations in the market, the economy, and market competition. Any changes in these assumptions may affect the Company's fair value estimate and the results of an impairment test. As of the assessment date, to corroborate the Company's fair value conclusion, it combined the estimated fair values of the reporting units and performed a market capitalization reconciliation to validate the reasonableness of the implied control premium. The Company calculated the market capitalization using both the stock price on the assessment date as well as the average stock price over a reasonable period of time preceding the assessment date. Based on this reconciliation, the Company believes the control premium to be reasonable.

Based on the results of the Company's impairment analysis, the Company recorded an impairment charge of $115,667 to reduce the carrying amount of the Branded Spirits reporting unit. This goodwill impairment was recorded in goodwill and other long-lived assets impairment on the Condensed Consolidated Statement of Income (Loss) for the quarter ended March 31, 2026 and as a reduction of goodwill in the Consolidated Balance Sheets as of March 31, 2026.

**Indefinite-Lived Intangible Assets.** Changes in carrying amount of trade name intangible assets by business segment were as follows:

| | Distilling Solutions | Branded Spirits | Ingredient Solutions | Total |
|---|---|---|---|---|
| Balance, December 31, 2025 | $ — | $ 192,490 | $ — | $ 192,490 |
| Impairment | — | (36,990) | — | (36,990) |
| Balance, March 31, 2026 | **$ —** | **$ 155,500** | **$ —** | **$ 155,500** |

*Impairment Analysis.* During the first quarter 2026, in connection with the assessment of the same events and circumstances impacting the Branded Spirits reporting unit, the Company performed a quantitative impairment test of its indefinite-lived assets. The Company values its indefinite-lived intangible assets under the income approach using a relief- from-royalty method, which assumes the value of the asset is the sum of the discounted cash flows of the amount that would be paid by a hypothetical market participant had they not owned the asset and instead licensed it from another company. When estimating the fair value, the Company made certain assumptions for its future revenue projections, market royalty rates, and discount rates. These assumptions reflect the Company's estimates of future economic and competitive conditions which consider many factors including macroeconomic conditions, industry growth rates, and competition. Any changes in these assumptions may affect the Company's fair value estimate and the results of an impairment test. The most sensitive assumption used in the analysis was a 15 percent discount rate.

Based on the results of the Company's impairment analysis, the Company recorded an impairment charge of $36,990 to adjust the carrying amount of the trade name indefinite-lived intangible assets to fair value. The impairment was recorded in goodwill and other long-lived assets impairment on the Condensed Consolidated Statement of Income (Loss) for the quarter ended March 31, 2026 and as a reduction of intangible assets in the Consolidated Balance Sheets as of March 31, 2026. As of March 31, 2026, after the impairment was recorded, the fair values of the Company's indefinite-lived intangible assets were equal to the respective carrying values.

The Company will continue to evaluate its indefinite-lived intangible assets in future quarters. Independent of the expected future operating performance of the indefinite-lived intangible assets, any further significant changes in discount rates, even if due to macroeconomic factors, could put pressure on the carrying value of its indefinite-lived intangible assets. In addition, if future revenues and contributions to the Company's operating results for any of its indefinite-lived intangible assets perform at levels below its current projections, the Company may be required to record impairment charges to certain intangible assets related to the Branded Spirits reporting unit. A determination that a portion or all of the Company's assets are impaired could have a material adverse effect on its business, consolidated financial condition, and results of operations.

**Note 4. Corporate Borrowings**

The following table presents the Company's outstanding indebtedness:

| **Description**[(a)] | **March 31, 2026** | December 31, 2025 |
|---|---|---|
| Credit Agreement - Revolver, 4.77% (variable rate) due 2030 | **$ 36,000** | $ 42,000 |
| Convertible Senior Notes, 1.88% (fixed rate) due 2041 | **201,250** | 201,250 |
| Note Purchase Agreement | | |
| Series A Senior Secured Notes, 3.53% (fixed rate) due 2027 | **4,800** | 5,600 |
| Senior Secured Notes, 3.80% (fixed rate) due 2029 | **10,400** | 11,200 |
| Total indebtedness outstanding | **252,450** | 260,050 |
| Less unamortized loan fees[(b)] | **(7,492)** | (7,732) |
| Total indebtedness outstanding, net | **244,958** | 252,318 |
| Less current maturities of long-term debt | **(6,400)** | (6,400) |
| Long-term debt | **$ 238,558** | $ 245,918 |

(a) Interest rates are as of March 31, 2026.
(b) Loan fees are being amortized over the life of the debt agreements.

**Credit Agreement.** On February 14, 2020, the Company entered into a credit agreement (the "Credit Agreement") with multiple participants led by Wells Fargo Bank, National Association ("Wells Fargo Bank") which provided for a $300,000 revolving credit facility and had a maturity date of May 14, 2026. On April 24, 2025, the Company entered into an Amended and Restated Credit Agreement (as amended, the "A&R Credit Agreement") with Wells Fargo Bank, as administrative agent, swingline lender, and issuing lender, and the other lenders and parties thereto. The A&R Credit Agreement amends and restates the Company's existing Credit Agreement, extending the maturity date to April 24, 2030. The A&R Credit Agreement increases the size of the revolving credit facility to $500,000 and permits the Company to increase the amount of the revolving credit facility by up to an additional $200,000, subject to certain conditions and at the discretion of the lenders. The Company incurred no new loan fees related to the A&R Credit Agreement during the quarter ended March 31, 2026.

The A&R Credit Agreement includes certain requirements and covenants with which the Company was in compliance at March 31, 2026. As of March 31, 2026, the Company had $36,000 of outstanding borrowings under the A&R Credit Agreement, leaving $464,000 available.

**Convertible Senior Notes.** On November 16, 2021, the Company issued $201,250 in aggregate principal amount of 1.88% convertible senior notes due in 2041 (the "2041 Notes"). The 2041 Notes were issued pursuant to an indenture, dated as of November 16, 2021 (the "Indenture"), by and among the Company, as issuer, Luxco, Inc., MGPI Processing, Inc., and MGPI of Indiana, LLC, as subsidiary guarantors, and U.S. Bank National Association, as trustee. The 2041 Notes are senior, unsecured obligations of the Company and interest is payable semi-annually in arrears at a fixed interest rate of 1.88% on May 15 and

November 15 of each year. The 2041 Notes mature on November 15, 2041 unless earlier repurchased, redeemed, or converted, per the terms of the Indenture. Upon conversion, the Company will pay cash up to the aggregate principal amount of the 2041 Notes to be converted and pay or deliver, as the case may be, cash, shares of the Company's common stock, or a combination of cash and shares of the Company's common stock, at its election, in respect to the remainder, if any, of the Company's conversion obligation in excess of the aggregate principal amount of the 2041 Notes being converted.

**Note Purchase Agreements.** The Company's Note Purchase and Private Shelf Agreement (the "Note Purchase Agreement") with PGIM, Inc. ("Prudential"), an affiliate of Prudential Financial, Inc., and certain affiliates of Prudential, provides for the issuance of $20,000 of Series A Senior Secured Notes and the issuance of up to $105,000 of additional Senior Secured Notes (or any higher amount solely to the extent Prudential has provided written notice to the Company of its authorization of such a higher amount). Effective August 23, 2023, the Note Purchase Agreement was amended to increase the total amount of Senior Secured Notes that may be issued under the facility of the Note Purchase Agreement to $250,000. On April 24, 2025, the Note Purchase Agreement was amended to extend the period for issuing senior secured promissory notes under the Note Purchase Agreement from August 31, 2026 to April 24, 2028.

During 2017, the Company issued $20,000 of Series A Senior Secured Notes with a maturity date of August 23, 2027. During 2019, the Company issued $20,000 of additional Senior Secured Notes with a maturity date of April 30, 2029. The Note Purchase Agreement includes certain requirements and covenants with which the Company was in compliance at March 31, 2026. As of March 31, 2026, the Company had $4,800 of Series A Senior Secured Notes and $10,400 of additional Senior Secured Notes outstanding under the Note Purchase Agreement, leaving $234,800 available under the Note Purchase Agreement.

**Note 5. Income Taxes**

The Company's tax provision for interim periods is determined using an estimated annual effective tax rate, adjusted for discrete items arising in that quarter. In each quarter, the estimated annual effective tax rate is updated and a year to date adjustment is made to the provision. The Company's quarterly effective tax rate can be subject to significant change due to the effect of discrete items arising in a given quarter.

Income tax expense for the quarter ended March 31, 2026 was $(39,865), for an effective tax rate of 22.8 percent. The effective tax rate for the quarter ended March 31, 2026 differed from the 21 percent U.S. federal statutory rate on pretax income primarily due to a discrete tax impact related to the vesting of share-based awards as well as state income tax and income tax on foreign subsidiaries, partially offset by federal and state tax credits. The favorable tax impact was a result of the reduction of deferred tax liabilities due to the goodwill and other long-lived asset impairments.

Income tax expense for the quarter ended March 31, 2025 was $671 for an effective tax rate of (28.1) percent. The effective tax rate for the quarter ended March 31, 2025 differed from the 21 percent U.S. federal statutory rate on pretax income primarily due to the discrete tax impact related to vesting of share based awards, state income tax, and income tax on foreign subsidiaries, partially offset by federal and state tax credits. The tax rate was negative due to the net loss position and the discrete tax impact of the vesting of share based awards granted in the prior years during periods of higher stock prices.

