UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington D. C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2026

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number: 000-09376

INNOVATIVE FOOD HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Florida	**20-1167761**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
2528 S. 27th Ave. Broadview, Illinois	**60155**
(Address of principal executive offices)	(Zip Code)

(239) 596-0204
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act: None.

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated filer ☐
Non-accelerated filer ☒
Accelerated filer ☐
Smaller reporting company ☒
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

As of November 11, 2026, there were 55,715,604 shares of common stock, par value $0.0001 per share, issued and outstanding.

INNOVATIVE FOOD HOLDINGS, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Innovative Food Holdings, Inc.
Consolidated Balance Sheets
(unaudited)

	September 30, 2026	December 31, 2025
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,663,381	$ 927,468
Cash, restricted	-	507,517
Accounts receivable, net of allowance for credit losses of $189,884 and $218,319, respectively	4,981,264	5,300,190
Inventory, net	2,654,584	3,473,604
Other current assets	680,478	144,143
Asset held for sale - discontinued operations	-	6,144,793
Current assets - discontinued operations	18,512	281,699
Total current assets	9,998,219	16,779,414
Property and equipment, net	1,165,665	1,273,310
Right of use assets - operating leases, net	302,088	512,389
Right of use assets - finance leases, net	14,638	205,340
Amortizable intangible assets, net	273,324	338,059
Indefinite-lived intangible assets	217,000	217,000
Other noncurrent assets	40,000	40,000
Noncurrent assets - discontinued operations	-	215,509
Total assets	$ 12,010,934	$ 19,581,021
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 1,701,601	$ 2,456,429
Accrued payroll	335,717	79,559
Accrued liabilities	570,865	499,811
Accrued separation costs - related parties, current portion	425,376	109,236
Stock appreciation rights liability	-	16,143
Notes payable, current portion	69,058	66,026
Lease liability - operating leases, current	260,318	285,534
Lease liability - finance leases, current	-	48,866
Current liabilities - discontinued operations	19,288	8,877,624
Total current liabilities	3,382,223	12,439,228
Note payable non-current	164,532	216,947
Accrued separation costs - related parties, non-current	-	400,000
Lease liability - operating leases, non-current	49,629	234,963
Lease liability - finance leases, non-current	-	52,683
Total liabilities	3,596,384	13,343,821
Commitments & contingencies (see note 18)		-
Stockholders' equity		
Common stock: $0.0001 par value; 500,000,000 shares authorized; 58,559,901 and 57,493,776 shares issued, and 55,715,604 and 54,649,479 shares outstanding at September 30, 2026 and December 31, 2025, respectively	5,853	5,746
Additional paid-in capital	45,795,786	45,647,902
Treasury stock: 2,644,297 shares outstanding at September 30, 2026 and December 31, 2025	(1,141,372)	(1,141,372)
Accumulated deficit	(36,245,717)	(38,275,076)
Total stockholders' equity	8,414,550	6,237,200
Total liabilities and stockholders' equity	$ 12,010,934	$ 19,581,021

See condensed notes to these unaudited consolidated financial statements.

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

	For the Three Months Ended September 30, 2026	For the Three Months Ended September 30, 2025	For the Nine Months Ended September 30, 2026	For the Nine Months Ended September 30, 2025
Revenue	$ 11,951,720	$ 15,676,898	$ 37,185,415	$ 47,340,603
Cost of goods sold	9,163,750	11,820,619	27,856,354	35,285,248
Gross margin	2,787,970	3,856,279	9,329,061	12,055,355
Selling, general and administrative expenses	2,972,067	3,192,918	8,767,452	10,304,968
Total operating expenses	2,972,067	3,192,918	8,767,452	10,304,968
Operating income (loss)	(184,097)	663,361	561,609	1,750,387
Other income (expense):				
Interest income (expense), net	2,896	(15,274)	(5,036)	(22,925)
Other leasing income	-	2,512	-	2,512
Total other income (expense)	2,896	(12,762)	(5,036)	(20,413)
Net income (loss) before taxes	(181,201)	650,599	556,573	1,729,974
Income tax expense	-	-	28,391	-
Net income (loss) from continuing operations	$ (181,201)	$ 650,599	$ 528,182	$ 1,729,974
Net income (loss) from discontinued operations	$ 5,900	$ (2,369,795)	$ 1,501,177	$ (3,821,096)
Consolidated net income (loss)	$ (175,301)	$ (1,719,196)	$ 2,029,359	$ (2,091,122)
Net income (loss) per share from continuing operations - basic	$ (0.003)	$ 0.012	$ 0.010	$ 0.032
Net income (loss) per share from continuing operations - diluted	$ (0.003)	$ 0.012	$ 0.010	$ 0.032
Net income (loss) per share from discontinued operations - basic	$ 0.000	$ (0.043)	$ 0.027	$ (0.070)
Net income (loss) per share from discontinued operations - diluted	$ 0.000	$ (0.043)	$ 0.027	$ (0.070)
Weighted average shares outstanding - basic	54,726,344	54,785,684	54,675,382	54,514,230
Weighted average shares outstanding - diluted	54,726,344	54,785,684	54,675,384	54,514,230

See condensed notes to these unaudited consolidated financial statements.

Innovative Food Holdings, Inc.
Consolidated Statements of Stockholders' Equity
Three and Nine Months Ended September 30, 2026 and 2025
(unaudited)

	Common Stock		Common Stock to be issued		Additional Paid-in	Treasury Stock		Accumulated	
	Amount	Value	Amount	Value	Capital	Amount	Value	Deficit	Total
Balance - July 1, 2025	57,196,294	$ 5,717	433,687	$ 42	$ 45,722,436	2,644,297	$ (1,141,372)	$ (36,581,690)	$ 8,005,133
Stock based compensation	-	-	-	-	158,713	-	-	-	158,713
Shares issued under compensation plans	82,952	8	(82,952)	(8)	-	-	-	-	-
Net loss for the three months ended September 30, 2025	-	-	-	-	-	-	-	(1,719,196)	(1,719,196)
Balance - September 30, 2025	57,279,246	$ 5,725	350,735	$ 34	$ 45,881,149	2,644,297	$ (1,141,372)	$ (38,300,886)	$ 6,444,650
Balance - July 1, 2026	57,493,776	$ 5,746	-	$ -	$ 45,695,650	2,644,297	$ (1,141,372)	$ (36,070,416)	$ 8,489,608
Shares issued under compensation plans, net of shares withheld for taxes	1,066,125	107	-	-	100,136	-	-	-	100,243
Net loss for the three months ended September 30, 2026	-	-	-	-	-	-	-	(175,301)	(175,301)
Balance - September 30, 2026	58,559,901	$ 5,853	-	$ -	$ 45,795,786	2,644,297	$ (1,141,372)	$ (36,245,717)	$ 8,414,550
Balance - January 1, 2025	56,009,032	$ 5,598	738,032	$ 74	$ 45,520,121	2,644,297	$ (1,141,372)	$ (36,209,764)	$ 8,174,657
Stock based compensation	-	-	-	-	361,115	-	-	-	361,115
Shares issued in cashless conversion of options	84,026	8	-	-	(8)	-	-	-	-
Shares earned but not yet issued under compensation plans	-	-	798,891	79	(79)	-	-	-	-
Shares issued under compensation plans	1,186,188	119	(1,186,188)	(119)	-	-	-	-	-
Net loss for the nine months ended September 30, 2025	-	-	-	-	-	-	-	(2,091,122)	(2,091,122)
Balance - September 30, 2025	57,279,246	$ 5,725	350,735	$ 34	$ 45,881,149	2,644,297	$ (1,141,372)	$ (38,300,886)	$ 6,444,650
Balance - January 1, 2026	57,493,776	5,746	-	-	45,647,902	2,644,297	(1,141,372)	(38,275,076)	6,237,200
Stock based compensation		-	-	-	47,748	-	-	-	47,748
Shares issued under compensation plans, net of shares withheld for taxes	1,066,125	107			100,136				100,243
Net income for the nine months ended September 30, 2026	-	-	-	-	-	-	-	2,029,359	2,029,359
Balance - September 30, 2026	58,559,901	$ 5,853	-	$ -	$ 45,795,786	2,644,297	$ (1,141,372)	$ (36,245,717)	$ 8,414,550

See condensed notes to these unaudited consolidated financial statements.

