Innovative Food Holdings, Inc. Reports Financial Results for Third Quarter of 2025

November 14, 2025

Key third quarter reported data points:

- *Revenue of $16.4 million, +3.5% vs. Q3 2024*
- *GAAP net income from continuing operations of $651 thousand vs. $861 thousand in Q3 2024*
- *GAAP net income from continuing operations per fully diluted share of $0.012 vs. $0.017 in Q3 2024*
- *Non-GAAP adjusted EBITDA of $321 thousand vs. $1 million in Q3 2024*
- *Subsequent Event: Announced new leadership in CEO Gary Schubert*

BROADVIEW, Ill., Nov. 14, 2025 (GLOBE NEWSWIRE) -- Innovative Food Holdings, Inc. (OTCQB: IVFH) ("we," "our," "us," "IVFH" or the "Company"), a national seller of gourmet specialty foods to professional chefs, today announced financial results for the third quarter ended September 30, 2025.

Gary Schubert, Chief Executive Officer of IVFH, remarked, "In Q3 2025, revenue from continuing operations increased by 3.5% year-over-year, primarily driven by contributions from the Golden Organics and LoCo Foods acquisitions. While overall results reflected modest growth, certain areas of the business remain challenged as we execute on a strategic realignment. Revenue from our Digital Channels segment declined by 4.5% for the quarter and 5.4% year-to-date, largely driven by continued softness with our largest digital partner. However, the Digital Channels decline has continued to moderate, and we are seeing encouraging momentum from newer partnerships. Our newest digital partner generated over $500,000 in sales during the quarter, and both that partner and Amazon, delivered triple-digit year-over-year growth. This momentum is helping diversify our revenue base and stabilize overall results within the digital segment, but we recognize that much work remains to be done. National Distribution, which includes our airline catering business was stable in Q3 and increased by 8.1% year-to-date. While Local Distribution increased by 33% in Q3 and 54.7% year-to-date, with acquisitions in this space driving the increase from prior periods. Excluding the acquisitions, Local Distribution declined by 21.5% for the quarter and 10.4% year-to-date.

"GAAP gross margin for Q3 was 23.5%, consistent with last year. Adjusted EBITDA (non-GAAP) declined by approximately $698 thousand compared to Q3 2024, primarily due to sales declines in certain categories, underperformance in recently acquired businesses, and a reversal of previously accrued share-based compensation."

"In the third quarter, we took swift and decisive action to correct operational inefficiencies that became increasingly apparent in mid-summer. We are beginning to see early signs of stabilization from these recent actions. These actions included the exit of the cheese-conversion business, the relocation of airline catering operations to our Chicago facility, and leadership changes at Golden Organics to strengthen operational oversight. In addition, we entered a Letter of Intent (LOI) for the sale of our former Pennsylvania facility. Both parties continue to work in good faith toward final documentation and closing following the completion of the due diligence period."

"The third quarter marks an important step forward in IVFH's transformation, and subsequent to quarter end we have made continued progress to simplify our operating model, strengthen leadership alignment, and build a culture based upon clear accountability. In the past month since assuming the CEO position, we have clarified ownership across every function and consolidated leadership under experienced operators, including bringing back Argie Liarakos who previously led Artisan at the Company for over a decade. We have also continued to align our technology and operational teams under a single leader, creating a cohesive operating rhythm designed to enhance collaboration, improve speed of execution, and ensure every function is accountable for measurable outcomes."

"To remain competitive in digital foodservice distribution, reliability and price are essential prerequisites. Foodservice customers will not accept anything less than on-time, in-full delivery at a competitive prices. Our teams understand this clearly, and we are committed to improving reliability, accuracy, and speed at every level of the organization. We will continue onboarding new suppliers, expanding our item catalog, and signing new platforms, but our top priority is building the operational foundation that enables sustainable growth. Every initiative we undertake will be measured against these fundamentals—stabilization, modernization, and execution discipline—to position IVFH for long-term success."

"Our focused exit from non-core activities has simplified the business and will allow us to grow responsibly, modernize our technology foundation, and strengthen partnerships that align with our specialty foodservice focus. IVFH remains fundamentally strong, and our focus is sharper than ever. As we continue to streamline operations, modernize systems, and align our teams across people, process, and technology, we are positioning the Company to deliver sustainable profitability and long-term shareholder value. The path forward is clear, disciplined, and built for durable growth," Mr. Schubert concluded.