**Note 6. Equity and EPS**

The following table presents computations of basic and diluted EPS:

| | Quarter Ended March 31, 2026 | Quarter Ended March 31, 2025 |
|---|---|---|
| **Operations:** | | |
| Net loss[a] | **$ (134,807)** | $ (3,057) |
| Attributable to noncontrolling interest | **3** | 33 |
| Attributable to participating securities (unvested shares and units)[b] | **(35)** | 30 |
| Net loss used in EPS calculation | **$ (134,839)** | $ (2,994) |
| **Share information:** | | |
| Basic weighted average common shares[c] | **21,389,441** | 21,342,531 |
| Diluted weighted average common shares[d] | **21,389,441** | 21,342,531 |
| **Basic EPS** | **$ (6.30)** | $ (0.14) |
| **Diluted EPS** | **$ (6.30)** | $ (0.14) |

(a) Net income attributable to all stockholders.
(b) Participating securities included 290,579 and 213,290 unvested restricted stock units ("RSUs") at March 31, 2026 and 2025, respectively.
(c) Under the two-class method, basic weighted average common shares exclude unvested participating securities.
(d) The impacts of the Convertible Senior Notes and stock options were included in the diluted weighted average common shares if the inclusion 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 $96.24 per share.

**Share Repurchase.** On February 29, 2024, the Company announced that its Board of Directors approved a $100,000 share repurchase program. Under the share repurchase program, the Company can repurchase stock from time to time for cash in open market purchases, privately negotiated transactions, or by other means, in accordance with applicable securities laws and other legal requirements. The repurchase program has no expiration date and may be modified, suspended, or discontinued at any time by the Company without prior notice. During the quarters ended March 31, 2026 and 2025, the Company repurchased no shares under the share repurchase program. As of March 31, 2026, there was approximately $53,412 remaining under the share repurchase program.

**Common Stock Share Activity.** The following table presents the Company's share activity:

| | Shares Outstanding | |
|---|---|---|
| | **Capital Stock Preferred** | **Common Stock** |
| **Balance, December 31, 2025** | 437 | 21,294,315 |
| Issuance of Common Stock | — | 109,225 |
| Repurchase of Common Stock [a] | — | (34,415) |
| **Balance, March 31, 2026** | 437 | 21,369,125 |

| | Shares Outstanding | |
|---|---|---|
| | **Capital Stock Preferred** | **Common Stock** |
| **Balance, December 31, 2024** | 437 | 21,194,707 |
| Issuance of Common Stock | — | 107,267 |
| Repurchase of Common Stock [a] | — | (31,631) |
| **Balance, March 31, 2025** | 437 | 21,270,343 |

(a) The Common Stock repurchases were for tax withholding on equity-based compensation.

**Note 7. Commitments and Contingencies**

The Company and its subsidiaries are, from time to time, a party to legal and regulatory proceedings arising in the ordinary course of its business. The Company accrues estimated costs for a contingency when management believes that a loss is probable and can be reasonably estimated.

On December 16, 2024, a putative securities class action, captioned Operating Engineers Construction Industry Miscellaneous Pension Fund v. MGP Ingredients, Inc. et al., was filed in the United States District Court for the Southern District of New York against the Company, two of its former Chief Executive Officers and its current Chief Financial Officer (the “Operating Engineers Action”). The Operating Engineers Action was brought on behalf of a putative class who acquired publicly traded MGP common stock between May 4, 2023 and October 30, 2024. On February 13, 2025, a second putative securities class action, captioned Bronstein v. MGP Ingredients, Inc. et al., was filed in the United States District Court for the Southern District of New York against the same defendants (the “Bronstein Action”). The Bronstein Action was brought on behalf of a putative class who acquired publicly traded MGP securities between May 4, 2023 and October 30, 2024. Both actions assert securities fraud claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder, in connection with statements made in the Company’s quarterly earnings releases and on earnings calls during the alleged class period. The Operating Engineers Action and Bronstein Action have been consolidated and transferred to the United States District Court for the District of Kansas, now captioned In re MGPI Ingredients, Inc. Securities Litigation. Lead Plaintiffs filed an Amended Complaint on May 15, 2025, which Defendants moved to dismiss on July 15, 2025. On March 25, 2026, the District Court dismissed the Amended Complaint and denied Plaintiffs leave to amend. On April 24, 2026, Plaintiffs filed their Notice of Appeal of the March 25, 2026 Decision to the United States Court of Appeals for the Tenth Circuit. The Company believes there are substantial defenses to the claims asserted and intends to defend the lawsuit vigorously.

On January 23, 2025, a putative derivative lawsuit captioned Sebald v. Colo, et al., Case No. 2:25-cv-02034, was filed in the United States District Court for the District of Kansas against two of the Company’s former Chief Executive Officers, its current Chief Financial Officer, and the members of its Board of Directors (the “Sebald Action”). On March 17, 2025, a second putative derivative lawsuit captioned Reid v. Bratcher, et al., Case No. 2:25-cv-02127, was filed in the United States District Court for the District of Kansas against the same defendants (the “Reid Action”). On July 1, 2025, the respective plaintiffs in these cases filed a consolidated amended complaint (the “Consolidated Action”). On May 15, 2025, a third putative derivative lawsuit captioned Kruitwagen v. Bratcher, et al., Case No. 2:25-cv-02262, was filed in the United States District Court for the District of Kansas against the same defendants as in the Consolidated Action (the “Kruitwagen Action”). The Company is a “Nominal Defendant” in the lawsuits, which reflects the fact that the lawsuits are maintained by the respective named plaintiffs on behalf of the Company and that the plaintiffs seek damages on the Company’s behalf. The complaints allege, among other things, that the defendants breached their fiduciary duties and violated federal securities laws by causing the Company to make false and/or misleading statements and/or omissions in public filings during the class period alleged in the securities action and also allege breaches of fiduciary duties by failing to maintain internal controls. The complaints also allege breaches of fiduciary duties by seeking shareholder approval of an equity incentive plan, and causing the Company to repurchase its own stock at artificially inflated prices. The complaints bring additional claims for unjust enrichment, abuse of control, gross mismanagement, aiding and abetting breaches of fiduciary duties, and waste of corporate assets and seek indemnity and contribution from the named current and former officers. On July 24, 2025 and July 28, 2025, the Court entered orders staying the Consolidated Action and the Kruitwagen Action, respectively, pending an outcome on the motion to dismiss filed in the putative securities class action. On April 8, 2026, the Court entered an order extending the stays and directing the parties to file a status report by May 1, 2026. The defendants believe there are substantial defenses to the claims asserted and intend to defend the lawsuits vigorously.

**Note 8. Employee and Non-Employee Benefit Plans**

**Share-Based Compensation Plans**. The Company has one equity-based compensation plan, the 2024 Equity Incentive Plan (the “2024 Plan”), which authorized 1,319,320 shares for issuance, subject to the adjustment and add-back provision of the 2024 Plan. The 2024 Plan provides for the awarding of stock options, stock appreciation rights, shares of restricted stock, RSUs, performance stock units (“PSUs”), and other stock-based awards for executive officers and other employees, as well as non-employee directors and certain consultants and advisors. As of March 31, 2026, 564,506 shares remain available for issuance under the 2024 Plan. The PSUs are counted at the target level established on the award’s grant date and are adjusted after the performance period ends and the Human Resources and Compensation Committee has certified the achievement of their performance goals.

**Deferred Compensation Plan.** The Company established an unfunded Executive Deferred Compensation Plan (the "EDC Plan") effective June 30, 2018, with a purpose to attract and retain highly-compensated key employees by providing participants with an opportunity to defer receipt of a portion of their salary, bonus, and other specified compensation. The Company's obligations under the EDC Plan change in conjunction with the performance of the participants' investments, along with contributions to and withdrawals from the EDC Plan. Realized and unrealized gains (losses) on deferred compensation plan investments were included as a component of other income (expense), net on the Company's Condensed Consolidated Statements of Income. For the quarters ended March 31, 2026 and 2025, the Company had a gain on deferred compensation plan investments of $2 and a loss on deferred compensation plan investments of $44, respectively.

EDC Plan investments are classified as Level 1 in the fair value hierarchy since the investments trade with sufficient frequency and volume to enable the Company to obtain pricing information on an ongoing basis. At March 31, 2026 and December 31, 2025, the EDC Plan investments were $1,733 and $2,236, respectively, which were recorded in other assets on the Company's Condensed Consolidated Balance Sheets. The EDC Plan current liabilities were $611 and $585 at March 31, 2026 and December 31, 2025, respectively, which were included in accrued expenses and other on the Company's Condensed Consolidated Balance Sheets. The EDC Plan non-current liabilities were $1,385 and $1,651 at March 31, 2026 and December 31, 2025, respectively, and were included in other noncurrent liabilities on the Company's Condensed Consolidated Balance Sheets.

**Note 9. Operating Segments**

At March 31, 2026, the Company had three segments: Branded Spirits, Distilling Solutions, and Ingredient Solutions. The Company's operating segments are based on the financial information the chief operating decision maker uses to allocate resources and evaluate performance of the business. The Branded Spirits segment consists of a portfolio of high quality branded spirits which are produced through distilleries and bottling facilities. The Distilling Solutions segment consists of food grade alcohol (primarily brown goods) and distillery co-products, such as distillers feed (commonly called dried distillers grain in the industry). The Distilling Solutions segment also includes warehouse services, such as barrel put away, barrel storage, and barrel retrieval services. The Ingredient Solutions segment consists of specialty starches and proteins as well as commodity starches and proteins. Intersegment sales and transfers are recorded at cost and are treated as a transfer of inventory. All intercompany revenues are eliminated in consolidation and are not reviewed when evaluating segment performance.

Operating income for each segment is based on sales less identifiable operating expenses. Non-direct selling, general, and administrative expenses, interest expense, and other general miscellaneous expenses are excluded from segment operations and are classified as Corporate. Receivables, inventories, property, plant and equipment, leases, goodwill, and intangible assets have been identified with the segments to which they relate. All other assets are considered as Corporate.

