Cal-Maine Foods, Inc. Announces $23.0 Million Capital Project to Expand Cage-Free Production in Florida

October 25, 2021

RIDGELAND, Miss.--(BUSINESS WIRE)--Oct. 25, 2021-- Cal-Maine Foods, Inc. (NASDAQ: CALM) today announced that its Board of Directors has approved a $23.0 million capital project to expand the Company's cage-free egg production at its Okeechobee, Florida, production facility. The project will include the construction of two cage-free layer houses and one cage-free pullet house with capacity for approximately 400,000 cage-free hens and 210,000 pullets, respectively. Construction will commence immediately with first pullet placements planned by mid-May 2022 and the first layer house finished by October 1, 2022, with the second layer house and project completion expected by February 1, 2023. The Company plans to fund the project through a combination of available cash on hand, investments and operating cash flow.

Commenting on the announcement, Dolph Baker, chairman and chief executive officer of Cal-Maine Foods, Inc., stated, "This most recent expansion project in Florida supports our strategy to position Cal-Maine Foods as an industry leader in meeting the growing demand for specialty egg offerings, including cage-free eggs. We have a strong market presence in Florida with a large customer base served by the Okeechobee location. This expansion will further enhance our ability to serve this important market region with production and distribution in proximity to our customers. We have invested approximately $482 million since 2008 in facilities, equipment and related operations to expand our cage-free production and distribution capabilities. We are committed to meeting the needs of our valued customers and will continue to identify further growth opportunities in tandem with expanding consumer demand and state requirements for cage-free eggs."

Cal-Maine Foods, Inc. is primarily engaged in the production, grading, packing, marketing and sale of fresh shell eggs, including conventional, cage-free, organic, pasture-raised, free-range and nutritionally enhanced eggs. The Company, which is headquartered in Ridgeland, Mississippi, is the largest producer and distributor of fresh shell eggs in the United States and sells the majority of its shell eggs in states across the southwestern, southeastern, mid-western and mid-Atlantic regions of the United States.

Statements contained in this press release that are not historical facts are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements are based on management's current intent, belief, expectations, estimates and projections regarding our company and our industry. These statements are not guarantees of future performance and involve risks, uncertainties, assumptions and other factors that are difficult to predict and may be beyond our control. The factors that could cause actual results to differ materially from those projected in the forward-looking statements include, among others, (i) the risk factors set forth in the Company's SEC filings (including its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K), (ii) the risks and hazards inherent in the shell egg business (including disease, pests, weather conditions and potential for recall), (iii) changes in the demand for and market prices of shell eggs and feed costs, (iv) our ability to predict and meet demand for cage-free and other specialty eggs, (v) risks, changes or obligations that could result from our future acquisition of new flocks or businesses and risks or changes that may cause conditions to completing a pending acquisition not to be met,(vi) risks relating to the evolving COVID-19 pandemic, and (vii) adverse results in pending litigation matters. SEC filings may be obtained from the SEC or the Company's website, www.calmainefoods.com. Readers are cautioned not to place undue reliance on forward-looking statements because, while we believe the assumptions on which the forward-looking statements are based are reasonable, there can be no assurance that these forward-looking statements will prove to be accurate. Further, the forward-looking statements included herein are only made as of the respective dates thereof, or if no date is stated, as of the date hereof. Except as otherwise required by law, we disclaim any intent or obligation to publicly update these forward-looking statements, whether as a result of new information, future events or otherwise.

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