Conference Call
The Company's management will hold an investor call on November 17, 2025 at 4:00 p.m. Eastern Time to discuss the Company's third fiscal quarter results for the quarter ended September 30, 2025. At the end of the meeting, the Company will host a question-and-answer session with investors. All interested participants may attend the call on the web or by phone. The Company encourages those who wish to ask questions to submit questions to investorrelations@ivfh.com with a subject line of "Q3 Earnings Q&A" by November 17, 2025 at 4:00 p.m. Eastern Time. Details for the meeting are as follows:

Join Zoom Meeting

https://us04web.zoom.us/j/76954915974?pwd=XBcT5lldWJ3yl8Bd65JN9hmyC1qetb.1
Meeting ID: 769 5491 5974
Passcode: 723819
One tap mobile: +13017158592,76954915974# US

About Innovative Food Holdings, Inc.
At IVFH, we help make meals special. We provide access to foods that are hard to find, have a compelling story, or are on the forefront of food trends. Our gourmet foods marketplace connects the world's best artisan food makers with top professional chefs nationwide. We curate the assortment, experience, and tech enabled tools that help our professional chefs create unforgettable experiences for their guests. Additional information is available at www.ivfh.com.

Forward-Looking Statements
This release contains certain forward-looking statements and information relating to the Company that are based on the current beliefs of the Company's management, as well as assumptions made by, and information currently available to, the Company. Such statements, including those related to the Company's growth plans, reflect the current views of the Company with respect to future events and are subject to certain assumptions, including those described in this release. Should one or more of these underlying assumptions prove incorrect, actual results may vary materially from those described herein, which include words such as "should," "could," "will," "anticipate," "believe," "intend," "plan," "might," "potentially" "targeting" or "expect", or similar expressions. Additional factors that could also cause actual results to differ materially relate to current conditions and expected future developments, international crises, environmental and economic issues and other risk factors described in the Company's public filings. As a result, readers are cautioned not to place undue reliance on these forward-looking statements and should understand that these statements are not guarantees of performance or results and that there are a number of risks, uncertainties and other important factors, many of which are beyond the Company's control, that could cause the Company's actual results to differ materially from those expressed in these statements, including, among others: economic factors affecting consumer confidence and discretionary spending; cost inflation/deflation and commodity volatility; competition; reliance on third party suppliers and interruption of product supply or increases in product costs; and changes in the Company's relationships with vendors and customers. The Company does not intend to update these forward-looking statements.

For a detailed discussion of these risks, uncertainties and other factors that could cause the Company's actual results to differ materially from those anticipated or expressed in any forward-looking statements, see the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the Securities and Exchange Commission ("SEC"). Additional risks and uncertainties are discussed from time to time in current, quarterly and annual reports filed by the Company with the SEC, which are available on the SEC's website at https://www.sec.gov/.

Investor and Media contact:
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Chief Executive Officer
Innovative Food Holdings, Inc.
investorrelations@ivfh.com

(As Reported)
Innovative Food Holdings, Inc.
Consolidated Balance Sheets

	September 30, 2025	December 31, 2024
	(unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 684,322	$ 1,278,088
Cash, restricted	507,517	859,781
Accounts receivable, net	5,208,208	5,862,445
Inventory, net	4,248,428	3,508,488
Other current assets	179,526	235,125
Current assets - discontinued operations	7,783,941	12,146,447
Total current assets	18,611,942	23,890,374
Property and equipment, net	1,268,891	1,271,811
Right of use assets - operating leases, net	521,050	705,476
Right of use assets - finance leases, net	65,486	83,348
Amortizable intangible assets, net	359,637	424,372
Tradenames and other unamortizable intangible assets	217,000	217,000
Other noncurrent assets	40,000	-
Noncurrent assets - discontinued operations	-	753,992
Total assets	$ 21,084,006	$ 27,346,373
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	$ 3,485,360	$ 4,436,042
Accrued separation costs - related parties, current portion	344,003	334,532
Accrued interest	-	18,866
Stock appreciation rights liability	276,052	1,353,150
Notes payable, current portion	65,046	82,191
Lease liability - operating leases, current	247,727	239,660
Lease liability - finance leases, current	24,928	60,519
Contingent liability, current	-	54,430