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

	For the Nine Months Ended September 30, 2026	For the Nine Months Ended September 30, 2025
Cash flows from operating activities:		
Net income (loss)	$ 2,029,359	$ (2,091,122)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Gain on disposition of assets	(2,685,277)	-
Loss on sale of fixed assets	-	106,591
Loss on extinguishment of debt	608,539	-
Depreciation and amortization	213,564	321,402
Amortization of right of use asset	210,302	184,426
Amortization of discount on notes payable	-	3,852
Stock based compensation	276,502	361,115
Gain on derecognition of note payable and accrued interest	-	(39,154)
Change in value of stock appreciation rights	(16,143)	(1,077,098)
Inventory valuation adjustment associated with facility closure	-	1,376,699
Provision for (reversal of) credit losses	(54,033)	61,831
Changes in assets and liabilities:		
Accounts receivable, net	569,142	2,837,800
Inventory, net	819,020	367,600
Other current assets	(536,334)	(114,539)
Accounts payable and accrued liabilities	(778,965)	(2,753,747)
Accrued separation costs - related parties	(83,860)	(48,221)
Deferred revenue	-	(5,700)
Operating lease liability	(210,551)	(179,329)
Net cash provided by (used in) operating activities	361,265	(687,594)
Cash flows from investing activities:		
Cash received from sale of land and building, net of costs	8,782,365	-
Cash paid for purchase of property and equipment	(31,183)	(229,278)
Cash received from disposition of asset	10,000	54,500
Net cash provided by (used in) investing activities	8,761,182	(174,778)
Cash flows from financing activities:		
Payment for taxes related to shares issued for equity awards	(128,511)	-
Principal payments on debt	(8,826,354)	(132,478)
Principal payments on financing leases	(6,189)	(179,260)
Cash received from line of credit	-	500,000
Principal payments on line of credit	-	(500,000)
Net cash used in financing activities	(8,961,054)	(311,738)
Increase (decrease) in cash and cash equivalents, and restricted cash	161,393	(1,174,110)
Cash and cash equivalents, and restricted cash at beginning of period	1,520,012	2,380,195
Cash and cash equivalents, and restricted cash at end of period - continuing operations	$ 1,663,381	$ 1,191,839
Cash and cash equivalents, and restricted cash at end of period - discontinued operations	$ 18,024	$ 14,246
Cash and cash equivalents, and restricted cash at end of period	$ 1,681,405	$ 1,206,085
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$ 197,138	$ 612,293
Taxes	$ 28,391	$ -
Non-cash investing and financing activities:		
Issuance of common stock under compensation plans	$ 107	$ 82
Issuance of common stock from common stock to be issued	-	$ 37
Issuance of stock for cashless exercise of options	-	$ 8
Capitalized interest on financing lease	-	$ 1,892

See condensed notes to these unaudited consolidated financial statements.

INNOVATIVE FOOD HOLDINGS, INC.
CONDENSED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
September 30, 2026
(Unaudited)

1. NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited interim consolidated financial statements include those of Innovative Food Holdings, Inc. and all of its wholly-owned subsidiaries (collectively, the "Company") and have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") pursuant to Regulation S-X of the Securities and Exchange Commission (the "SEC") and with the instructions to Form 10-Q. Certain information and footnote disclosures normally included in audited consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. Accordingly, these interim financial statements should be read in conjunction with the Company's audited financial statements and related notes as contained in its Annual Report on Form 10-K for the year ended December 31, 2025. In the opinion of management, the interim unaudited consolidated financial statements reflect all adjustments, including normal recurring adjustments, necessary for fair presentation of the interim periods presented. The results of the operations for the three and nine months ended September 30, 2026 are not necessarily indicative of the results of operations to be expected for the full year.

Business Activity

The Company provides difficult-to-find specialty foods primarily to both Professional Chefs and Home Gourmets through the Company's relationships with producers, growers, makers and distributors of these products worldwide. The distribution of these products primarily originates from the Company's two unified warehouses and those of its drop ship partners, and is driven by its proprietary technology platform. In addition, the Company provides value-added services through its team of food specialists and Chef Advisors who offer customer support, menu ideas, and preparation guidance.

Discontinued Operations

The Company relied on the guidance of Accounting Standards Codification ("ASC") 205-20, *Presentation of Financial Statements – Discontinued Operations,* in presenting the results of its discontinued operations. During the third quarter of fiscal 2025, the Company committed to a strategic exit of its retail specialty cheese business, which served as the primary component of its national distribution platform. Accordingly, results for this business for all prior periods presented have been retrospectively reclassified to discontinued operations in accordance with ASC 205-20. In connection with this decision, the Company also elected to discontinue its related logistics operations and specialty cheese cutting activities, including igourmet, along with the Company's logistics subsidiaries (Logistics Innovations LLC ("LII") and Innovative Food Properties LLC ("IFP")). During the year ended December 31, 2025, the accounts of the following entities are included in net loss from discontinued operations and in the discontinued operations sections of the Company's balance sheet: IFP, LII, and the activity of igourmet directly related to its cheese business. See Note 3.

Reclassifications

Certain amounts presented in the financial statements of the prior period have been reclassified to conform with the current period presentation of discontinued operations. See Note 3. In addition, restricted cash has been included with unrestricted cash in the cash totals in the statement of cash flows.

Use of Estimates

The preparation of these unaudited consolidated financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. On an on-going basis, the Company evaluates these estimates, including those related to revenue recognition and concentration of credit risk. The Company bases its estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Accounts subject to estimate and judgements are allowance for credit losses, allowance for slow moving and obsolete inventory, income taxes, contingent liabilities, operating and finance right of use assets and liabilities, and equity-based instruments. Actual results may differ from these estimates under different assumptions or conditions. The Company believes its estimates have not been materially inaccurate in past years, and its assumptions are not likely to change in the foreseeable future.

Concentrations of Credit Risk

Financial instruments and related items, which potentially subject the Company to concentrations of credit risk, consist primarily of cash, cash equivalents and trade accounts receivable. The Company places its cash and temporary cash in investments with credit quality institutions. At times, such investments may be in excess of applicable government mandated insurance limit. As of September 30, 2026 and December 31, 2025, trade receivables from the Company's largest customer accounted for approximately 28% and 18%, respectively, of total trade receivables.

The Company maintains cash balances in excess of Federal Deposit Insurance Corporation limits. At September 30, 2026 and December 31, 2025, the total cash exceeding these limits was $793 and $261,808, respectively.

Accounts Receivable

The Company's allowance for credit losses estimate is based on historical collections experience, future expected losses, as well as identified customer specific collection issues. Accounts receivable are presented net of an allowance for credit losses of $189,884 and $218,319 at September 30, 2026 and December 31, 2025, respectively. It is reasonably possible that the Company's estimate of the allowance for credit losses could change. During the three and nine months ended September 30, 2026 and 2025, the Company charged $(69,563) and $33,521 and $(54,033) and $43,010 to provision for credit losses, respectively.

Inventory

Inventory is valued at the lower of cost or net realizable value and is determined by the average cost method. The Company adjusts inventory based upon bi-weekly cycle counts and upon the expiration date of food products. In addition, the Company records a provision for excess, obsolete, and slow-moving inventory. This provision reduces the carrying value of inventory to its net realizable value.

Revenue Recognition

The Company recognizes revenue upon product delivery. All of the Company's products are shipped either same day or overnight or through longer shipping terms to the customer and the customer takes title to product and assumes risk and ownership of the product when it is delivered. Shipping charges to customers are included in revenues.

For revenue from product sales (i.e., specialty foodservice and e-commerce), the Company recognizes revenue in accordance with FASB ASC Topic 606, *Revenue from Contracts with Customers*. A five-step analysis must be met as outlined in Topic 606: (i) identify the contract with the customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations, and (v) recognize revenue when (or as) performance obligations are satisfied. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded.

Warehouse and logistics services revenue is primarily comprised of inventory management, order fulfilment and warehousing services. Warehouse and logistics services revenues are recognized at the point in time when the services are rendered to the customer. Warehouse rental services are recognized over the period the service is provided.