The following tables present summarized financial information for each segment:

| | Quarter Ended March 31, 2026 | | | | |
|---|---|---|---|---|---|
| | **Branded Spirits** | **Distilling Solutions** | **Ingredient Solutions** | **Corporate** | **Total** |
| Sales | $ 44,237 | $ 28,000 | $ 34,190 | $ — | $ 106,427 |
| Cost of Goods Sold | 23,101 | 19,375 | 30,369 | — | 72,845 |
| Gross Profit | 21,136 | 8,625 | 3,821 | — | 33,582 |
| Advertising and promotion expense | 6,012 | 86 | 8 | 85 | 6,191 |
| SG&A expense | 7,970 | 704 | 872 | 11,520 | 21,066 |
| Goodwill and other long-lived assets impairment | 179,526 | — | — | — | 179,526 |
| Operating income | $ (172,372) | $ 7,835 | $ 2,941 | $ (11,605) | $ (173,201) |
| | | | | | |
| Depreciation and amortization | $ 2,159 | $ 1,798 | $ 1,958 | $ 350 | $ 6,265 |

| | Quarter Ended March 31, 2025 | | | | |
|---|---|---|---|---|---|
| | Branded Spirits | Distilling Solutions | Ingredient Solutions | Corporate | Total |
| Sales | $ 48,227 | $ 46,943 | $ 26,483 | $ — | $ 121,653 |
| Cost of Goods Sold | 26,029 | 28,263 | 24,031 | — | 78,323 |
| Gross Profit | 22,198 | 18,680 | $ 2,452 | $ — | 43,330 |
| Advertising and promotion expense | 7,654 | 146 | 320 | 52 | 8,172 |
| SG&A expense | 8,990 | 652 | 1,124 | 10,439 | 21,205 |
| Change in fair value of contingent consideration | 14,700 | — | — | — | 14,700 |
| Operating income | $ (9,146) | $ 17,882 | $ 1,008 | $ (10,491) | $ (747) |
| | | | | | |
| Depreciation and amortization | $ 2,140 | $ 2,055 | $ 1,271 | $ 342 | $ 5,808 |

The following table allocates assets to each segment as of:

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Identifiable Assets | | |
| Branded Spirits | **$ 535,656** | $ 734,459 |
| Distilling Solutions | **335,572** | 342,449 |
| Ingredient Solutions | **137,697** | 133,807 |
| Corporate | **22,374** | 25,149 |
| Total | **$ 1,031,299** | $ 1,235,864 |

**Note 10. Subsequent Events**

**Dividend.** On April 29, 2026, the Company announced a quarterly dividend payable to stockholders of record of the Company's common stock, resulting in dividend equivalents payable to certain RSU holders, of $0.12 per share and per RSU. The dividend and dividend equivalents are payable on May 29, 2026 to stockholders of record and certain RSU holders as of May 15, 2026.

## ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
**(Dollar amounts in thousands, unless otherwise noted)**

### CAUTIONARY NOTE CONCERNING FACTORS THAT MAY AFFECT FUTURE RESULTS

This Report may contain forward-looking statements as well as historical information. All statements, other than statements of historical facts, regarding the prospects of our industries and our prospects, plans, financial position, mission, and strategy may constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including without limitation statements about our source of cash being adequate; our ability to support our liquidity and operating needs through cash generated from operations and borrowings; and our capital expenditures. Forward looking statements are usually identified by or are associated with such words 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, our performance, our financial results, and our financial condition and are not guarantees of future performance.

All forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially. For 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 our Annual Report on Form 10-K for the year ended December 31, 2025, this Report, and our other filings with the Securities and Exchange Commission (the “SEC”). Forward looking statements in this Report are made as of the date of this Report, and we undertake no obligation to update any forward-looking statements or information made in this Report, except as required by law.

### OVERVIEW

MGP is a leading producer of branded and distilled spirits as well as food ingredient solutions. We have an extensive award-winning global portfolio of branded spirits, which we produce through our distilleries and bottling facilities and sell to distributors. Our branded spirits products account for a range of price points from value products through premium plus brands. Distilled spirits include premium bourbon, rye, and other whiskeys (“brown goods”) and grain neutral spirits (“GNS”), including vodka and gin. Our distilled spirits are either sold directly or indirectly to manufacturers of other branded spirits. Our protein and starch food ingredients are predominately wheat based and provide a host of functional, nutritional, and sensory benefits for a wide range of food products to serve the consumer packaged goods industry. Our ingredient products are sold directly, or through distributors, to manufacturers and processors of finished packaged goods or to bakeries.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our unaudited condensed consolidated financial statements and accompanying notes included in this Report, as well as our audited consolidated financial statements and accompanying notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations - General,” set forth in our Annual Report on Form 10-K for the year ended December 31, 2025.

## RESULTS OF OPERATIONS

### Consolidated Results

The table below details the consolidated results for the quarters ended March 31, 2026 and 2025:

| | Quarter Ended March 31, 2026 | Quarter Ended March 31, 2025 | 2026 v. 2025 | |
|---|---|---|---|---|
| Sales | **$ 106,427** | $ 121,653 | (13)% | |
| Cost of sales | **72,845** | 78,323 | (7) | |
| Gross profit | **33,582** | 43,330 | (22) | |
| Gross margin % | **31.6 %** | 35.6 % | (4.0) | pp[(a)] |
| Advertising and promotion expenses | **6,191** | 8,172 | (24) | |
| Selling, general, and administrative ("SG&A") expenses | **21,066** | 21,205 | (1) | |
| Goodwill and other long-lived assets impairment | **179,526** | — | N/A | |
| Change in fair value of contingent consideration | **—** | 14,700 | N/A | |
| Operating loss | **(173,201)** | (747) | (23,086) | |
| Operating margin % | **(162.7)%** | (0.6)% | (162.1) | pp |
| Interest expense, net | **(1,421)** | (1,854) | (23) | |
| Other income (expense), net | **(50)** | 215 | (123) | |
| Loss before income taxes | **(174,672)** | (2,386) | (7,221) | |
| Income tax expense (benefit) | **(39,865)** | 671 | (6,041) | |
| Effective tax expense rate % | **22.8 %** | (28.1)% | 50.9 | pp |
| Net loss | **$ (134,807)** | $ (3,057) | (4,310)% | |
| Net income margin % | **(126.7)%** | (2.5)% | (124.2) | pp |

(a) Percentage points ("pp").

*Sales* - Sales for the quarter ended March 31, 2026 were $106,427, a decrease of 13 percent compared to the year-ago quarter, which was the result of decreased sales in the Distilling Solutions and Branded Spirits segments, partially offset by increased sales in the Ingredient Solutions segment. Within the Distilling Solutions segment, sales were down 40 percent primarily due to decreased sales of brown goods. Within the Branded Spirits segment, sales were down 8 percent primarily due to decreased sales volume of our private label bottled products within the other category. Within the Ingredient Solutions segment, sales were up 29 percent, primarily due to increased sales of specialty wheat proteins and starches (see "Segment Results").

*Gross profit* - Gross profit for the quarter ended March 31, 2026 was $33,582, a decrease of 22 percent compared to the year-ago quarter. The decrease was driven by decreased gross profit in the Distilling Solutions and Branded Spirits segments, partially offset by increased gross profit in the Ingredient Solutions segment. Within the Distilling Solutions segment, gross profit decreased by $10,055, or 54 percent. Within the Branded Spirits segment, gross profit decreased $1,062, or 5 percent. Within the Ingredient Solutions segment, gross profit increased by $1,369, or 56 percent (see "Segment Results").

*Advertising and promotion expenses* - Advertising and promotion expenses for the quarter ended March 31, 2026 were $6,191, a decrease of 24 percent compared to the year-ago quarter, primarily driven by realignment of our advertising and promotion spend to brands we believe have the most attractive growth opportunities.

*SG&A expenses* - SG&A expenses for the quarter ended March 31, 2026 were $21,066, a decrease of 1 percent compared to the year-ago quarter.

*Operating income (loss)* - Operating income for the quarter ended March 31, 2026 decreased to a loss of $173,201 from a loss of $747 for the quarter ended March 31, 2025, primarily due to the $179,526 goodwill and other long-lived assets impairment related to the Branded Spirits segment recorded during first quarter 2026. Additionally, contributing to the operating loss was a decrease in gross profit in the Distilling Solutions and Branded Spirits segments. These decreases were partially offset by an increase in gross profit in the Ingredient Solutions segment, decreases in advertising and promotion expenses and SG&A expenses as well as the change in fair value of contingent consideration.

| **Operating income (loss), quarter versus quarter** | **Operating Income** | **Change** | |
|---|---|---|---|
| Operating loss for the quarter ended March 31, 2025 | $ (747) | | |
| Decrease in gross profit - Distilling Solutions segment[a] | (10,055) | (1,346) | % |
| Decrease in gross profit - Branded Spirits segment[a] | (1,062) | (142) | pp[b] |
| Increase in gross profit - Ingredient Solutions segment[a] | 1,369 | 183 | pp |
| Decrease in advertising and promotion expenses | 1,981 | 265 | pp |
| Decrease in SG&A expenses | 139 | 19 | pp |
| Increase in goodwill and other long-lived assets impairment | (179,526) | (24,033) | pp |
| Change in fair value of contingent consideration | 14,700 | 1,968 | pp |
| **Operating loss for the quarter ended March 31, 2026** | **$ (173,201)** | **(23,086)** | **%** |

(a) See "Segment Results."
(b) Percentage points ("pp").

*Income tax expense (benefit)* - Income tax benefit for the quarter ended March 31, 2026 was $39,865, for an effective tax rate of 22.8 percent. Income tax expense for the quarter ended March 31, 2025 was $671, for an effective tax rate of (28.1) percent. The decrease in income tax expense, quarter versus quarter, was due primarily to lower income before income taxes. The increase in tax rate, quarter versus quarter, was primarily due to the tax impact of the goodwill and other long-lived assets impairment.