Current liabilities - discontinued operations	9,197,329	2,834,800
Total current liabilities	13,640,445	9,414,190
Note payable, net of discount	233,646	282,793
Accrued separation costs - related parties, non-current	400,000	457,692
Lease liability - operating leases, non-current	280,173	467,569
Lease liability - finance leases, non-current	85,092	139,591
Noncurrent liabilities - discontinued operations	-	8,409,881
Total liabilities	14,639,356	19,171,716
Commitments & Contingencies (see note 21)	-	-
Stockholders' equity		
Common stock: $0.0001 par value; 500,000,000 shares authorized; 57,279,246 and 56,009,032 shares issued, and 54,434,949 and 53,164,735 shares outstanding at September 30, 2025 and December 31, 2024, respectively	5,725	5,598
Common stock to be issued; 350,735 and 738,032 shares at September 30, 2025 and December 31, 2024, respectively	34	74
Additional paid-in capital	45,881,149	45,520,121
Treasury stock: 2,644,297 shares outstanding at September 30, 2025 and December 31, 2024	(1,141,372)	(1,141,372)
Accumulated deficit	(38,300,886)	(36,209,764)
Total stockholders' equity	6,444,650	8,174,657
Total liabilities and stockholders' equity	$ 21,084,006	$ 27,346,373

(As Reported)
Innovative Food Holdings, Inc.
Consolidated Statements of Operations
(unaudited)

	For the Three Months Ended September 30, 2025	For the Three Months Ended September 30, 2024	For the Nine Months Ended September 30, 2025	For the Nine Months Ended September 30, 2024
Revenue	$ 16,423,716	$ 15,866,583	$ 49,247,466	$ 45,491,432
Cost of goods sold	12,567,437	12,195,250	37,192,111	34,485,730
Gross margin	3,856,279	3,671,333	12,055,355	11,005,702
Selling, general and administrative expenses	3,192,918	2,821,901	10,304,968	9,404,516
Total operating expenses	3,192,918	2,821,901	10,304,968	9,404,516
Operating income (loss)	663,361	849,432	1,750,387	1,601,186
Other income (expense):				
Interest income (expense), net	(15,274)	11,579	(22,925)	36,592
Gain on sale of assets	-	-	-	1,807,516
Gain on sale of subsidiary	-	-	-	21,126
Other leasing income	2,512	-	2,512	-
Total other income (expense)	(12,762)	11,579	(20,413)	1,865,234
Net income before taxes	650,599	861,011	1,729,974	3,466,420
Income tax expense	-	-	-	-
Net income from continuing operations	$ 650,599	$ 861,011	$ 1,729,974	$ 3,466,420
Net income (loss) from discontinued operations	$ (2,369,795)	$ 473,819	$ (3,821,096)	$ (809,040)
Consolidated net income (loss)	$ (1,719,196)	$ 1,334,830	$ (2,091,122)	$ 2,657,380
Net income per share from continuing operations - basic	$ 0.012	$ 0.017	$ 0.032	$ 0.069

Net income per share from continuing operations - diluted	$ 0.012	$ 0.017	$ 0.032	$ 0.068
Net income (loss) per share from discontinued operations - basic	$ (0.043)	$ 0.009	$ (0.070)	$ (0.016)
Net income (loss) per share from discontinued operations - diluted	$ (0.043)	$ 0.009	$ (0.070)	$ (0.016)
Weighted average shares outstanding - basic	54,785,684	50,995,008	54,514,230	50,518,152
Weighted average shares outstanding - diluted	54,785,684	51,639,238	54,514,230	51,162,382

(As Reported)
Innovative Food Holdings, Inc.
Consolidated Statements of Cash Flows
(unaudited)