Disaggregation of Revenue

The following table represents a disaggregation of revenue for the three and nine months ended September 30, 2026 and 2025:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Digital Channels	$ 6,404,319	$ 8,375,842	$ 20,099,529	$ 24,588,937
National Distribution	2,291,178	3,301,498	7,550,097	10,085,779
Local Distribution	3,256,224	3,999,558	9,535,790	12,665,887
Total	$ 11,951,720	$ 15,676,898	$ 37,185,415	$ 47,340,603

Cost of Goods Sold

The Company has included in cost of goods sold all costs which are directly related to the generation of revenue. These costs include primarily the cost of food and raw materials, packing and handling, shipping, and delivery costs. The Company has also included all payroll costs as cost of goods sold in its warehouse and logistics services business.

Basic and Diluted Earnings Per Share ("EPS")

Basic net EPS is based on the weighted average number of shares outstanding during the period, while fully-diluted net EPS is based on the weighted average number of shares of common stock and potentially dilutive securities assumed to be outstanding during the period using the treasury stock method. Potentially dilutive securities consist of restricted stock awards ("RSAs").

Stock options and warrants for which the exercise price exceeds the average market price over the period have an anti-dilutive effect on earnings per share of common stock and, accordingly, are excluded from the calculation.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Income (loss) from continuing operations	$ (181,201)	$ 650,599	$ 528,182	$ 1,729,974
Denominator:				
Weighted average shares outstanding – basic	54,726,344	54,785,684	54,675,382	54,514,230
Dilutive effect of stock issuable under compensation plan	-	-	2	-
Weighted average shares outstanding - diluted	54,726,344	54,785,684	54,675,384	54,514,230
Income (loss) per share from continuing operations - diluted	$ (0.003)	$ 0.012	$ 0.010	$ 0.032

Dilutive Shares at September 30, 2026:

Stock Options

None.

Restricted Stock Awards

On September 14, 2026, the Company granted a total of 1,650,000 shares of restricted common stock to three executive officers outside of the Company's equity incentive plan: 1,350,000 shares to the Chief Executive Officer, 150,000 shares to the Chief Financial Officer and 150,000 shares to the Executive Vice President of Commercial Operations and Execution. The grants to the Chief Executive Officer and the Executive Vice President satisfied grant obligations under their amended employment agreements. Under each award, a portion of the shares equal to the executive's elected tax withholding rate, plus one-third of the remaining shares, vested on the grant date. The remaining shares vest in 24 substantially equal monthly installments beginning on the first anniversary of the executive's employment commencement date, subject to continued service. Unvested shares vest in full upon a change of control or a termination without cause or resignation for good reason, and are forfeited upon other terminations. The awards were valued at the closing price of the Company's common stock on the grant date of $0.2201 per share, for a total grant-date fair value of $363,165.

A total of 1,025,850 shares vested on the grant date. The Chief Executive Officer surrendered 583,875 vested shares to the Company to satisfy tax withholding obligations, which were retired; the other two executives paid their withholding obligations in cash. Each executive filed an election under Section 83(b) of the Internal Revenue Code.

At September 30, 2026, there were 300,000 unvested RSAs remaining from grants in a prior year. Those 300,000 RSAs will vest as follows:125,000 RSAs will vest contingent upon the attainment of a stock price of $2.00 per share for 20 straight trading days, and an additional 175,000 RSAs will vest contingent upon the attainment of a stock price of $3.00 per share for 20 straight trading days. At September 30, 2026, none of these RSAs vested as conditions were not satisfied.

The Company also has in place Executive Stock Plans for its executive team. See Note 14.

Stock-based Compensation

During the three and nine months ended September 30, 2026, the Company charged the amount of $228,754 and $276,502, respectively, to operations in connection with Executive Stock Plans. See Note 14 for additional information.

Computation of Basic and Diluted EPS

There are no potentially issuable shares not included in basic earnings per share, and no difference between EPS and fully-diluted EPS for the three and nine months ended September 30, 2026.

Dilutive Shares at September 30, 2025:

Stock Options

None.

Restricted Stock Awards

At September 30, 2025, there were 300,000 unvested RSAs remaining from grants in a prior year. Those 300,000 RSAs will vest as follows: 125,000 RSAs will vest contingent upon the attainment of a stock price of $2.00 per share for 20 straight trading days, and an additional 175,000 RSAs will vest contingent upon the attainment of a stock price of $3.00 per share for 20 straight trading days. The fair value of these RSAs at the date of the grants will be charged to operations upon vesting. At September 30, 2025, none of these RSAs were vested. There was no charge to operations for these RSAs during the three and nine months ended September 30, 2025.

Stock-based Compensation

At September 30, 2025, there were a total of 350,735 shares of common stock potentially issuable to the Company's executive officers pursuant to compensation plans and contingent upon the achievement of certain performance goals (see Note 14). These shares have vested and are included in basic shares outstanding and fully-diluted earnings per share for the three and nine months ended September 30, 2025. During the three and nine months ended September 30, 2025, the amount of $158,713 and $361,115, respectively, was charged to stock-based compensation. See Note 14.

Computation of Basic and Diluted EPS

There are no potentially issuable shares not included in basic earnings per share, and no difference between EPS and fully-diluted EPS for the three and nine months ended September 30, 2025.

Recently Adopted Accounting Pronouncements

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the U.S. The OBBBA includes significant provisions, such as expensing of U.S. research expenditures and eligible capital expenditures, the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modifications to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The impacts of the OBBBA are reflected in the Company's results for the three and nine months ended September 30, 2026, and there was no impact to its income tax expense or effective income tax rate.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326) Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which allows companies to elect a practical expedient to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast as part of estimating expected credit losses on these assets. The Company adopted ASU 2025-05 effective January 1, 2026, on a prospective basis. The adoption of this accounting standard did not have a material impact on the Company's financial condition, results of operations, or cash flows.

New Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses (DISE)" which requires disaggregated disclosure of income statement expenses for public business entities. The ASU does not change the expense captions an entity presents on the face of the income statement; rather, it requires disaggregation of certain expense captions into specified categories in disclosures within the footnotes to the financial statements. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is evaluating standard and its potential effect on its consolidated financial statements and segment disclosures.

2. REVISION OF PREVIOUSLY ISSUED FINANCIAL STATEMENTS

As previously reported in the Annual Report on Form 10-K for the year ended December 31, 2025, the Company revised amounts reported in previously issued financial statements for the periods presented in this Quarterly Report on Form 10-Q related to immaterial errors. The errors relate to certain costs directly related to the revenue generation and cost of goods sold. The costs were not properly categorized in prior periods, which led to an overstatement of revenue and a corresponding overstatement of cost of goods sold. There was no effect to consolidated net income (loss) in any of the revised periods.

The Company evaluated the aggregate effects of the errors to its previously issued financial statements in accordance with SEC Staff Accounting Bulletins No. 99 and No. 108 and, based upon quantitative and qualitative factors, determined that the errors were not material to the previously issued financial statements and disclosures included in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2025.

The following tables present the effects of revisions on the Company's consolidated statements of operations for the quarterly period ended September 30, 2025.

	Three months ended September 30, 2025 (Unaudited)			Nine months ended September 30, 2025 (Unaudited)		
	As Reported	Adjustments	As Revised	As Reported	Adjustments	As Revised
Revenue	$ 16,423,716	$ (746,818)	$ 15,676,898	$ 49,247,466	$ (1,906,863)	$ 47,340,603
Cost of goods sold	$ 12,567,437	$ (746,818)	$ 11,820,619	$ 37,192,111	$ (1,906,863)	$ 35,285,248

3. DISCONTINUED OPERATIONS

During the third quarter of fiscal 2025, the Company committed to a strategic exit of its retail specialty cheese business, which served as the primary component of its national distribution platform. In connection with this decision, the Company also elected to discontinue its related logistics operations and specialty cheese cutting activities. As part of this exit, the Company has sold the associated Pennsylvania production and distribution facility.

Accordingly, the operating results and related assets and liabilities of the retail specialty cheese business, including igourmet, along with the Company's logistics subsidiaries (LII and IFP) and specialty cheese cutting operations, have been reclassified to discontinued operations for all periods presented.