*Earnings per common share ("EPS")* - Basic and Diluted EPS was $(6.30) for the quarter ended March 31, 2026, compared to $(0.14) for the quarter ended March 31, 2025. The change in basic and diluted EPS, quarter versus quarter, was primarily due to a decrease in operating income.

| **Change in EPS, quarter versus quarter** | **EPS** | **Change** | |
|---|---|---|---|
| Basic and Diluted EPS for the quarter ended March 31, 2025 | $ (0.14) | | |
| Change in operating income[a] | (10.24) | (7,314) | % |
| Change in interest expense, net[a] | 0.03 | 21 | pp[b] |
| Change in other income, net[a] | (0.02) | (14) | pp |
| Change in effective tax rate | 4.06 | 2,900 | pp |
| Change in weighted average shares outstanding | 0.01 | 7 | pp |
| **Basic and Diluted EPS for the quarter ended March 31, 2026** | **$ (6.30)** | **(4,400)** | **%** |

(a) Net of tax based on the effective tax rate for the base year (2025).
(b) Percentage points ("pp").

## SEGMENT RESULTS

### Branded Spirits

The following tables show selected financial information for the Branded Spirits segment for the quarters ended March 31, 2026 and 2025.

**BRANDED SPIRITS SALES**

| | Quarter Ended March 31, | | Quarter versus Quarter Sales Change Increase/(Decrease) | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Premium plus | **$ 22,651** | $ 22,318 | $ 333 | 1 % |
| Mid | **13,243** | 13,027 | 216 | 2 |
| Value | **6,503** | 7,341 | (838) | (11) |
| Other | **1,840** | 5,541 | (3,701) | (67) |
| **Total Branded Spirits** | **$ 44,237** | $ 48,227 | $ (3,990) | (8)% |

| | Change in Quarter versus Quarter Sales Attributed to: | | |
|---|---|---|---|
| | **Total** [(a)] | **Volume**[(b)] | **Net Price/Mix**[(c)] |
| Total Branded Spirits | **(8)%** | **(7)%** | **(1)%** |

**Other Financial Information**

| | Quarter Ended March 31, | | Quarter versus Quarter Increase / (Decrease) | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Gross profit | **$ 21,136** | $ 22,198 | $ (1,062) | (5)% |
| Gross margin % | **47.8 %** | 46.0 % | | 1.8 pp[(d)] |

(a) Total sales change is calculated by taking the difference between current period sales dollars and prior period sales dollars, divided by prior period sales dollars.
(b) Volume change is calculated by taking the difference between current period sales volume and prior period sales volume, multiplied by prior period sales per unit. The product is then divided by prior period sales dollars.
(c) Net price/mix change is calculated by taking the difference between current period sales-per-unit and prior period sales-per unit, multiplied by current period sales volume. The product is then divided by prior period sales dollars.
(d) Percentage points (“pp”).

Total sales of the Branded Spirits segment for the quarter ended March 31, 2026 decreased by $3,990, or 8 percent, compared to the prior year quarter, primarily due to a decrease in sales volume of our private label bottled products within the other category. Sales of brands within the value price tier decreased, driven by lower sales volume and net price/mix as we continued to optimize our offerings in these price tiers. These decreases were partially offset by increased sales volume in the premium plus price tier reflecting our continued focus on the American whiskey and tequila categories.

Gross profit decreased versus the prior year quarter by $1,062, or 5 percent, primarily driven by lower sales volume of private label bottled products within the other category. Gross margin for the quarter ended March 31, 2026 increased to 47.8 percent from 46.0 percent for the prior year quarter, driven primarily by increased sales volume in the premium plus price tier.

**Distilling Solutions**

The following tables show selected financial information for the Distilling Solutions segment for the quarters ended March 31, 2026 and 2025.

**DISTILLING SOLUTIONS SALES**

| | Quarter Ended March 31, | | Quarter versus Quarter Sales Change Increase/(Decrease) | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Brown goods | **$ 14,909** | $ 33,656 | $ (18,747) | (56)% |
| Warehouse services | **8,292** | 8,077 | 215 | 3 |
| White goods and other co-products | **4,799** | 5,210 | (411) | (8) |
| **Total Distilling Solutions** | **$ 28,000** | $ 46,943 | $ (18,943) | (40)% |

| | Change in Quarter versus Quarter Sales Attributed to: | | |
|---|---|---|---|
| | **Total [a]** | **Volume[b]** | **Net Price/Mix[c]** |
| Brown goods | **(56)%** | **(57)%** | **1%** |

**Other Financial Information**

| | Quarter Ended March 31, | | Quarter versus Quarter Increase / (Decrease) | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Gross profit | **$ 8,625** | $ 18,680 | $ (10,055) | (54)% |
| Gross margin % | **30.8 %** | 39.8 % | | (9.0) pp[d] |

(a) Total sales change is calculated by taking the difference between current period sales dollars and prior period sales dollars, divided by prior period sales dollars.
(b) Volume change is calculated by taking the difference between current period sales volume and prior period sales volume, multiplied by prior period sales per unit. The product is then divided by prior period sales dollars.
(c) Net price/mix change is calculated by taking the difference between current period sales-per-unit and prior period sales-per unit, multiplied by current period sales volume. The product is then divided by prior period sales dollars.
(d) Percentage points ("pp").

Total sales of the Distilling Solutions segment for the quarter ended March 31, 2026 decreased by $18,943, or 40 percent, compared to the prior year quarter, primarily driven by lower brown goods sales. Brown goods sales volume decreased due to reduced customer demand resulting primarily from continued elevated industry-wide barrel inventory levels. This decrease was partially offset by an increase in net price/mix of brown goods compared to the prior year quarter.

Gross profit decreased versus the prior year quarter by $10,055, or 54 percent, primarily due to lower brown goods sales volume and decreased gross profit of white goods and other co-products. Gross margin for the quarter ended March 31, 2026 decreased to 30.8 percent from 39.8 percent for the prior year quarter primarily due to lower brown goods sales.

**Ingredient Solutions**

The following tables show selected financial information for the Ingredient Solutions segment for the quarters ended March 31, 2026 and 2025.

**INGREDIENT SOLUTIONS SALES**

| | **Quarter Ended March 31,** | | **Quarter versus Quarter Sales Change Increase / (Decrease)** | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Specialty wheat starches | **$ 18,416** | $ 15,853 | $ 2,563 | 16 % |
| Specialty wheat proteins | **12,708** | 7,348 | 5,360 | 73 |
| Commodity wheat starches | **2,617** | 2,719 | (102) | (4) |
| Commodity wheat proteins | **383** | 563 | (180) | (32) |
| Biofuel and other | **66** | — | 66 | N/A |
| **Total Ingredient Solutions** | **$ 34,190** | $ 26,483 | $ 7,707 | 29 % |

**Change in Quarter versus Quarter Sales Attributed to:**

| | **Total[(a)]** | **Volume[(b)]** | **Net Price/Mix[(c)]** |
|---|---|---|---|
| Total Ingredient Solutions | **29%** | **17%** | **12%** |

**Other Financial Information**

| | **Quarter Ended March 31,** | | **Quarter versus Quarter Increase / (Decrease)** | |
|---|---|---|---|---|
| | **2026** | **2025** | **$ Change** | **% Change** |
| Gross profit | **$ 3,821** | $ 2,452 | $ 1,369 | 56 % |
| Gross margin % | **11.2 %** | 9.3 % | | 1.9 pp[(d)] |

(a) Total sales change is calculated by taking the difference between current period sales dollars and prior period sales dollars, divided by prior period sales dollars.
(b) Volume change is calculated by taking the difference between current period sales volume and prior period sales volume, multiplied by prior period sales per unit. The product is then divided by prior period sales dollars.
(c) Net price/mix change is calculated by taking the difference between current period sales-per-unit and prior period sales-per unit, multiplied by current period sales volume. The product is then divided by prior period sales dollars.
(d) Percentage points ("pp").

Total sales of the Ingredient Solutions segment for the quarter ended March 31, 2026 increased by $7,707, or 29 percent, compared to the prior year quarter. The increase was primarily driven by increased sales volume and net price/mix of specialty wheat proteins and starches due to cycling against the supply challenges resulting from adverse weather during the prior year quarter, complexities associated with the closure of the Atchison distillery, as well as cycling against the timing of commercialization of new customers during the prior year quarter.

Gross profit increased versus the prior year quarter by $1,369, or 56 percent. Gross margin for the quarter ended March 31, 2026 increased to 11.2 percent from 9.3 percent for the prior year quarter. The increase in gross profit was primarily driven by an increase in net price/mix and volume of specialty wheat proteins and starches. This increase was partially offset by higher costs associated with the disposal of waste starch streams.

**CASH FLOW, FINANCIAL CONDITION, AND LIQUIDITY**

Our primary sources of liquidity have been cash flow from operating activities and borrowings through our Credit Agreement, Convertible Senior Notes and Note Purchase Agreement (see Note 4, Corporate Borrowings). These sources of cash are used to fund our operating needs, capital expenditures, stockholder dividends and other discretionary uses. We continue to monitor market conditions which may create credit and economic challenges that could adversely impact our cash flow from operating activities and cash provided by borrowings. Our overall liquidity reflects our effective cash management strategy that takes into account liquidity management, economic factors, and tax considerations. We expect our sources of cash to be adequate to provide for budgeted capital expenditures, potential mergers or acquisitions, and anticipated operating requirements for the next 12 months and beyond.

Our principal uses of cash in the ordinary course of business are for input costs used in our production processes, salaries, and investments supporting our strategic plan, such as capital expenditures, the aging of barreled distillate primarily to support our branded spirits segment, and potential mergers or acquisitions. Generally, during periods when commodity prices are rising, our operations require increased use of cash to support inventory levels.