	For the Nine Months Ended September 30, 2025	For the Nine Months Ended September 30, 2024
Cash flows used in operating activities:		
Net income (loss)	$ (2,091,122)	$ 2,657,380
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Gain on disposition of assets	-	(2,641,979)
Gain on sale of subsidiaries	-	(21,126)
Loss on sale of fixed assets	106,591	-
Depreciation and amortization	321,402	211,488
Amortization of right of use asset	184,426	12,740
Amortization of discount on notes payable	3,852	3,850
Stock based compensation	361,115	313,773
Gain on derecognition of note payable and accrued interest	(39,154)	-
Value of stock appreciation rights	(1,077,098)	476,161
Inventory valuation adjustment associated with facility closure	1,376,699	-
Provision for credit losses	61,831	40,667
Changes in assets and liabilities:		
Accounts receivable, net	2,837,800	(697,821)
Inventory	367,600	(161,062)
Other current assets	(114,539)	(140,096)
Accounts payable and accrued liabilities	(2,753,747)	(2,281,618)
Accrued separation costs - related parties	(48,221)	(379,380)
Deferred revenue	(5,700)	(97,569)
Operating lease liability	(179,329)	(12,740)
Net cash used in operating activities	(687,594)	(2,717,332)
Cash flows from investing activities:		
Acquisition of property and equipment	(229,278)	(309,262)
Cash received from disposition of equipment	54,500	-
Cash received from disposition of building, net of loan payoff	-	2,101,185
Cash received from disposition of intangible assets, net of costs	-	525,000
Net cash provided by (used in) investing activities	(174,778)	2,316,923
Cash flows from financing activities:		
Principal payments on debt	(132,478)	(64,878)
Principal payments financing leases	(179,260)	(136,078)
Cash received from line of credit	500,000	-
Principal payments on line of credit	(500,000)	-
Reimbursement from restricted cash for capital expenditures	352,264	-
Net cash used in financing activities	40,526	(200,956)
Decrease in cash and cash equivalents	(821,846)	(601,365)

Cash and cash equivalents at beginning of period	1,520,414	5,422,335
Cash and cash equivalents at end of period - continuing operations	$ 684,322	$ 4,596,637
Cash and cash equivalents at end of period - discontinued operations	$ 14,246	$ 224,333
Cash and cash equivalents at end of period	$ 698,568	$ 4,820,970
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 612,293	$ 456,062
Taxes	$ -	$ -
Non-cash investing and financing activities:		
Reclassify fixed assets as held for sale	$ -	$ 5,941,933
Principal and accrued interest paid from escrow to Maple Mark Bank	$ -	$ 353,815
Issuance of common stock under compensation plans	$ 82	$ -
Issuance of common stock from common stock to be issued	$ 37	$ -
Issuance of stock for cashless exercise of options	$ 8	$ 2
Capitalized interest on financing lease	$ 1,892	$ -

Innovative Food Holdings, Inc.
Reconciliation of GAAP to Non-GAAP Measures Adjusted EBITDA Calculations
(unaudited)

	Q3 2025	Q3 2024	2025 YTD	2024 YTD
Net Income (Loss) From Continuing Operations (GAAP)	**$ 650,599**	**$ 861,011**	**$ 1,729,974**	**$ 3,466,420**
Depreciation & Amortization (1)	72,555	22,636	212,215	76,765
Interest expense - net	(15,274)	11,579	(22,925)	36,592
Income tax provision	$ -	$ -	$ -	$ -
EBITDA (Non-GAAP) (2)	**$ 707,880**	**$ 895,226**	**$ 1,919,264**	**$ 3,579,777**
Adjustments:				
Separation Costs	$ 178,231	$ -	$ 178,231	$ -
Other Restructuring Costs	$ 1,148	$ 5,000	$ 15,234	$ 55,800
Stock Compensation Expense (3)	$ (691,122)	$ 49,682	$ (715,983)	$ 789,934
Legal Fees - JIT Lawsuit	$ -	$ -	$ -	$ (33,938)
Gain on Sale of Subsidiaries	$ -	$ -	$ -	$ (21,126)
Other Legal & Transactional	$ 125,000	$ 68,916	$ 222,560	$ 99,641
Commission on Sale of Asset	$ -	$ -	$ -	$ 147,300
Gain on sale of assets	$ -	$ -	$ -	$ (1,807,516)
Adjusted EBITDA (Non-GAAP) (4)	**$ 321,137**	**$ 1,018,824**	**$ 1,619,306**	**$ 2,809,872**
Adjustments:			$ -	
Depreciation	$ (50,171)	$ (22,636)	$ (147,480)	$ (76,765)
Interest expense - net	$ 15,274	$ (11,579)	$ 22,925	$ (36,592)
Income tax provision	$ -	$ -	$ -	$ -
Adjusted Net Income (Non-GAAP) (5)	**$ 286,240**	**$ 984,609**	**$ 1,494,751**	**$ 2,696,515**
Adjusted Diluted EPS (Non-GAAP)	**$ 0.005**	**$ 0.019**	**$ 0.027**	**$ 0.053**
Weighted-average diluted shares outstanding (Non-GAAP) (6)	**54,785,684**	**51,639,238**	**54,514,230**	**51,162,382**