The following information presents the major classes of line item of assets and liabilities included as part of discontinued operations in the consolidated balance sheets:

	September 30, 2026 (unaudited)	December 31, 2025
Current assets - discontinued operations:		
Cash	$ 18,024	$ 85,027
Accounts receivable	488	196,672
Assets held for sale	-	6,144,793
Total current assets - discontinued operations	$ 18,512	$ 6,426,492

	September 30, 2026 (unaudited)	December 31, 2025
Noncurrent assets - discontinued operations:		
ROU assets – financing leases, net	$ -	$ 215,509
Property and equipment, net	-	-
Total noncurrent assets - discontinued operations	$ -	$ 215,509

	September 30, 2026 (unaudited)	December 31, 2025
Current liabilities - discontinued operations:		
Accounts payable and accrued liabilities	$ 19,288	$ 40,884
Deferred revenue	-	342,000
Accrued interest	-	64,084
Notes payable, net	-	8,430,656
Total current liabilities - discontinued operations	$ 19,288	$ 8,877,624

The following information presents the major classes of line items constituting the after-tax loss from discontinued operations in the consolidated statements of operations:

	Three Months Ended		Nine Months Ended	
	September 30, 2026 (unaudited)	September 30, 2025 (unaudited)	September 30, 2026 (unaudited)	September 30, 2025 (unaudited)
Revenue	$ -	$ 2,114,833	$ -	$ 9,880,913
Cost of goods sold	-	3,609,129	-	10,654,625
Gross margin	-	(1,494,296)	-	(773,712)
Selling, general, and administrative expenses	5,900	(570,150)	(450,147)	(2,356,393)
Gain on sale of assets	-	-	2,685,277	-
Loss on early extinguishment of debt	-	-	(608,539)	-
Other expense	-	(305,349)	(125,414)	(690,991)
Income (loss) from discontinued operations, net of tax	$ 5,900	$ (2,369,795)	$ 1,501,177	$ (3,821,096)

The following information presents the significant items related to discontinued operations in the statement of cash flows:

	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Operating activities:		
Adjustment to reconcile net loss to cash		
Net cash provided by (used in) operating activities		
Gain on sale of assets	$ (2,685,277)	$ -
Loss on early extinguishment of debt	608,539	-
Depreciation and amortization	-	109,187
Changes in assets and liabilities:		
Accounts receivable, net	196,184	2,248,795
Inventory	-	2,484,239
Accounts payable and accrued liabilities	21,596	1,865,679
Deferred revenue	342,000	5,699
Investing activities:		
Cash paid for purchase of property and equipment	-	(101,977)
Proceeds from sale of fixed assets	10,000	54,500
Cash received from sale of land and building, net of costs	8,782,365	-
Financing activities:		
Payments on debt	(8,740,846)	(86,185)
Payments on financing leases	-	(74,155)

4. SALE OF ASSETS

On March 6, 2026, the Company closed the sale of its warehouse and office facility in Mountain Top, Pennsylvania. A gain in the amount of $2,764,063 was recorded on this transaction. The following table presents components of the sale and gain:

Sales price of land and building	$ 9,225,000
Assets held-for-sale	(6,144,793)
ROU assets, financing	(215,509)
Deferred revenue	342,000
Legal, title, and other expenses	(442,635)
Gain on sale	$ 2,764,063

In connection with this transaction, the Company's term loan with Maple Mark Bank was paid off and a loss on the early extinguishment of debt of $608,539 was recorded.

5. PROPERTY AND EQUIPMENT

A summary of property and equipment at September 30, 2026 and December 31, 2025 is as follows:

	September 30, 2026	December 31, 2025
	(unaudited)	
Land	$ 208,140	$ 208,140
Building	951,101	951,101
Computer and Office Equipment	267,157	262,769
Warehouse Equipment	451,432	451,432
Furniture and Fixtures	690,563	694,715
Vehicles	311,659	286,509
Total before accumulated depreciation	2,880,052	2,854,666
Less: accumulated depreciation	(1,714,387)	(1,581,356)
Total	$ 1,165,665	$ 1,273,310

Depreciation expense for property and equipment amounted to $48,566 and $50,171 for the three months ended September 30, 2026 and 2025, respectively, and $137,183 and $147,480 for the nine months ended September 30, 2026 and 2025, respectively. Depreciation expense for property and equipment is recorded in selling, general & administrative expenses on the Company's statement of operations. During the nine months ended September 30, 2026 and 2025, the Company acquired property and equipment in the amount of $31,183 and $229,278, respectively.

6. PROPERTY AND EQUIPMENT CLASSIFIED AS HELD FOR SALE

Assets held for sale include the net book value of property and equipment the Company plans to sell within the next year. Long lived assets that meet the criteria are held for sale and reported at the lower of their carrying value or fair value less estimated cost to sell.

As of December 31, 2025, the Company classified the land and building located at 220 Oak Hill Road, Mountain Top, Pennsylvania, as held for sale. During the year ended December 31, 2025, the Company classified certain leasehold improvements at the Mountain Top property as held for sale. This property was sold during the nine months ended September 30, 2026. See Note 4 for additional information.

The net book value of these assets consisted of the following at December 31, 2025:

	December 31, 2025
Equipment	$ 202,860
Land	871,372
Building	5,070,561
Total	$ 6,144,793

7. RIGHT OF USE ASSETS AND LEASE LIABILITIES – OPERATING LEASES

The Company has operating leases for offices, warehouses, vehicles, and office equipment. The Company's leases have remaining lease terms of 1 year to 3 years, some of which include options to extend.

The Company's lease expense for the three months ended September 30, 2026, and 2025 was entirely comprised of operating leases and amounted to $79,972 and $69,857, respectively. The Company's lease expense for the nine months ended September 30, 2026, and 2025 was entirely comprised of operating leases and amounted to $233,090 and $212,239, respectively.

The Company's ROU asset amortization for the three months ended September 30, 2026, and 2025 was $71,329 and $60,454, respectively. The Company's ROU asset amortization for the nine months ended September 30, 2026, and 2025 was $210,302 and $184,426, respectively. The difference between the lease expense and the associated ROU asset amortization consists of interest.

The weighted-average discount rate for operating leases was 7.00% at September 30, 2026, and December 31, 2025. The weighted-average remaining lease term of operating leases was 1.18 and 2.16 years at September 30, 2026, and December 31, 2025, respectively.

Right of use assets – operating leases are summarized below:

	September 30, 2026	December 31, 2025
	(unaudited)	
Building	$ 222,145	$ 411,060
Vehicles	79,943	101,329
Right of use assets, net	$ 302,088	$ 512,389

Operating lease liabilities are summarized below:

	September 30, 2026	December 31, 2025
	(unaudited)	
Building	$ 230,004	$ 419,168
Vehicles	79,943	101,329
Lease liability	$ 309,947	$ 520,497
Less: current portion	(260,318)	(285,534)
Lease liability, non-current	$ 49,629	$ 234,963

Maturity analysis under these lease agreements are as follows for the year ending December 31:

2026	$ 79,971
2027	201,164
2028	34,950
2029	8,737
2030	-
Total	$ 324,822
Less: present value discount	(14,875)
Lease liability	$ 309,947

8. RIGHT OF USE ASSETS – FINANCING LEASES

The Company has financing leases for vehicles and warehouse equipment. Right of use asset – financing leases are summarized below:

	September 30, 2026	December 31, 2025
	(unaudited)	
Vehicles	$ 61,857	$ 404,858
Warehouse equipment	-	200,097
Total before accumulated depreciation	61,857	604,955
Less: accumulated depreciation	(47,219)	(399,615)
Total	$ 14,638	$ 205,340

Depreciation expense related to right of use assets for the three months ended September 30, 2026 and 2025 was $1,518 and $5,954, respectively. Depreciation expense related to right of use assets for the nine months ended September 30, 2026 and 2025 was $4,554 and $17,862, respectively.

The weighted-average interest rate for financing leases was 5.77% at December 31, 2025. The weighted-average remaining lease term of financing leases was 2.80 years at December 31, 2025.