At March 31, 2026, our current assets exceeded our current liabilities by $321,058, largely due to our inventories, at cost, of $403,107. At March 31, 2026, our cash balance was $10,357 and we have used our various debt agreements for liquidity purposes, with $464,000 available under our credit agreement for additional borrowings and $234,800 available under the Note Purchase Agreement (see Note 4, Corporate Borrowings). Under these agreements (including the Credit Agreement amendment and the Note Purchase Agreement amendment we entered into on February 20, 2026), we must meet certain financial covenants and restrictions, and at March 31, 2026, we met those covenants and restrictions.

We anticipate being able to support our short-term liquidity and operating needs largely through cash generated from operations and borrowings under our various debt agreements. We expect some holders of the Convertible Senior Notes to require the Company to repurchase the Convertible Senior Notes during the fourth quarter of 2026. We have sufficient availability to repurchase the Convertible Senior Notes under our Credit Agreement, Note purchase Agreement, new financing instruments, or a combination thereof. Additionally, in accordance with the terms of the agreement, we paid out the full contingent consideration related to the Penelope acquisition on April 28, 2026. We utilize short-term and long-term debt to fund discretionary items, such as capital investments, dividend payments, share repurchases, as well as potential mergers or acquisitions. Subject to market conditions, we could also fund future mergers and acquisitions through the issuance of additional shares of Common Stock or preferred stock.

**Cash Flow Summary**

| | Quarter to Date Ended March 31, | | Changes, year versus year |
|---|---|---|---|
| | **2026** | **2025** | **Increase / (Decrease)** |
| Net cash provided by operating activities | **$ 6,955** | $ 44,684 | $ (37,729) |
| Net cash used in investing activities | **(3,773)** | (19,926) | 16,153 |
| Net cash used in financing activities | **(11,084)** | (30,213) | 19,129 |
| Effect of exchange rate changes on cash | **(201)** | 294 | (495) |
| **Decrease in cash and cash equivalents** | **$ (8,103)** | $ (5,161) | $ (2,942) |

Cash decreased $8,103 for the quarter ended March 31, 2026, compared to a decrease of $5,161 for the quarter ended March 31, 2025, for a net decrease in cash of $2,942, period versus period.

**Operating Activities.** Cash provided by operating activities for the quarter ended March 31, 2026 was $6,955. The cash provided by operating activities resulted primarily from net loss of $134,807, adjustments for non-cash or non-operating charges of $143,619, including goodwill and other long-lived assets impairment, depreciation and amortization, and share-based compensation and cash used in operating assets and liabilities of $1,857. The primary drivers of the changes in operating assets and liabilities were $29,441 of cash provided by decreased accounts receivables, net, due to timing of customer payments and lower sales during the quarter. This was partially offset by $20,299 use of cash related to an increase in inventories, primarily due to an increase in barreled distillate, and $6,792 use of cash related accrued expenses and other primarily related to an incentive compensation payout during the quarter.

Cash provided by operating activities for the quarter ended March 31, 2025 was $44,684. The cash provided by operating activities resulted primarily from cash provided by operating assets and liabilities of $26,611, adjustments for non-cash or non-operating charges of $21,130, including changes in fair value of contingent consideration, depreciation and amortization, and share-based compensation, partially offset by a net loss of $3,057. The primary drivers of the changes in operating assets and liabilities were $40,594 of cash provided by decreased accounts receivables, net, due to the timing of customer payments and lower sales during the quarter, this was partially offset by $13,439 use of cash related to an increase in inventories, primarily due to an increase in barreled distillate.

**Investing Activities.** Cash used in investing activities for the quarter ended March 31, 2026 was $3,773, which resulted primarily from additions to property, plant, and equipment of $5,722 (see "Capital Spending"), partially offset by distributions from equity method investments of $1,500. Cash used in investing activities for the quarter ended March 31, 2025 was $19,926, which resulted from additions to property, plant, and equipment (see "Capital Spending").

**Capital Spending.** We manage capital spending to support our business growth plans. We have incurred $2,003 and $8,094 of capital expenditures and have paid $5,722 and $19,926 for capital expenditures for the years to date ended March 31, 2026 and 2025, respectively. The difference between the amount of capital expenditures incurred and amount paid is due to the change in capital expenditures in accounts payable. We expect to incur approximately $20,000 in capital expenditures in 2026, which we expect to use for facility improvement and facility sustenance projects, and environmental health and safety projects.

**Financing Activities.** Cash used in financing activities for the quarter ended March 31, 2026 was $11,084, due to net payments on debt of $7,600 (see "Long-Term and Short-Term Debt"), payments of dividends and dividend equivalents of $2,598 (see "Dividends and Dividend Equivalents"), and repurchases of Common Stock of $886 (see "Treasury Purchases" and "Share Repurchases").

Cash used in financing activities for the quarter ended March 31, 2025 was $30,213, due to net payments on debt of $26,600 (see "Long-Term and Short-Term Debt"), payments of dividends and dividend equivalents of $2,578 (see "Dividends and Dividend Equivalents"), and repurchases of Common Stock of $1,035 (see "Treasury Purchases" and "Share Repurchases").

**Treasury Purchases.** 107,631 RSUs vested and converted to shares of Common Stock for employees during the quarter ended March 31, 2026, of which we withheld and purchased for treasury 34,415 shares valued at $886 to cover payment of associated withholding taxes.

105,776 RSUs vested and converted to shares of Common Stock for employees during the quarter ended March 31, 2025, of which we withheld and purchased for treasury 31,631 shares valued at $1,035 to cover payment of associated withholding taxes.

**Share Repurchases.** On February 29, 2024, we announced that our Board of Directors approved a $100,000 share repurchase program. Under the share repurchase program, we can repurchase stock from time to time for cash in open market purchases, privately negotiated transactions, or by other means, in accordance with applicable securities laws and other legal requirements. The repurchase program has no expiration date and may be modified, suspended, or discontinued at any time by the Company without prior notice. During the quarter ended March 31, 2026 and 2025 we did not repurchase any shares of Common Stock under the share repurchase program. As of March 31, 2026, there was approximately $53,412 remaining under the share repurchase program.

**Dividends and Dividend Equivalents**

**Dividend and Dividend Equivalent Information (per Share and Unit)**

| Declaration date | Record date | Payment date | Declared[(a)] | Paid[(a)] | Dividend payment | Dividend equivalent payment[(b)] | Total payment |
|---|---|---|---|---|---|---|---|
| **2026** | | | | | | | |
| February 25, 2026 | March 13, 2026 | March 27, 2026 | **$ 0.12** | **$ 0.12** | **$ 2,564** | **$ 34** | **$ 2,598** |
| | | | | | | | |
| 2025 | | | | | | | |
| February 26, 2025 | March 14, 2025 | March 28, 2025 | $ 0.12 | $ 0.12 | $ 2,553 | $ 25 | $ 2,578 |

(a) Per share amount.
(b) Dividend equivalent payments on unvested participating securities.

On April 29, 2026, we announced a dividend payable to stockholders of record of our Common Stock, resulting in dividend equivalents payable to certain RSU holders, of $0.12 per share and per RSU. The dividend and dividend equivalents are payable on May 29, 2026 to stockholders of record and certain RSU holders as of May 15, 2026.

**Long-Term and Short-Term Debt.** We maintain debt levels we consider appropriate after evaluating a number of factors, including cash flow expectations, cash requirements for ongoing operations, investment and financing plans (including brand development, merger and acquisition, Board-approved dividends, and share repurchase activities), and the overall cost of capital. Total debt was $244,958 (net of unamortized loan fees of $7,492) at March 31, 2026, and $252,318 (net of unamortized loan fees of $7,732) at December 31, 2025. We had net payments on debt of $7,600 and $26,600 for quarter ended March 31, 2026 and 2025, respectively.

## ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to commodity price and interest rate market risks. We monitor and manage these exposures as part of our overall risk management program. Our risk management program focuses on the unpredictability of financial markets with the goal to reduce the potentially adverse effects that the volatility of these markets may have on our operating results and financial condition.

**Commodity Costs.** Certain commodities we use in our production process, or input costs, expose us to market price risk due to volatility in the prices for those commodities. Through our grain supply contracts for our Lawrenceburg facility, our wheat flour supply contract for our Atchison facility, and our natural gas contracts for both facilities, we purchase grain, wheat flour, and natural gas, respectively, for delivery from one to 24 months into the future at negotiated prices. We have determined that the firm commitments to purchase grain, wheat flour, and natural gas under the terms of our supply contracts meet the normal purchases and sales exception as defined under Accounting Standards Codification 815, *Derivatives and Hedging*, because the quantities involved are for amounts to be consumed within the normal expected production process.

**Interest Rate Exposures.** Our various debt agreements (see Note 4, Corporate Borrowings) expose us to market risks arising from adverse changes in interest rates. Established procedures and internal processes govern the management of this market risk.

Increases in market interest rates would cause interest expense under our variable interest rate debt to increase and earnings before income taxes to decrease. The change in interest expense and earnings before income taxes would be dependent upon the weighted average outstanding borrowings under variable interest rate debt during the reporting period following an increase in market interest rates. Based on weighted average outstanding variable-rate borrowings at March 31, 2026, a 100 basis point increase over the current rates actually in effect at such date would increase our interest expense on an annual basis by $360. Based on weighted average outstanding fixed-rate borrowings at March 31, 2026, a 100 basis point increase in market rates would result in a decrease in the fair value of our outstanding fixed-rate debt of $16,805, and a 100 basis point decrease in market rates would result in an increase in the fair value of our outstanding fixed-rate debt of $19,445.