	Q3 2025	Q3 2024	2025 YTD Q3	2024 YTD Q3
Revenue (GAAP)	$ 16,423,716	$ 15,866,583	$ 49,247,466	$ 45,491,432
Gross profit (GAAP)	**3,856,279**	**3,671,333**	**12,055,355**	**11,005,702**
Inventory Reserve	$ -	$ -	$ -	$ -
Adjusted Gross profit (Non-GAAP) (7)	**$ 3,856,279**	**$ 3,671,333**	**$ 12,055,355**	**$ 11,005,702**
Adjusted Gross profit margin % (Non-GAAP)	**23.48%**	**23.14%**	**24.48%**	**24.19%**

	Q3 2025	Q3 2024	2025 YTD Q3	2024 YTD Q3
Adjusted EBITDA (Non-GAAP) (4)	**$ 321,137**	**$ 1,018,824**	**$ 1,619,306**	**$ 2,809,872**
Interest Expense -net	$ 15,274	$ (11,579)	$ 22,925	$ (36,592)
Income Tax Expense - net	$ -	$ -	$ -	$ -
Maintenance Capital Expenditures (8)	$ (1,236)	$ (4,328)	$ (21,152)	$ (10,093)
Adjusted Free Cash Flow (Non-GAAP) (9)	**$ 335,175**	**$ 1,002,917**	**$ 1,621,079**	**$ 2,763,187**

(1) Includes non-cash depreciation and amortization charges.
(2) Earnings before interest, taxes, depreciation, and amortization
(3) Includes stock and options-based compensation and expenses.

(4) Adjusted EBITDA is a non-GAAP metric. Management believes that the presentation of Adjusted EBITDA and other non-GAAP financial measures provides useful information to investors because the information may allow investors to better evaluate ongoing business performance and certain components of the Company's results. In addition, the Company believes that the presentation of these financial measures enhances an investor's ability to make period-to-period comparisons of the Company's operating results. This information should be considered in addition to the results presented in accordance with GAAP, and should not be considered a substitute for the GAAP results.
(5) Adjusted Net Income accounts for the impact of non-core expenses including addback for one-time organizational restructure expenses, gains or losses on sale of assets or subsidiaries, tradename impairments, amortization expense, expense on the extinguishment of debt, and stock related expenses in both 2024 and 2023
(6) GAAP weighted average shares outstanding.
(7) Adjusted Gross profit is gross profit adjusted to remove the impact of inventory reserve adjustments or non-recurring inventory related gains or losses.
(8) Maintenance Capital Expenditures is a component of "Acquisition of property and equipment (GAAP)" on the consolidated statement of cash flows. It represents management's assumptions of capital spending to maintain the company's current level of operations. It does not include expenditures on acquisitions (less cash acquired), nor does it include other capital expenditures made to fund growth of the current business.
(9) Adjusted Free Cash Flow is defined as Adjusted EBITDA less interest expense, income tax expense, and maintenance capital expenditures. The company believes adjusted free cash flow is useful to investors in understanding how existing cash flow from operations before working capital changes and non-recurring items after maintenance capital expenditures (which we believe the best proxy for over time is Adjusted EBITDA less interest expense, income tax expense, and maintenance capital expenditures) is utilized as a source of growing our business. Adjusted Free Cash Flow is not a measure of cash available for discretionary expenditures since the company has certain non-discretionary obligations that were not deducted from the measure.