There was no accrued interest on financing leases at December 31, 2025.

9. INTANGIBLE ASSETS

The Company acquired certain indefinite intangible assets pursuant to the acquisitions of Artisan Specialty Foods, Inc. ("Artisan") and Golden Organics, Inc. ("Golden Organics"). These assets include trade names and customer lists.

Other Amortizable Intangible Assets

The following table represents the balances of other amortizable intangible assets as of September 30, 2026 and December 31, 2025:

	September 30, 2026 (unaudited)		
	Cost	Accumulated Amortization	Net
Total customer lists	$ 431,565	$ 158,241	$ 273,324

	December 31, 2025		
	Gross	Accumulated Amortization	Net
Total customer lists	$ 431,565	$ 93,506	$ 338,059

Total amortization expense for the three months ended September 30, 2026 and 2025 was $21,579 and $21,578, respectively. Total amortization expense for the nine months ended September 30, 2026 and 2025 was $64,736 and $64,735, respectively.

Remaining amortization expense for intangible assets as of September 30, 2026 is as follows:

For the twelve months ending September 30,	
2027	$ 86,313
2028	86,313
2029	86,313
2030	14,385
Total	$ 273,324

Indefinite-lived Intangible Assets

Indefinite-lived intangible assets consist of $217,000 of indefinite intangible assets held by Artisan.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities at September 30, 2026 and December 31, 2025 are as follows:

	September 30, 2026	December 31, 2025
	(unaudited)	
Trade payables and accrued liabilities	$ 2,272,466	$ 2,956,240
Accrued payroll and commissions	335,717	79,559
Total	$ 2,608,183	$ 3,035,799

11. ACCRUED SEPARATION COSTS – RELATED PARTIES

On February 3, 2023, the Company entered into a Severance Note, an Agreement and General Release, and a Side Letter thereto (the "SK Agreements") with Sam Klepfish, its prior Chief Executive Officer ("CEO"), a previous board member and a board observer. The SK Agreements provide, among other things, for Mr. Klepfish's resignation from all positions with the Company and its subsidiaries on February 28, 2023, except that Mr. Klepfish will remain a director and member of the board of the Company, confidentiality and non-disparagement conditions, nomination of Mr. Klepfish for future election to the board of directors at least through the 2024 general meeting of shareholders based on certain minimum stock ownership and board observer rights when Mr. Klepfish is no longer a director but maintains certain minimum agreed upon stock ownership. The payment terms are $250,000 upon effectiveness and an additional $1,000,000 payable in weekly payments of $6,410.26 from March 8, 2023 through March 6, 2026. The $250,000 was paid into an escrow account, and was released to Mr. Klepfish on his separation date. The $1,000,000 portion is in the form of an unsecured, non-interest bearing-note payable to Mr. Klepfish. The SK Agreements also called for the delivery of 400,000 shares of the Company's common stock valued at $168,000 based upon the closing price of the Company's common stock on Mr. Klepfish's separation date of February 28, 2023, which were delivered to Mr. Klepfish on April 26, 2023; in addition, for delivery on June 1, 2027 of additional shares of the Company's common stock equal to the greater of (i) the number of shares with an aggregate fair market value of $400,000 on such date, or (ii) 266,666 shares. The Company also agreed to pay a total of $1,199 of the Consolidated Omnibus Reconciliation Act ("COBRA") insurance costs on behalf of Mr. Klepfish over eighteen months. The total amount initially accrued in connection with the SK Agreements was $1,819,199. During the three months ended September 30, 2026 and 2025, the Company paid cash in the amount of $0 and $55,556, respectively, to Mr. Klepfish in connection with the SK Agreements. During the nine months ended September 30, 2026 and 2025, the Company paid cash in the amount of $58,860 and $222,222, respectively, to Mr. Klepfish in connection with the SK Agreements. As of September 30, 2026, no further cash payments were due under the SK Agreements.

On October 4, 2025, the Company entered into a separation agreement and general release (the "Bennett Separation Agreement") with Bill Bennett, pursuant to which Mr. Bennett will resign from his position as the CEO of the Company, effective October 3, 2025. Pursuant to the Bennett Separation Agreement, the Company shall (i) pay Mr. Bennett severance payments consisting of salary and consulting fees through September 30, 2026, in the total gross amount of $140,501, primarily payable in installments on the Company's regular payroll dates; and (ii) reimbursement of Mr. Bennett's group health insurance premiums for the period from November 1, 2025 through September 30, 2026 in the total gross amount of $32,269. During the three months ended September 30, 2026, the Company paid $9,346 for insurance under the Bennett Separation Agreement. During the nine months ended September 30, 2026, the Company paid $30,331 for salary and consulting fees and $26,539 for insurance under the Bennett Separation Agreement.

The following table represents the amounts accrued, paid, and outstanding on these agreements as of September 30, 2026:

	Total	Paid / Issued	Balance	Current	Non-current
Mr. Klepfish:					
Cash – through March 6, 2026	$ 1,000,000	$ (1,000,000)	$ -	$ -	$ -
Cash - upon agreement execution	250,000	(250,000)	-	-	-
Stock – Issued in April 2023	168,000	(168,000)	-	-	-
Stock - June 1, 2027	400,000	-	400,000	400,000	-
COBRA - over eighteen months	1,199	-	1,199	1,199	-
Total – Mr. Klepfish	$ 1,819,199	$ (1,418,000)	$ 401,199	$ 401,199	$ -
Mr. Bennett:					
Salary and consulting – through September 30, 2026	$ 140,501	$ (140,501)	$ -	$ -	$ -
Insurance – through September 30, 2026	32,269	(32,269)	-	-	
Total – Mr. Bennett	$ 172,770	$ (172,770)	$ -	$ -	$ -
Total Company	$ 1,991,969	$ (1,590,770)	$ 401,199	$ 401,199	$ -

12. STOCK APPRECIATION RIGHTS LIABILITY

Effective May 15, 2023, the Company issued 1,500,000 stock appreciation rights (the "Smallwood SARs") to Brady Smallwood, its former Chief Operating Officer ("COO"). The Smallwood SARs were valued utilizing the Black-Scholes valuation model, and had an aggregate fair value of $9,794 upon issuance; this amount was charged to operations and credited to stock appreciation rights liability. The Smallwood SARs are revalued each quarter, and any gain or loss in the fair value is charged to non-cash compensation expense.

During the three months ended September 30, 2026 and 2025, Smallwood SARs decreased in fair value in the amount of $0 and $849,835, respectively. During the nine months ended September 30, 2026 and 2025, Smallwood SARs decreased in fair value in the amount of $16,143 and $1,077,098, respectively. These amounts were charged to non-cash compensation. At September 30, 2026 and December 31, 2025, the Smallwood SARs had a fair value of $0 and $16,143, respectively.

The change in valuation of the Smallwood SARs is summarized in the table below:

May 15, 2023 - fair value	$ 9,794
Loss on revaluation	245,226
December 31, 2023 -fair value	$ 255,020
Loss on revaluation	1,098,130
December 31, 2024 - fair value	$ 1,353,150
Gain on revaluation	(1,337,007)
December 31, 2025 - fair value	$ 16,143
Gain on revaluation	(15,410)
March 31, 2026 - fair value	$ 733
Gain on revaluation	(733)
June 30, 2026 - fair value	$ -

The Smallwood SARs were valued using the Black-Scholes valuation model utilizing the following variables:

	Nine Months Ended September 30, 2026	Year Ended December 31, 2025
Volatility	66.47%	77.84-205.63%
Dividends	0%	0%
Risk-free interest rates	3.68%	3.48-4.10%
Term (in years)	-	1.00-2.00

The price of the Company's common stock on the date of the grant of the Smallwood SARs was $0.41. The exercise prices at the dates of the grants were $1.50 and $2.00. As of September 30, 2026, no SARs were exercised and all SARs were expired.