## ITEM 4. CONTROLS AND PROCEDURES

**Evaluation of Disclosure Controls and Procedures.** As of March 31, 2026, our Chief Executive Officer and Chief Financial Officer have each reviewed and evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (as amended, the “Exchange Act”)). Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have each concluded that our current disclosure controls and procedures are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and include controls and procedures designed to ensure that information required to be disclosed by us in such reports is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

**Changes in Internal Control.** There were no changes in our internal control over financial reporting during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

# PART II. OTHER INFORMATION

## ITEM 1. LEGAL PROCEEDINGS

Reference is made to Part I, Item 3, Legal Proceedings of our Annual Report on Form 10-K for the year ended December 31, 2025, and Note 7 in this Report for information on certain proceedings to which we are subject.

## ITEM 1A. RISK FACTORS

Risk factors are described in “Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2025.

## ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

**Issuer Purchases of Equity Securities**

| | Total Number of Shares (or Units) Purchased | Average Price Paid per Share (or Unit) | Total Number of Shares (or Units) Purchased as Part of Publicly Announced Plans or Programs (1) | Maximum Number (or Approximate Dollar Value) of Shares (or Units) that May Yet Be Purchased Under the Plans or Programs (in thousands) (1) |
|---|---|---|---|---|
| **January 1, 2026 through January 31, 2026** | — | $ — | — | $ 53,412 |
| **February 1, 2026 through February 28, 2026** | — | — | — | 53,412 |
| **March 1, 2026 through March 31, 2026** | — | — | — | 53,412 |
| **Total** | — | | — | |

(1) On February 29, 2024, we announced that our Board of Directors approved a $100,000 share repurchase program. The repurchase program has no expiration date and may be modified, suspended, or discontinued at any time by the Company without prior notice.

## ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

## ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

## ITEM 5. OTHER INFORMATION

During the quarter ended March 31, 2026, none of our directors or officers adopted, modified, or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangements” (each as defined in Item 408(a) of Regulation S-K).

## ITEM 6. EXHIBITS

| Exhibit Number | Description of Exhibit |
|---|---|
| *10.1 | Form of Non-Qualified Stock Option Agreement between Julie Francis and MGP Ingredients, Inc. |
| *31.1 | CEO Certification pursuant to Rule 13a-14(a) |
| *31.2 | CFO Certification pursuant to Rule 13a-14(a) |
| **32.1 | CEO Certification furnished pursuant to Rule 13a-14(b) and 18 U.S.C. 1350 |
| **32.2 | CFO Certification furnished pursuant to Rule 13a-14(b) and 18 U.S.C. 1350 |
| *101 | The following financial information from MGP Ingredients, Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, formatted in iXBRL (Inline Extensible Business Reporting Language) includes: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Income, (iii) Condensed Consolidated Statements of Comprehensive Income, (iv) Condensed Consolidated Statements of Cash Flows, (v) Condensed Consolidated Statements of Changes in Stockholders' Equity, and (vi) the Notes to Unaudited Condensed Consolidated Financial Statements. |
| *104 | Cover Page Interactive Data Filed - formatted in iXBRL (Inline Extensible Business Reporting Language) and contained in Exhibit 101 |
| * Filed herewith<br>**Furnished herewith | |

## SIGNATURES

Pursuant to the requirements on the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

| | | | |
|---|---|---|---|
| | | MGP INGREDIENTS, INC. | |
| Date: | April 29, 2026 | By | /s/ Julie Francis |
| | | | Julie Francis, President and Chief Executive Officer |
| Date: | April 29, 2026 | By | /s/ Brandon M. Gall |
| | | | Brandon M. Gall, Chief Financial Officer |

**MGP INGREDIENTS, INC.**
**2024 EQUITY INCENTIVE PLAN**

**Non-Qualified Stock Option Agreement**

In accordance with and subject to the terms and restrictions set forth in the MGP Ingredients, Inc. 2024 Equity Incentive Plan (the "Plan"), and this Agreement, MGP Ingredients, Inc., a Kansas corporation (the "Company"), hereby grants to the participant named below ("Participant") the number of Stock Options ("Options") set forth below:

| | |
|---|---|
| Name of Participant: Julie Francis | |
| No. of Shares Covered: 150,000 | Grant Date: __________, 2026 |
| Exercise Price Per Share: $[______] | Expiration Date: __________, 2036 |

**NOW, THEREFORE**, the Company and Participant hereby agree to the following terms and conditions:

1. **Definitions**. Unless otherwise defined in this Agreement, defined terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan. For purposes of this Agreement, "Service" and "Continuous Service" shall refer to the provision of services by the Participant in the capacity of an Employee, and not in any other Service Provider capacity, and a "Separation from Service" shall mean a termination of Participant's Service as an Employee.

2. **Construction**. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

3. **Grant of Options**. Pursuant to action of the Board, as of the Grant Date identified above, the Company awards to Participant the number of Options identified above. The Options are subject to all of the terms and provisions of the Plan, which is incorporated herein by reference.

4. **Non-Qualified Stock Option**. The Options are not intended to be "incentive stock options" within the meaning of Section 422 of the Internal Revenue Code and will be interpreted accordingly.

5. **Vesting and Exercisability of Options; Fractional Options**. Provided that Participant provides Continuous Service until each vesting date, fifty percent (50%) of the Options awarded under this Agreement will vest on the third (3rd) anniversary of the Grant Date and fifty percent (50%) of the Options awarded under this Agreement will vest on the fourth (4th) anniversary of the Grant Date (each such date, a "Vesting Date").

6. **Forfeiture**. Prior to a Vesting Date, if Participant's Service with the Company, or an Affiliate thereof, is terminated, other than by reason of an exception described in Section 7, then any Options which have not yet vested shall be forfeited by Participant and Participant shall thereafter have no right, title or interest whatever in such forfeited Options.

**7. Exception to Forfeiture in Event of Death, Disability, Retirement, or Qualifying Termination Following a Change in Control.**

(a) To the extent provided by this Section 7, no forfeiture of any Options shall occur if Participant's Separation from Service is on account of Disability, death, Retirement, or a Qualifying Termination within 18 months following a Change in Control.

(b) If the Participant incurs a Disability, or dies, all outstanding Options will vest and become exercisable on the date of the death or Disability and shall remain exercisable as set forth in Section 8.

(c) If Participant's Separation from Service occurs on account of Retirement, all outstanding Options will vest and become exercisable on the date of the Participant's Retirement, and shall remain exercisable as set forth in Section 8. "Retirement" for purposes of this Agreement shall mean Participant's Separation from Service with the Company or an Affiliate at least one (1) year following the Grant Date and on or after the date Participant attains the age of 60 and completes five (5) years of Service with the Company or an Affiliate.

(d) Vesting Upon Qualifying Termination Following a Change in Control. In the event that the vesting and exercisability of this Award is not subject to acceleration pursuant to Section 12(b)(2) of the Plan, and Participant experiences a Qualifying Termination within 18 months following a Change in Control, all outstanding Options will vest and become exercisable at the time of such Qualifying Termination and shall remain exercisable as set forth in Section 8.

For purposes of this Agreement, "Qualifying Termination" means Participant's: (a) involuntary Separation from Service by the Company without Cause (but not as a result of Participant's death or Disability); or (b) voluntary Separation from Service by Participant as a result of Good Reason.

For purposes of this Agreement, "Cause" and "Good Reason" shall have the same definitions provided in any employment agreement or severance agreement applicable to Participant, or in the absence of such an applicable agreement, the MGP Ingredients, Inc. Executive Severance Plan, if Participant is an eligible participant in such severance plan. In the absence of any such applicable definition of "Cause" or "Good Reason," the following definitions shall apply:

"Cause" means Participant's:

(1) failure to substantially perform his or her duties after reasonable notice and opportunity to cure such failure to perform (other than any such failure resulting from incapacity due to physical or mental illness);

(2) failure to comply with any valid and legal directive of the Board or the person to whom Participant reports;

(3) engagement in dishonesty, illegal conduct or gross misconduct, which is, in each case, materially injurious to the Company or its Affiliates;

(4) embezzlement, misappropriation or fraud, whether or not related to Participant's employment with the Company;

(5) conviction of or plea of guilty or nolo contendere to a crime that constitutes a felony (or state law equivalent) or a crime that constitutes a misdemeanor involving moral turpitude, if such felony or other crime is work-related, materially impairs Participant's ability to perform services for the Company or results in reputational or financial harm to the Company or its Affiliates;

(6) material violation of the Company's written policies or codes of conduct, including written policies related to discrimination, harassment, performance of illegal or unethical activities, and ethical misconduct; or

(7) engagement in conduct that brings or is reasonably likely to bring the Company negative publicity or into public disgrace, embarrassment, or disrepute.

"Good Reason" means the occurrence of any of the following:

(1) Participant is either (i) not offered a position of equal or greater responsibility immediately after the Change in Control as compared to Participant's position immediately prior to the Change in Control or, (ii) following the Change in Control, demoted to a position of materially lower responsibility than that position originally offered and accepted by Participant in connection with the Change in Control;

(2) At least a 15% decrease in Participant's total direct compensation, which is composed of annual base salary, target annual incentives and target long-term incentives, and excludes all other employee benefits, immediately after the Change in Control as compared with Participant's total direct compensation in effect immediately prior to the Change in Control; or

(3) Participant is required to relocate Participant's principal place of employment by more than 75 miles;

provided, however, in no event shall there be Good Reason unless Participant has provided written notice to the Corporate Secretary of the Company or to the head of the human resources department of the existence of the circumstances providing grounds for termination for Good Reason within 30 days of the initial existence of such grounds and the Company has had at least 30 days from the date on which such notice is provided to cure such circumstances, if curable. If Participant does not terminate his or her employment for Good Reason within 90 days after the first occurrence of the applicable grounds, then Participant will be deemed to have waived his or her right to terminate for Good Reason with respect to such grounds.

