



Cal-Maine Foods, Inc. Announces Strategic Investment in New Egg Products Joint Venture

September 9, 2024 at 4:05 PM EDT

RIDGELAND, Miss.--(BUSINESS WIRE)--Sep. 9, 2024-- Cal-Maine Foods, Inc. (NASDAQ: CALM) today announced that it has completed a strategic investment with Crepini LLC, establishing a new egg products and prepared foods joint venture. Crepini LLC, founded in 2007, has grown its brand throughout the United States and Mexico featuring egg wraps, protein pancakes, crepes, and wrap-ups, which are now sold online and in over 3,500 retail stores.

The new entity, located in Hopewell Junction, New York, will operate as Crepini Foods LLC ("Crepini"). Cal-Maine Foods will capitalize Crepini with approximately \$6.75 million in cash to purchase additional equipment and other assets and fund working capital in exchange for a 51% interest in the new venture. Crepini LLC will contribute its existing assets and business in exchange for a 49% interest in the new venture.

Commenting on the announcement, Sherman Miller, president and chief executive officer of Cal-Maine Foods, Inc., stated, "We are pleased to announce our strategic investment in Crepini, which aligns with our growth strategy to enhance our product portfolio and focus on value-added products and other egg product opportunities. We have a unique opportunity to leverage the established Crepini brand of quality products and extend our market reach to major retailers across the country. This new venture will complement our other egg product offerings from our growing Meadowcreek operation, which offers hard-cooked eggs for institutional, food service and retail needs. As consumer demand for affordable protein options, including egg products, continues to grow, Cal-Maine Foods is well positioned to meet this demand. We have a proven ability to derive value from our other strategic investments and believe there are significant opportunities to use our scale and established customer relationships to further expand our egg products business. We look forward to working with the Crepini team as we extend our leadership role in supporting the nation's food supply with a differentiated product mix."

"The Crepini team is looking forward to expanding our brand and offerings. We are excited to join the Cal-Maine Foods family, whose leadership team shares our values and approach to excellence," said Paula Rimer Shkolnik, chief executive officer of Crepini LLC. "This partnership will allow us to make our products available to more national and international customers and continue to provide innovations in the egg specialty products category."

About Cal-Maine Foods

Cal-Maine Foods, Inc. is primarily engaged in the production, grading, packaging, marketing and distribution of fresh shell eggs, including conventional, cage-free, organic, brown, free-range, pasture-raised and nutritionally enhanced eggs. The Company, which is headquartered in Ridgeland, Mississippi, is the largest producer and distributor of fresh shell eggs in the nation and sells most of its shell eggs throughout the majority of the United States.

About Crepini LLC

Crepini LLC is an innovator in egg wraps and products from the original Egg Wrap that is low carb, low calorie, gluten free and kosher to Protein Cakes with veggies and cheese which are high in protein and gluten free to Pancheesi® Protein pancakes made with cottage cheese, eggs and oats to Wrap-ups filled with protein powerhouses like salami, pepperoni, sausage, chorizo and a variety of cheeses. Crepini LLC is headquartered in Hopewell Junction, NY, and sells in the continental U.S. and Mexico.

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 current 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 and that first impacted our flocks in December 2023, (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 recent or future acquisitions 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 changes in inflation and interest rates, (vii) our ability to retain existing customers, acquire new customers and grow our product mix, (viii) adverse results in pending litigation matters, and (ix) global instability, including as a result of the war in Ukraine, the Israel-Hamas conflict and attacks on shipping in the Red Sea. 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.

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

Source: Cal-Maine Foods, Inc.