13. NOTES PAYABLE

	September 30, 2026 (unaudited)	December 31, 2025
A note payable in the amount of $350,000 issued in connection with the Golden Organics Acquisition (the "GO Note"). The GO Note is payable in 60 equal monthly instalments of $6,766 and bears interest at the rate of 6.0%. During the three months ended September 30, 2026, the Company made principal and interest payments of $16,628 and $3,671, respectively. During the nine months ended September 30, 2026, the Company made principal and interest payments of $49,327 and $11,751, respectively. During the three months ended September 30, 2025, the Company made principal and interest payments of $15,662 and $4,637, respectively. During the nine months ended September 30, 2025, the Company made principal and interest payments of $46,292 and $14,606, respectively.	$ 233,590	$ 282,973
Total	$ 233,590	$ 282,973
Current portion	$ 69,058	$ 66,026
Long-term maturities, net of discount	164,532	216,947
Total	$ 233,590	$ 282,973

Aggregate maturities of notes payable as of September 30, 2026 are as follows:

For the period ended December 31,	
2026	$ 16,823
2027	70,099
2028	74,422
2029	72,246
2030	-
Total	$ 233,590

14. EQUITY

Common Stock

As of September 30, 2026, total number of shares of common stock issued and total number of shares of common stock outstanding was 58,559,901 and 55,715,604, respectively. As of December 31, 2025, total number of shares of common stock issued and total number of shares of common stock outstanding was 57,493,776 and 54,649,479, respectively. At September 30, 2026 and December 31, 2025, a total of 2,844,297 shares of common stock were deemed issued but not outstanding.

Below is the common stock activity for the nine months ended September 30, 2026:

On September 14, 2026, the Company granted a total of 1,650,000 shares of restricted common stock to three executive officers outside of the Company's equity incentive plan: 1,350,000 shares to the CEO, 150,000 shares to the CFO and 150,000 shares to the Executive Vice President of Commercial Operations and Execution. A total of 1,025,850 shares vested on the grant date and 583,875 shares were surrendered by the CEO to the Company to satisfy the tax withholding obligation related to the award. The Company issued a total of 1,066,125 shares of common stock as of September 30, 2026. The Company recognized stock-based compensation expense of $225,790 related to the vested awards; unrecognized compensation cost related to the unvested shares was $134,412.

Below is the common stock activity for the nine months ended September 30, 2025:

On January 9, 2025, the Company issued 60,000 shares of common stock pursuant to the cashless exercise of options held by an ex-employee to purchase 130,000 shares of common stock at a price of $1.25 per share and an additional 130,000 shares of common stock at a price of $1.75 per share. There was no gain or loss recorded on this transaction.

On January 13, 2025, the Company issued 24,026 shares of common stock pursuant to the cashless exercise of options held by an ex-employee to purchase 50,000 shares of common stock at a price of $1.00 per share. There was no gain or loss recorded on this transaction.

On March 14, 2025, the Company issued the following shares of common stock to its executive officers pursuant to executive compensation plans: 530,665 shares were issued to its CEO; 133,632 shares were issued to its COO; and 73,735 shares were issued to its CFO. These shares were classified as shares to be issued on the Company's balance sheet at December 31, 2024. There was no gain or loss recorded on this transaction.

On June 2, 2025, the Company issued 273,026 shares of common stock to its CEO pursuant to an executive compensation plan. There was no gain or loss recorded on this transaction.

On June 3, 2025, the Company issued 92,168 shares of common stock to its CFO pursuant to an executive compensation plan. There was no gain or loss recorded on this transaction.

On July 3, 2025, the Company issued 82,952 shares of common stock to its CFO pursuant to an executive compensation plan. There was no gain or loss recorded on this transaction.

Executive Stock Plans

2026 Executive Restricted Stock Awards

On September 14, 2026, the Company granted a total of 1,650,000 shares of restricted common stock to three executive officers outside of the Company's equity incentive plan: 1,350,000 shares to the Chief Executive Officer, 150,000 shares to the Chief Financial Officer and 150,000 shares to the Executive Vice President of Commercial Operations and Execution. The grants to the Chief Executive Officer and the Executive Vice President satisfied grant obligations under their amended employment agreements. Under each award, a portion of the shares equal to the executive's elected tax withholding rate, plus one-third of the remaining shares, vested on the grant date. The remaining shares vest in 24 substantially equal monthly installments beginning on the first anniversary of the executive's employment commencement date, subject to continued service. Unvested shares vest in full upon a change of control or a termination without cause or resignation for good reason, and are forfeited upon other terminations. The awards were valued at the closing price of the Company's common stock on the grant date of $0.2201 per share, for a total grant-date fair value of $363,165.

A total of 1,025,850 shares vested on the grant date. The Chief Executive Officer surrendered 583,875 vested shares to the Company to satisfy tax withholding obligations, which were retired; the other two executives paid their withholding obligations in cash. Each executive filed an election under Section 83(b) of the Internal Revenue Code.

The Company recognized stock-based compensation expense of $228,754 for these awards in the three and nine months ended September 30, 2026, of which $225,790 related to shares vested on the grant date. As of September 30, 2026, unrecognized compensation cost related to the unvested shares was $134,412, which is expected to be recognized over a weighted-average period of approximately 2.0 years.

Predecessor CEO Stock Plan

The stock plan with Mr. Bennett (the "Predecessor CEO Stock Plan") had a fair value of $660,541 at inception (see "Stock Plan Valuation" section below). This amount is being amortized over the 34-month life of the plan. During the years ended December 31, 2025 and 2024, $232,361 and $233,132 of this amount was charged to operations, respectively.

During the year ended December 31, 2025, the price targets of $1.80 and $2.00 were achieved, and Mr. Bennett became eligible to receive an additional total of 487,566 shares. A total of 1,018,231 shares were issued to Mr. Bennett, net of 444,468 shares withheld for taxes; at December 31, 2025, there are no further shares due to Mr. Bennett pursuant to the Predecessor CEO Stock Plan.

On October 4, 2025, the Company entered into a separation agreement and general release with Mr. Bennett, pursuant to which Mr. Bennett resigned from his position as the CEO of the Company effective October 3, 2025. During the year ended December 31, 2025, the Company charged the unamortized portion of the value of the Predecessor CEO Stock Plan in the amount of $115,795 to compensation expense and additional paid-in capital

There are no shares unvested under the Predecessor CEO Stock Plan at September 30, 2026 or December 31, 2025.

COO Stock Plan

On April 14, 2023, the Company entered into an employment agreement with Brady Smallwood to become the Company's COO effective May 15, 2023. Pursuant to this agreement, Mr. Smallwood was provided with an incentive compensation plan (the "COO Stock Plan") whereby Mr. Smallwood would be granted shares of the Company's common stock upon the common stock meeting certain price points at various 60-day volume weighted prices, as described below:

		Number of Shares Granted - Lower of:	
Stock Price Target		**Number of Shares Issued and Outstanding on Grant Date Multiplied by:**	**Maximum Number of Shares**
$	0.87	0.40%	196,627
$	1.16	0.30%	147,470
$	1.45	0.20%	98,313
$	1.74	0.15%	73,735
$	2.03	0.15%	73,735
$	2.32	0.10%	49,157
$	2.61	0.10%	49,157
$	2.90	0.10%	49,157

The COO Stock Plan had a fair value of $199,951 at inception (see "Valuation of Executive Stock Plans" section below). This amount is being amortized over the 31.5-month life of the plan. During 2026, no expense was incurred as the shares were forfeited as of December 31, 2025. During the three and nine months ended September 30, 2025, $19,043 and $57,129 was charged to operations, respectively.

On January 14, 2025, the price target of $1.74 per share under the COO Stock Plan was achieved and 73,735 shares of common stock vested; and on March 7, 2025, the price target of $2.03 per share under the COO Stock Plan was achieved, and 73,735 shares of common stock vested. The total number of shares vested for achievement of the $1.74, and $2.03 price targets was 147,470. These shares were issued during the year ended December 31, 2025. On December 31, 2025, a total of 147,471 unvested shares were forfeited under the COO Stock Plan.

