



Innovative Food Holdings, Inc. Reports Financial Results for Third Quarter and First Nine Months of 2021

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Total Revenue Increased 35% YoY to a Third Quarter Record

Specialty Foodservice Increased 79% YoY

Third Quarter E-Commerce Revenue up 69% on a Two-Year Basis

BONITA SPRINGS, Fla., Nov. 23, 2021 (GLOBE NEWSWIRE) -- Innovative Food Holdings, Inc. (OTCQB: IVFH) ("IVFH" or the "Company"), a leading end-to-end DTC e-commerce platform and direct-to-chef platform that provides high-quality, unique specialty foods through e-commerce offerings and multichannel partnerships, today reported its financial results for the third quarter and first nine months of 2021.

"We achieved record third quarter revenue, demonstrating the power of our platforms. Specialty foodservice revenue accelerated from the second quarter as reopening activity increased. In addition, as supply chain issues continue to create challenges for many foodservice establishments, our agile direct-to-chef platform enables IVFH to provide high quality, reliable, specialty food products that meet the needs of our customers," stated Sam Klepfish, CEO of Innovative Food Holdings.

"I am excited by the progress we are making growing our aggregated e-commerce businesses. Compared to pre-COVID levels, third quarter e-commerce sales were up 69% from the 2019 third quarter and have grown 100% from the 2019 first nine months. Our strong DTC e-commerce platform, and innovative end-to-end capabilities are resonating with consumers, as well as business and channel partners. Throughout the year we have increased the number of partners and sales channels, while investing in new, compelling assets to further enhance the capabilities of our e-commerce platform. As a result, our e-commerce business is heading into the fourth quarter very well positioned for top and bottom-line growth."

several years to build, grow and enhance our leading end-to-end e-commerce platform. As a result, given favorable current demand trends and continued market shifts towards e-commerce, I believe we are well positioned to unlock meaningful value for our shareholders," concluded Mr. Klepfish.

Financial Results

Revenues in the 2021 third quarter increased 35% to a third quarter record of \$15.2 million, compared to \$11.2 million for the three months ended September 30, 2020. Third-quarter revenue benefitted from a 79% increase in specialty foodservice revenue, which was partially driven by the nationwide opening of restaurants and other foodservice establishments previously affected by COVID-19. In addition, the Company's unique supply chain capabilities continue to provide reliable, consistently high-quality specialty foodservice solutions for its customers. Third quarter e-commerce revenue was up 69% from 2019 pre-Covid third quarter, reflecting robust organic growth, notwithstanding a 36% decrease in e-commerce revenues as a result of heightened COVID-19 driven demand in 2020 compared to 2021. For the first nine months of fiscal 2021, total revenue was \$41.3 million, a 13% increase from \$36.5 million for the same period last year.

The following table sets forth IVFH's revenue by business category for the three and nine months ended September 30, 2021, and September 30, 2020 (unaudited):

	Three Months Ended				
	September 30, 2021	% of Net Sales	September 30, 2020	% of Net Sales	% Change
Specialty Foodservice	\$12,060,000	79%	\$ 6,733,000	60%	79%
E-commerce	2,652,000	17%	4,158,000	37%	-36%
National Brand Management	261,000	2%	254,000	2%	3%
Logistics	234,000	2%	90,000	1%	161%
Total IVFH	\$ 15,207,000	100%	\$ 11,235,000	100%	35%

	Nine Months Ended				
	September 30, 2021	% of Net Sales	September 30, 2020	% of Net Sales	% Change
Specialty Foodservice	\$29,049,000	70%	\$ 20,751,000	57%	40%
E-commerce	10,917,000	26%	14,490,000	40%	-25%
National Brand Management	752,000	2%	787,000	2%	-5%
Logistics	645,000	2%	510,000	1%	26%
Total IVFH	\$ 41,363,000	100%	\$36,538,000	100%	13%

For the 2021 third quarter, selling, general, and administrative (SG&A) expenses were \$5.0 million, compared to \$4.5 million for the same period last year. The \$0.5 million increase was primarily due to higher operating costs, including increases in



The Company reported GAAP net income for the 2021 third quarter of \$0.4 million, or \$0.01 per share, compared to a net loss of \$(1.6 million), or \$(0.05) per share, in the prior year's third quarter. For the first nine months of 2021, the Company reported a net loss of \$(2.4 million), or \$(0.06) per share, compared to a net loss of \$(6.6 million), or \$(0.19) per share, for the first nine months of 2020.

Adjusted net income a non-GAAP metric (see tables below) for the 2021 third quarter was a loss of \$(1.1 million), or \$(0.028) per share, compared to an adjusted net loss of \$(1.5 million), or \$(0.042) per share, for the same period last year. For the first nine months of 2021, adjusted net income was a loss of \$(3.4 million), or \$(0.091) per share, compared to an adjusted net loss of \$(4.0 million), or \$(0.116) per share, for the same period last year.

Cash EBITDA, a non-GAAP metric (see tables below), for the 2021 third quarter was a loss of \$(0.9 million), compared to a Cash EBITDA loss of \$(1.3 million), in the prior year quarter. For the 2021 first nine months, Cash EBITDA was a loss of \$(2.7 million), compared to a Cash EBITDA loss of \$(3.5 million) for the same period a year ago.

About Innovative Food Holdings, Inc.

IVFH's leading end-to-end direct-to-consumer e-commerce platform and direct-to-chef platform connect the world's best artisan food makers with top chefs and epicurean consumers nationwide. Our unique ability to reach both specialty foodservice B2B customers, and consumers positions IVFH as a compelling resource for artisanal food producers, CPG brands, chefs, and consumers. IVFH's owned online retailer brands on its leading DTC e-commerce platform include www.igourmet.com and www.mouth.com.

Additional information is available at www.ivfh.com.

Forward-Looking Statements

This release contains certain forward-looking statements and information relating to Innovative Food Holdings, Inc. (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 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 as "should," "could," "will," "anticipate," "believe," "intend," "plan," "might," "potentially" "targeting" or "expect." Additional factors that could also cause actual results to differ materially relate to the global COVID-19 crisis and other risk factors described in our public filings. The Company does not intend to update these forward-looking statements. The content of the websites referenced above are not incorporated herein.