8. **Expiration**. Except as provided in this Section 8, vested Options may be exercised only while Participant remains in Continuous Service from the Grant Date. This Award of Options will expire and will no longer be exercisable at 5:00 p.m. Eastern Time on the earliest of:

(a) The expiration date specified on the first page of this Agreement;

(b) In the event of Participant's Separation from Service for any reason other than death, Disability, Retirement, a Qualifying Termination within 18 months following a Change in Control, or Cause, vested and exercisable Options shall remain exercisable for a period of three (3) months after the date of such termination. However, if the Participant dies after the Separation from Service and during such three (3)-month period, the vested and exercisable portions of the Options may be exercised for a period of twelve (12) months after the date of such Separation from Service;

(c) In the event of Participant's Separation from Service due to death, Disability, Retirement, or a Qualifying Termination within 18 months following a Change in Control, vested and exercisable Options shall remain exercisable for a period of twelve (12) months after the date of such Separation from Service;

(d) Upon Participant's Separation from Service for Cause; or

(e) The date (if any) fixed for termination or cancellation of this Award pursuant to Section 12 of the Plan.

9. **Exercise of Option**. Subject to Section 8, the vested and exercisable Options may be exercised in whole or in part at any time during the Option Award term by delivering a written or electronic notice of exercise via an electronic platform maintained by the Company or a third party administrator engaged by the Company, or such other party as may be designated by the head of the Human Resources department in writing, and by providing for payment of the exercise price of the Shares being acquired and any related withholding taxes. The notice of exercise must be in a form approved by the Company and state the number of Shares to be purchased, the method of payment of the aggregate exercise price and the directions for the delivery of the Shares to be acquired, and must be signed or otherwise authenticated by the person exercising the Options. If Participant is not the person exercising the Options, the person submitting the notice also must submit appropriate proof of his/her right to exercise the Options.

10. **Payment of Exercise Price**. When Participant submits Participant's notice of exercise, Participant must include payment of the exercise price of the Shares being purchased through one or a combination of the following methods:

(a) Cash (including personal check, cashier's check or money order); or

(b) By authorizing the Company to retain, from the total number of Shares as to which the Options are being exercised, that number of Shares having a Fair Market Value on the date of exercise equal to the exercise price for the total number of Shares as to which the Option is being exercised.

11. **Delivery of Shares; Compliance with Laws.** As soon as practicable after the Company receives the notice of exercise and payment of the exercise price as provided above, and has determined that all other conditions to exercise, including satisfaction of withholding tax obligations and compliance with all applicable requirements of federal, state, or foreign law with respect to such securities, including requirements as amended after grant of the Options, have been satisfied, it shall deliver to the person exercising the Options, in the name of such person, the Shares being purchased, as evidenced by issuance of a stock certificate or certificates, electronic delivery of such Shares to a brokerage account designated by such person, or book-entry registration of such Shares with the Company's transfer agent. No Shares may be issued pursuant to exercise of an Option if the issuance of such Shares would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Shares may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of Shares upon exercise of Options shall relieve the Company of any liability in respect of the failure to issue Shares as to which such requisite authority shall not have been obtained. The Company shall pay any original issue or transfer taxes with respect to the issue or transfer of the Shares and all fees and expenses incurred by it in connection therewith. All Shares so issued shall be fully paid and nonassessable.

12. **Tax Withholding**. Subject to the rights and limitations under the Plan, at the time of Participant's exercise of Options, Participant hereby authorizes the Company to retain a portion of the Shares being acquired upon exercise of the Options, as may be required to satisfy the federal, state, local and foreign tax withholding obligations of the Company, if any, which arise in connection with the exercise of the Options. The Company shall reduce the number of Shares issued to Participant upon the exercise of Options by the number of Shares required to cover the tax withholding as of such date, such Shares to be valued at their Fair Market Value on the applicable valuation date for tax purposes. Delivery of Shares upon exercise of the Options is subject to the satisfaction of applicable withholding tax obligations.

13. **Restriction on Transfer of Options**. During Participant's lifetime, only Participant (or the Participant's guardian or legal representative in the event of legal incapacity) may exercise the Options. Participant may not sell, assign, transfer, pledge, hypothecate, or otherwise dispose of the Options except for a transfer upon Participant's death in accordance with Participant's will, or by the laws of descent and distribution. The Options held by any such transferee will continue to be subject to the same terms and conditions that were applicable to the Options immediately prior to its transfer and may be exercised by such transferee as and to the extent that the Options have become exercisable and has not terminated in accordance with the provisions of the Plan and this Agreement. Any disposition or purported disposition made in violation of this Section 13 shall be null and void, and the Company shall not recognize or give effect to such disposition on its books and records.

14. **Employment**. This Agreement shall not give Participant any right to continued employment or service with the Company or any Affiliate, and the Company or any Affiliate employing Participant may terminate such employment or service or otherwise treat Participant without regard to the effect it may have upon Participant or any Options under this Agreement.

15. **Covenants**. Participant acknowledges that Participant's agreement to this Section 15 is a key consideration for the Award made under this Agreement. Participant hereby agrees to abide by the covenants set forth in this Section 15. For purposes of this Section 15, the "Company" includes all Affiliates.

(a) Covenant Against Solicitation of Employees. Participant acknowledges and agrees that, during the period of Participant's employment and for two (2) years after his or her Separation from Service, regardless of whether termination is voluntary or involuntary, Participant will not directly or indirectly: (a) recruit, solicit, or otherwise induce any employee of the Company to leave the employment of the Company or to become an employee of or otherwise be associated with Participant or any company or business with which Participant is or may become associated; or (b) hire any employee of the Company as an employee or otherwise in any company or business with which Participant is or may become associated.

(b) Covenant Against Solicitation of Customers. During the period of Participant's employment and for two (2) years after his or her Separation from Service, regardless of whether termination is voluntary or involuntary, Participant acknowledges and agrees that he or she will not, directly or indirectly, on his or her own behalf or on behalf of any other person or entity, solicit or enter into any arrangement with any person or entity that is, at the time of the solicitation, a customer of the Company for purposes of engaging in any business transaction of the nature performed by the Company, or contemplated to be performed by the Company, provided that this Section 15(b) shall only apply to any customer to which, within twenty-four (24) months prior to Participant's last day of employment with the Company, Participant: (a) provided products or services in connection with his or her employment for the Company; (b) provided written proposals about products or services in connection with his or her employment for the Company; or (c) possessed Confidential Information.

(c) Covenant Against Disclosure of Confidential Information. Participant acknowledges and agrees that it has entered into that certain Acknowledgement and Agreement Regarding Confidentiality and Nonsolicitation Obligations and Code of Conduct (the "Acknowledgment and Agreement") and hereby covenants and agrees to abide by the terms of that agreement.

(d) Covenant Regarding Company Property. Participant acknowledges and agrees that as between Participant and the Company, all "Confidential Information" (as that term is defined in the Acknowledgement and Agreement and as it may be amended from time to time) is the sole and exclusive property of the Company and the Company's nominee(s) or assign(s). Participant hereby assigns and agrees to assign to the Company any rights Participant may have or may acquire in such Confidential Information.

In the event that Participant conceives or develops, in whole or in part, any inventions, discoveries, ideas, concepts, strategies, plans, processes, systems, products, services, know-how, technology, writings, expressions, designs, artwork, graphics, names, or other proprietary developments while employed by the Company that (a) directly or indirectly relate in any way to or arise out of Participant's job responsibilities or the performance of the duties or assigned tasks of Participant with the Company; or (b) directly or indirectly relate or pertain in any way to the existing or reasonably anticipated business, products, services, or other activities of the Company; or (c) were otherwise conceived or developed, in whole or in part, using Company time or materials or based upon Confidential Information (collectively, the "Developments"), all right, title, and interest in and to the Developments including, without limitation, all patent, copyright, trademark, trade secret and other proprietary rights therein shall become the sole and exclusive property of the Company or the Company's nominee(s) or assign(s). Participant acknowledges that any Developments subject to copyright protection shall be considered "works-for-hire" on behalf of the Company as such term is defined under the copyright laws of the United States. All right, title and interest in such Developments or components thereof shall automatically vest in the Company and the Company shall be the author and exclusive owner thereof including, without limitation, all copyrights (and renewals and extensions thereof), merchandising and allied, ancillary and subsidiary rights therein. To the extent that any of the Developments, or any portion thereof, may not qualify as a work-for-hire or for copyright protection, Participant hereby irrevocably assigns and agrees to assign in the future all right, title, and interest in and to the Developments to the Company or the Company's nominee(s) or assign(s), including, without limitation, all patent, copyright, trademark, trade secret and any and all other proprietary rights therein.

Participant will keep and maintain adequate and current written records of the conception and development of Developments in the form of notes, sketches, drawings, reports or other documents relating thereto, which records shall be and shall remain the sole and exclusive property of the Company and shall be available to the Company at all times.

Participant further agrees to execute and deliver all documents and do all acts that the Company shall deem necessary or desirable to secure to the Company or its nominee(s) or assignee(s) the entire right, title and interest in and to the Confidential Information and Developments, at the Company's expense. Participant further agrees to cooperate with the Company as reasonably necessary to maintain or enforce the Company's rights in the Confidential Information and Developments.

In the event Participant's employment terminates, Participant shall promptly deliver to the Company the originals and all copies of all Confidential Information, Developments and other materials and property of any nature belonging to the Company and obtained during the course of, or as a result of, Participant's employment with the Company. In addition, upon such termination, Participant shall not remove from the premises of the Company any of its documents or property.

(e) Non-Disparagement. Participant agrees, that after his or her Separation from Service, Participant will not disparage the Company or any of its directors, officers, executives, employees, agents or other Company representatives ("Related Parties"), or make or solicit any comments to the media or others that may be considered derogatory or detrimental to the good business name or reputation of the Company or Related Parties. This clause has no application to any communications with the Equal Employment Opportunity Commission or any state or local agency responsible for investigation and enforcement of discrimination laws.