Prior CFO Stock Plan

On December 29, 2023, the Company entered into an employment agreement with Gary Schubert to become the Company's Chief Financial Officer effective January 1, 2024. Pursuant to this agreement, Mr. Schubert was provided with an incentive compensation plan (the "Prior CFO Stock Plan") whereby Mr. Schubert would be granted shares of the Company's common stock upon the common stock meeting certain price points at various 60-day volume weighted prices, as described below:

		Number of Shares Granted - Lower of:	
Stock Price Target		**Number of Shares Issued and Outstanding on Grant Date Multiplied by:**	**Maximum Number of Shares**
$	1.23	0.40%	131,085
$	1.63	0.30%	98,313
$	2.04	0.20%	65,542
$	2.45	0.15%	49,157
$	2.86	0.15%	49,157
$	3.27	0.10%	32,771
$	3.68	0.10%	32,771
$	4.08	0.10%	32,771

The Prior CFO Stock Plan had a fair value of $238,747 at inception (see "Valuation of Executive Stock Plans" section below). This amount is being amortized over the 30-month life of the plan. During the three and nine months ended September 30, 2026, the remaining unamortized amount of $0 and $47,748 was charged to operations, respectively. During the three and nine months ended September 30, 2025, $23,874 and $71,625 of this amount was charged to operations, respectively.

On March 10, 2025, the price target of $2.04 per share under the Prior CFO Stock Plan was achieved and 65,542 shares of common stock vested. These shares were issued during the year ended December 31, 2025. On October 3, 2025, a total of 196,627 unvested shares were forfeited under the Prior CFO Stock Plan.

Valuation of Executive Stock Plans

The Company relied upon the guidance of Statement of Financial Account Standards No. 718 Compensation – Stock Compensation ("ASC 718") in accounting for the Predecessor CEO Stock Plan, the COO Stock Plan, and the Prior CFO Stock Plan (collectively, the Executive Stock Plans). A Monte Carlo market-based performance stock awards model was used in valuing the Executive Stock Plans, with the following assumptions:

- The stock price for each trading day would fluctuate with an estimated projected volatility using a normal distribution. The stock price of the underlying instrument is modeled such that it follows a geometric Brownian motion with constant drift and volatility.
- The Company would award the stock upon triggering the thresholds.
- Annual attrition or forfeiture rates (i.e., pre–vesting forfeiture assumption) are assumed to be zero given the holder's position with the Company.
- No projected capital events were included in the adjustments to the shares issued and outstanding in the projected simulations.
- Awards/payouts were discounted at the risk–free rate.

Options

For the nine months ended September 30, 2026, there was no stock options activity.

Below is the stock option activity for the nine months ended September 30, 2025:

On January 9, 2025, the Company issued 60,000 shares of common stock pursuant to the cashless exercise of options held by an ex-employee to purchase 130,000 shares of common stock at a price of $1.25 per share and an additional 130,000 shares of common stock at a price of $1.75 per share. There was no gain or loss recorded on this transaction.

On January 13, 2025, the Company issued 24,026 shares of common stock pursuant to the cashless exercise of options held by an ex-employee to purchase 50,000 shares of common stock at a price of $1.00 per share. There was no gain or loss recorded on this transaction.

As of September 30, 2026 and 2025, there were no options outstanding.

15. SEGMENTS

The Company's Chief Operating Decision Maker ("CODM") is the CEO, Gary Schubert, and he has determined that the Company operates in one reportable segment: the delivery of specialty foods. This determination was made based upon the characteristics of the Company's business and the information used by the CODM in order monitor the business and allocate resources.

The CODM uses consolidated revenue, gross margin percentage and net income to monitor results. The CODM also uses revenue by category to monitor the growth of the business in each of the Company's target markets.

The following table presents the Company's segment results:

For the Nine Months Ended	**September 30, 2026**		**September 30, 2025**			
	Amount	**%**	**Amount**	**%**	**$ Change**	**% Change**
Revenue:						
Digital Channels	$ 20,099,529	54.1%	$ 24,588,937	51.9%	$ (4,489,408)	-18.3%
National distribution	$ 7,550,097	20.3%	$ 10,085,779	21.3%	$ (2,535,682)	-25.1%
Local distribution	$ 9,535,790	25.6%	$ 12,665,887	26.8%	$ (3,130,097)	-24.7%
Total revenue	$ 37,185,415	100.0%	$ 47,340,603	100.0%	$ (10,155,188)	-21.5%
Cost of sales	$ 27,856,354	74.9%	$ 35,285,248	74.5%	$ (7,428,894)	-21.1%
Gross margin	$ 9,329,061	25.1%	$ 12,055,355	25.5%	$ (2,726,294)	-22.6%
Cash OpEx:						
Payroll & related costs	$ 5,516,211	14.9%	$ 7,447,576	15.7%	$ (1,931,365)	-25.9%
Computer and IT	$ 408,548	1.1%	$ 290,910	0.6%	$ 117,638	40.4%
Office, facility, vehicles	$ 797,847	2.1%	$ 1,125,109	2.4%	$ (327,262)	-29.1%
Insurance	$ 404,917	1.1%	$ 396,521	0.7%	$ 8,396	2.1%
Travel & entertainment	$ 49,602	0.1%	$ 122,821	0.3%	$ (73,219)	-59.6%
Advertising & marketing	$ 17,336	0.0%	$ 26,825	0.1%	$ (9,489)	-35.4%
Banking and credit card processing	$ 12,957	0.0%	$ 29,181	0.1%	$ (16,224)	-55.6%
Professional fees	$ 1,048,297	2.9%	$ 1,181,449	2.5%	$ (133,152)	-11.3%
	$ 8,255,715	22.2%	$ 10,620,392	22.4%	$ (2,364,677)	-22.3%
Non-cash OpEx:						
Credit loss expense (recovery)	$ (54,033)	-0.1%	$ 43,010	0.1%	$ (97,043)	-225.6%
Share based compensation	$ 260,359	0.7%	$ (715,983)	-1.5%	$ 976,342	-136.4%
Depreciation & amortization	$ 213,565	0.6%	$ 212,215	0.4%	$ 1,350	0.6%
Taxes & fees	$ 91,846	0.2%	$ 145,334	0.3%	$ (53,488)	-36.8%
	$ 511,737	1.4%	$ (315,424)	-0.7%	$ 827,161	-262.2%
Non-Operating (Income) Expense:						
Interest expense	$ 5,036	0.0%	$ 22,925	0.0%	$ (17,889)	-78.0%
Other (income) expense	$ -	0.0%	$ (2,512)	0.0%	$ 2,512	-100.0%
Total other (income) expense	$ 5,036	0.0%	$ 20,413	0.0%	$ (15,377)	75.3%
Income tax expense	28,391	0.1%	-	0.0%	28,391	N/A
Net income (loss) from continuing operations	$ 528,182	1.4%	$ 1,729,974	3.7%	$ (1,201,792)	-69.5%
Other segment disclosures:						
Segment assets	$ 12,010,934		$ 22,192,948			
Expenditures for segment assets	$ 31,183		$ 229,278			

