



Cal-Maine Foods Closes Acquisition of Echo Lake Foods

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RIDGELAND, Miss.--(BUSINESS WIRE)--Jun. 2, 2025-- Cal-Maine Foods, Inc. (NASDAQ: CALM) ("Cal-Maine Foods" or the "Company"), today announced the closing of its acquisition of Echo Lake Foods.

The Company announced in April that it signed a definitive agreement to acquire Echo Lake Foods in an all-cash transaction for approximately \$258 million, which is expected to provide a tax benefit of ~\$28 million equating to an effective purchase price of ~\$230 million. Echo Lake Foods produces, packages, markets and distributes ready-to-eat egg products and breakfast foods, including waffles, pancakes, scrambled eggs, frozen cooked omelets, egg patties, toast and diced eggs. Echo Lake Foods had annual revenues of approximately \$240 million in 2024 with a five-year CAGR of approximately 10%.

Highlights of the Transaction:

Compelling Strategic Rationale

- Allows Cal-Maine Foods to enter the large, growing and highly stable value-added food portion of the egg category
- Expands strategic customer relationships with retail, quick service restaurant and other food service customers
- Leverages Cal-Maine Foods' extensive sales and supply chain distribution capabilities

Attractive Financial Returns

- Provides access to additional long-term growth opportunities while reducing earnings volatility
- Estimated potential \$15 million annual synergy opportunity driven by egg purchasing efficiencies and SG&A savings
- Expected mid-single digit percentage accretion to EPS (including synergies) in FY2026.

Sherman Miller, president and chief executive officer of Cal-Maine Foods, stated, "The addition of Echo Lake Foods advances our stated strategy to expand and diversify our product portfolio and customer mix. Echo Lake Foods is a leading innovator with a long history of providing quality ready-to-eat egg products and breakfast foods to a blue-chip customer base. The combined product lines and capabilities of the two companies are highly complementary and, importantly, we share similar values of pursuing operating excellence and meeting the needs of our customers.

"The acquisition of Echo Lake Foods meets our disciplined set of investment criteria, including relevant geographic markets, operating synergies, product mix, proximity to customers and expected financial returns. The Echo Lake Foods team has built a terrific business and we look forward to working together on a successful integration, delivering on a unique opportunity for our customers and shareholders, and welcoming Kathy Brodhagen to our leadership team and Echo Lake employees to the Cal-Maine Foods family," added Miller.

Goldman Sachs & Co LLC is serving as Cal-Maine Foods, Inc.'s exclusive financial advisor while Sidley Austin LLP is serving as its lead legal advisor.

About Cal-Maine Foods

Cal-Maine Foods, Inc. is primarily engaged in the production, packaging, marketing and distribution of fresh shell eggs, including conventional, cage-free, organic, brown, free-range, pasture-raised and nutritionally enhanced eggs, as well as a variety of ready-to-eat egg products. 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.

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 the following, among others:

The announcement and completion of our recent Echo Lake Foods acquisition could affect the relationships of the Company (including Echo Lake Foods), with its customers, suppliers, operating results and business generally, including the ability of the Company to retain employees, including in its Echo Lake Foods unit. Also, the Company may experience unexpected challenges in integrating and managing the business of Echo Lake Foods. As a result, integrating Echo Lake Foods' business may be more costly or time consuming than expected.

Even if the business of Echo Lake Foods is successfully integrated, the Company may not realize the benefits it expects from the acquisition, including the synergies, cost savings, earnings accretion, reduction in earnings volatility, return of equity, margin expansion, financial returns, tax benefits, expanded customer relationships, or sales or growth opportunities.

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 made

only as of the respective dates thereof, or if no date is stated, as of the date hereof. Except as otherwise required by law, the Company disclaims any intent or obligation to publicly update these forward-looking statements, whether because of new information, future events, or otherwise.

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