Cal-Maine Foods, Inc. Reports Positive Test Result for Avian Influenza at Texas Facility

April 2, 2024

RIDGELAND, Miss.--(BUSINESS WIRE)--Apr. 2, 2024-- Cal-Maine Foods, Inc. (NASDAQ: CALM) (“Cal-Maine Foods” or “Company”) today reported that one of the Company’s facilities located in Parmer County, Texas, tested positive for highly pathogenic avian influenza (“HPAI”), resulting in depopulation of approximately 1.6 million laying hens and 337,000 pullets, or approximately 3.6% of the Company’s total flock as of March 2, 2024. Production at the facility has temporarily ceased as the Company follows the protocols prescribed by the USDA. Cal-Maine Foods is working to secure production from other facilities to minimize disruption to its customers.

The Company remains dedicated to robust biosecurity programs across its locations; however, no farm is immune from HPAI. HPAI is still present in the wild bird population and the extent of possible future outbreaks, with heightened risk during the migration seasons, cannot be predicted. According to the U.S. Centers for Disease Control and Prevention, the human health risk to the U.S. public from HPAI viruses is considered to be low. Also, according to the USDA, HPAI cannot be transmitted through safely handled and properly cooked eggs. There is no known risk related to HPAI associated with eggs that are currently in the market and no eggs have been recalled.

The Company continues to work closely with federal, state and local government officials and focused industry groups to mitigate the risk of future outbreaks and effectively manage the response.

The APHIS division of the USDA and individual states track and publicly report individual incidents of HPAI by location. The Company will provide updated information in its next quarterly report to be filed with the Securities and Exchange Commission and does not expect to provide interim updates unless material.

About Cal-Maine Foods

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.

Forward Looking Statements

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), including but not limited to the most recent outbreak of highly pathogenic avian influenza affecting poultry in the U.S., Canada and other countries that was first detected in commercial flocks in the U.S. in February 2022, (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 increased costs and higher and potentially further increases in inflation and interest rates, which began in response to market conditions caused in part by the COVID-19 pandemic and which generally have been exacerbated by the Russia-Ukraine war that began in February 2022, (vii) our ability to retain existing customers, acquire new customers and grow our product mix, and (viii) 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.

View source version on businesswire.com: https://www.businesswire.com/news/home/20240402477697/en/

Sherman Miller, President and CEO
Max P. Bowman, Vice President and CFO
(601) 948-6813

Source: Cal-Maine Foods, Inc.