(f) Reasonableness; Modifications. Participant agrees that the covenants contained in this Section 15 are necessary to protect the Company's legitimate and protectable business interests, including without limitation the misuse or inappropriate disclosure of the Company's trade secrets and confidential information, and are reasonable with respect to their duration and scope. Participant acknowledges and agrees that a breach or threatened breach by Participant of his or her obligations under this Section 15 would give rise to irreparable harm to the Company for which monetary damages would not be an adequate remedy. If, at the time of enforcement of this Section 15, a court holds that any restriction identified herein is unreasonable under the circumstances then existing, the Company and Participant agree that such restriction shall be modified by the court such that the maximum period or scope legally permissible under such circumstances will be substituted for the period or scope identified herein.

(g) Remedies.

(1) Notwithstanding anything herein to the contrary, if Participant violates any provision of this Section 15:

A. Participant shall forfeit all rights to payments or benefits under the Plan and this Agreement, and all unvested Options, and any vested but not exercised Options shall be forfeited; and

B. the Committee may require Participant to return Shares received pursuant to the exercise of Options granted under this Agreement or repay to the Company an amount up to the difference between the exercise price and the current value of Shares received pursuant to the exercise of Options granted under this Agreement.

(2) The remedies provided in Section 15(g)(1) shall be without prejudice to the rights of the Company to recover any losses resulting from the applicable conduct of Participant, and shall be in addition to any other remedies the Company may have resulting from such conduct. If a breach or a threatened breach by Participant of any such obligations occurs, the Company will, in addition to any and all other rights and remedies that may be available at law, in equity or otherwise in respect of such breach, (A) be entitled to equitable relief, including a temporary restraining order, an injunction, specific performance and any other relief that may be available from a court of competent jurisdiction, without any requirement to (i) post a bond or other security, or (ii) prove actual damages or that monetary damages will not afford an adequate remedy; and (B) subject to applicable law, the Company shall have the right to offset the amount of damages against any amounts otherwise owed to Participant by the Company (including, but not limited to, wages or other compensation, vacation pay, fringe benefits or pursuant to any other compensatory arrangement).

(h) Survival. Participant's obligations in this Section 15 shall survive and continue beyond settlement of all Awards under the Plan and any termination or expiration of this Agreement for any reason.

(i) Tolling. The restricted period for each of the covenants in this Agreement shall be tolled during (a) any period(s) of violation that occur during the original restricted period; and (b) any period(s) of time required by litigation to enforce the covenant (other than any periods during which Participant is enjoined from engaging in the prohibited activity and is in compliance with such order of enjoinment) provided that the litigation is filed within one year following the end of the two-year period immediately following the cessation of employment.

(j) Limitations. Notwithstanding any other provision in this Agreement to the contrary, nothing in this Agreement prohibits Participant from (a) reporting possible violations of federal or state law or regulation to any government agency or entity, including the EEOC, DOL, Department of Justice, Securities and Exchange Commission, Department of Defense, Congress, and any agency Inspector General ("Governmental Agencies"), (b) communicating with any Government Agencies or otherwise participating in any investigation or proceedings that may be conducted by any Governmental Agency, including providing documents or other information, without notice to the Company, or (c) making other disclosures that are protected under the whistleblower provisions of applicable law. Participant shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state or local government official either directly or indirectly, or to an attorney, and is made solely for the purpose of reporting or investigating a suspected violation of law or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

16. **Acknowledgement**. The Company and Participant acknowledge that the entire distilled spirits industry as well as the Company are facing cyclical challenges including supply and demand considerations. Successfully addressing those challenges will require sustained executive leadership, strategic focus, and operational execution. At the same time, the Company and Participant recognize that the prolonged industry challenges have depressed the value of Participant's sign-on equity awards to below a market competitive value. In light of these considerations and requirements, the Company desires to take additional steps (including the Options granted pursuant to this Agreement as well as previously approved base salary and target annual incentive award enhancements) in order to incentivize and retain Participant's continued leadership and support creation of long-term shareholder value. The Company and Participant mutually acknowledge that these actions appropriately and completely address all matters arising from the hiring and employment of Participant.

17. **Other Benefit and Compensation Programs**. This Award and the Options shall not be deemed a part of Participant's regular, recurring compensation for purposes of the termination, indemnity, or severance pay law of any country and shall not be included in, nor have any effect on, the determination of benefits under any other Participant benefit plan, contract, or similar arrangement provided by the Company or any Affiliate unless expressly so provided by such other plan, contract, or arrangement, or unless the Committee determines that the Options, or a portion thereof, should be included to accurately recognize that the Option grant has been made in lieu of a portion of competitive cash compensation, if such is the case.

18. **No Stockholder Rights Before Exercise**. Neither Participant nor any permitted transferee of this Option will have any of the rights of a stockholder of the Company with respect to any Shares subject to this Option until the date of the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company or, if elected by the Company, the book entry representing such Shares. No adjustments shall be made for dividends, distributions, or other rights for which the applicable record date is prior to the date that such entry is made on the books.

19. **Legends**. The Company may at any time place legends or notations on the respective book entries, as applicable, referencing any applicable federal, state or foreign securities law restrictions on all book entries representing Shares issued pursuant to this Agreement.

20. **Interpretation of This Agreement**. All decisions and interpretations made by the Committee with regard to any question arising under this Agreement or the Plan shall be binding and conclusive upon the Company, any Affiliate and Participant. In the event that there is any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan shall govern and control.

21. **Book Entry**. Any book entry for the Shares delivered upon exercise of Options shall be registered in the name of Participant, or, if applicable, in the names of the heirs of Participant.

22. **WAIVER OF JURY TRIAL**. PARTICIPANT KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING, ACTION OR CLAIM ARISING OUT OF OR RELATED TO THIS AGREEMENT.

23. **Choice of Law, Forum and Jurisdiction**. This Agreement shall be governed by and construed in accordance with the laws of the State of Kansas. Participant and the Company agree that any proceedings to enforce the obligations and rights under this Agreement must be brought in the Kansas District Court located in Atchison County, Kansas, or in the United States District Court for the District of Kansas in Kansas City, Kansas. Participant agrees and submits to personal jurisdiction in either court. Participant and Company further agree that this Choice of Forum and Jurisdiction is binding on all matters related to Awards under the Plan and may not be altered or amended by any other arrangement or agreement (including an employment agreement) without the express written consent of Participant and the Company.

24. **Attorney's Fees**. Participant and the Company agree that in the event of litigation to enforce the terms and obligations under this Agreement, the party prevailing in any such cause of action will be entitled to reimbursement of reasonable attorney's fees.

25. **Miscellaneous**. This Agreement is entered into pursuant to the Plan and is subject to all of the terms and conditions contained in the Plan. By acceptance hereof, Participant agrees and accepts this Agreement subject to the terms of the Plan. This Agreement shall be binding upon and inure to the benefit of any successor of the Company. This Agreement contains all terms and conditions with respect to the subject matter hereof; provided, however, if Participant has entered into or in the future enters into any other written agreement(s) with the Company or any Affiliate concerning non-disclosure of confidential information, non-solicitation, or other subject matter that is addressed in this Agreement, then this Agreement and any such other agreement(s) shall be interpreted collectively to provide the maximum protection available to the Company and its Affiliates under applicable law. No amendment, modification or other change hereto shall be of any force or effect unless and until set forth in a writing executed by Participant and the Company.

26. **Compensation Recovery Policy**. This Award of Options and any compensation associated therewith shall be subject to potential forfeiture or recovery by the Company in accordance with any compensation forfeiture or recovery policy adopted by the Board or the Committee, including but not limited to, a policy adopted in response to the requirements of Section 10D of the Exchange Act, the Securities and Exchange Commission's final rules thereunder, any listing rules of any national securities exchange on which the Company's Shares are then listed, other rules and regulations implementing the foregoing, or as otherwise required by law or stock exchange rules, as such policy or policies may be in effect from time to time. This Agreement will be automatically amended to comply with any such compensation recovery policy.

27. **Acknowledgement of Covenants and Waivers**.

(a) By signing below, Participant agrees to all of the terms and conditions contained in this Agreement and in the Plan document. Participant acknowledges that Participant has received and reviewed this Agreement and that a copy of the Plan is available for review, and these documents set forth the entire agreement between Participant and the Company regarding this Award of Options.

(b) Participant understands that by signing this Agreement, Participant agrees to all of its terms, including, but not limited to, the covenants set forth in Section 15, the Choice of Forum and Jurisdiction set forth in Section 23, and the Waiver of Jury Trial set forth in Section 22 of this Agreement.

MGP INGREDIENTS, INC.

By: ____________________
Name:
Title:___________________

PARTICIPANT:

_____________________
Name: Julie Francis

**Exhibit 31.1**

**CERTIFICATION**

I, Julie Francis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of MGP Ingredients, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonable likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2026

/s/ Julie Francis

Julie Francis, President and Chief Executive Officer

**Exhibit 31.2**

**CERTIFICATION**

I, Brandon M. Gall, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of MGP Ingredients, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonable likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2026

/s/ Brandon M. Gall

Brandon M. Gall, Chief Financial Officer

**Exhibit 32.1**

**CERTIFICATION**

**OF**

**PERIODIC REPORT**

I, Julie Francis, President and Chief Executive Officer; of MGP Ingredients, Inc. (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 29, 2026

/s/ Julie Francis

Julie Francis
President and Chief Executive Officer

[A signed original of this written statement required by Section 906 has been provided to MGP Ingredients, Inc. and will be retained by MGP Ingredients, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.]

**Exhibit 32.2**

**CERTIFICATION**

**OF**

**PERIODIC REPORT**

I, Brandon M. Gall, Chief Financial Officer of MGP Ingredients, Inc. (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: April 29, 2026

/s/ Brandon M. Gall

Brandon M. Gall
Chief Financial Officer

[A signed original of this written statement required by Section 906 has been provided to MGP Ingredients, Inc. and will be retained by MGP Ingredients, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.]