For the Three Months Ended	September 30, 2026		September 30, 2025			
	Amount	%	Amount	%	$ Change	% Change
Revenue:						
Digital Channels	$ 6,404,319	53.6%	$ 8,375,842	53.4%	$ (1,971,523)	-23.5%
National distribution	$ 2,291,178	19.2%	$ 3,301,498	21.1%	$ (1,010,320)	-30.6%
Local distribution	$ 3,256,224	27.2%	$ 3,999,558	25.5%	$ (743,334)	-18.6%
Total revenue	$ 11,951,720	100.0%	$ 15,676,898	100.0%	$ (3,725,178)	-23.8%
			-			
Cost of sales	$ 9,163,750	76.7%	$ 11,820,619	75.4%	$ (2,656,869)	-22.5%
Gross margin	$ 2,787,970	23.3%	$ 3,856,279	24.6%	$ (1,068,309)	-27.7%
Cash OpEx:						
Payroll & related costs	$ 1,864,253	15.6%	$ 2,631,243	16.8%	$ (766,989)	-29.1%
Computer and IT	$ 101,294	0.8%	$ 86,533	0.6%	$ 14,761	17.1%
Office, facility, vehicles	$ 293,478	2.5%	$ 474,748	3.0%	$ (181,270)	-38.2%
Insurance	$ 79,909	0.7%	$ 129,281	0.8%	$ (49,372)	-38.2%
Travel & entertainment	$ 12,176	0.1%	$ 73,226	0.5%	$ (61,050)	-83.4%
Advertising & marketing	$ 15,035	0.1%	$ 20,800	0.1%	$ (5,765)	-27.7%
Banking and credit card processing	$ 3,045	0.0%	$ 5,446	0.0%	$ (2,401)	-44.1%
Professional fees	$ 344,700	2.9%	$ 354,947	2.3%	$ (10,247)	-2.9%
	$ 2,713,890	22.7%	$ 3,776,224	24.1%	$ (1,062,334)	-28.1%
Non-cash OpEx:						
Credit loss expense (recovery)	$ (69,563)	-0.6%	$ 33,521	0.2%	$ (103,084)	-307.5%
Share based compensation	$ 228,754	2.0%	$ (691,122)	-4.4%	$ 919,876	-133.1%
Depreciation & amortization	$ 71,663	0.6%	$ 72,555	0.5%	$ (892)	-1.2%
Taxes & fees	$ 27,323	0.2%	$ 1,740	0.0%	$ 25,583	1470.3%
	$ 258,177	2.2%	$ (583,306)	-3.7%	$ 841,483	-144.3%
Non-Operating (Income) Expense:						
Interest (income) expense	$ (2,896)	0.0%	$ 15,274	0.1%	$ (18,170)	-119.0%
Other (income) expense	$ -	0.0%	$ (2,512)	0.0%	$ 2,512	-100.0%
Total other (income) expense	$ (2,896)	0.0%	$ 12,762	0.1%	$ (15,658)	122.7%
Income tax expense	0	0.0%	-	0.0%	-	N/A
Net income (loss) from continuing operations	$ (181,201)	-1.5%	$ 650,599	4.2%	$ (831,800)	-127.9%
			-			
Other segment disclosures:						
Segment assets	$ 12,010,934		$ 22,192,948			
Expenditures for segment assets	$ -		$ 20,392			

16. RELATED PARTY TRANSACTIONS

Payments to Prior Executive Officers under Separation Agreements were as follows:

For the three months ended September 30, 2026

The Company did not make any payments to Mr. Klepfish, its prior CEO, in connection with the SK Agreements.

The Company paid $9,346 for insurance under the Bennett Separation Agreement

For the nine months ended September 30, 2026

The Company paid cash in the amount of $58,860 to Mr. Klepfish, its prior CEO, in connection with the SK Agreements.

The Company paid $30,331 for salary and consulting fees and $26,539 for insurance under the Bennett Separation Agreement.

For the three months ended September 30, 2025

The Company paid cash in the amount of $55,556 to Mr. Klepfish, its prior CEO, in connection with the SK Agreements.

For the nine months ended September 30, 2025

The Company paid cash in the amount of $222,222 to Mr. Klepfish, its prior CEO, in connection with the SK Agreements.

17. MAJOR CUSTOMERS

During the three months ended September 30, 2026 and 2025, U.S. Foods, Inc. and its affiliates accounted for approximately 36.7% and 40.5% of total consolidated sales, respectively. Gate Gourmet accounted for approximately 18.2% and 18.7% of total consolidated sales during the three months ended September 30, 2026 and 2025, respectively.

During the nine months ended September 30, 2026 and 2025, U.S. Foods, Inc. and its affiliates accounted for approximately 38.9% and 40.6% of total consolidated sales, respectively. Gate Gourmet accounted for approximately 17.2% and 18.5% of total consolidated sales during the nine months ended September 30, 2026 and 2025, respectively.

18. COMMITMENTS AND CONTINGENCIES

Litigation

From time to time, the Company has become and may become involved in certain lawsuits and legal proceedings which arise in the ordinary course of business, or as the result of current or previous investments, or current or previous subsidiaries, or current or previous employees, or current or previous directors, or as a result of acquisitions and dispositions or other corporate activities. The Company intends to vigorously defend its positions. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm the Company's financial position or its business and the outcome of these matters cannot be ultimately predicted.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

References in this report to "we," "our," "us," or the "Company" refer to Innovative Food Holdings, Inc. and all of its wholly-owned subsidiaries.

FORWARD-LOOKING STATEMENTS

The following discussion should be read in conjunction with the consolidated financial statements and the related notes thereto, as well as all other related notes, and financial and operational references, appearing elsewhere in this document.

Certain information contained in this discussion and elsewhere in this report may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Private Securities Litigation Reform Act"), and is subject to the safe harbor created by that act. The safe harbor created by the Private Securities Litigation Reform Act will not apply to certain "forward-looking statements" because we issued "penny stock" (as defined in Section 3(a)(51) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 3(a)(51-1) under the Exchange Act) during the three year period preceding the date(s) on which those forward-looking statements were first made, except to the extent otherwise specifically provided by rule, regulation or order of the Securities and Exchange Commission (the "SEC"). We caution readers that certain important factors may affect our actual results and could cause such results to differ materially from any forward-looking statements which may be deemed to have been made in this report or which are otherwise made by or on our behalf. For this purpose, any statements contained in this report that are not statements of historical fact may be deemed to be forward-looking statements. Without limiting the generality of the foregoing, words such as "may," "will," "expect," "believe," "explore," "consider," "anticipate," "intend," "could," "estimate," "plan," "propose" or "continue" or the negative variations of those words or comparable terminology are intended to identify forward-looking statements. Factors that may affect our results include, but are not limited to, the risks and uncertainties associated with:

- Our ability to raise capital necessary to sustain our anticipated operations and implement our business plan,
- Our ability to implement our business plan, including sale and acquisition of certain operations,
- The potential impact on future revenue and operations resulting from changes to our business plan, including our decision to exit certain business lines such as cheese and logistics,
- Our ability to generate sufficient cash to pay our lenders and other creditors,
- Our dependence on two major customers,
- Our ability to employ and retain qualified management and employees,
- Our dependence on the efforts and abilities of our current employees and executive officers,
- Changes in government regulations that are applicable to our current or anticipated business,
- Changes in the demand for our services and different food trends,
- The imposition of tariffs or other trade restrictions that may increase costs or disrupt our supply chain,
- The degree and nature of our competition,
- The lack of diversification of our business plan,
- The general volatility of the capital markets and the establishment of a market for our shares, and
- Disruption in the economic and financial conditions primarily from the impact of past terrorist attacks in the United States, threats of future attacks, police and military activities overseas and other disruptive worldwide political and economic events, health pandemics, rising inflation and energy costs, and environmental weather conditions.

We are also subject to other risks detailed from time to time in our other filings with the SEC and elsewhere in this report. Any one or more of these uncertainties, risks and other influences could materially affect our results of operations and whether forward-looking statements made by us ultimately prove to be accurate. Our actual results, performance and achievements could differ materially from those expressed or implied in these forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether from new information, future events or otherwise.

Critical Accounting Policy and Estimates

Use of Estimates in the Preparation of Financial Statements

The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosure of contingent assets and liabilities. These estimates include certain assumptions related to, among others, doubtful accounts receivable, inventory, valuation of stock-based services, operating right of use assets and liabilities, impairment of intangible assets, and income taxes. On an on-going basis, we evaluate these estimates, including those related to revenue recognition and concentration of credit risk. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Accounts subject to estimate and judgements are accounts receivable reserves, income taxes, intangible assets, contingent liabilities, and equity-based instruments. Actual results may differ from these estimates under different assumptions or conditions. We believe our estimates have not been materially inaccurate in past years, and our assumptions are not likely to change in the foreseeable future.

Stock Options and Stock Appreciation Rights

The Company accounts for options in accordance with FASB ASC 718-40. Options are valued upon issuance utilizing the Black-Scholes valuation model. Option expense is recognized over the requisite service period of the related option award. The following table illustrates certain key information regarding our options, SARS, and valuation assumptions:

	Nine Months Ended September 30, 2026	Year Ended December 31, 2025
Volatility	66.47%	77.84-205.63%
Dividends	0%	0%
Risk-free interest rates	3.68%	3.48-4.10%
Term (in years)	-	1.00-2.00

As of September 30, 2026, no SARs were executed and all SARs were expired.

Allowance for Credit Losses

The Company maintained an allowance in the amount of $189,884 and $218,319 for credit losses at September 30, 2026 and December 31, 2025, respectively. The Company has an operational relationship of several years with our major customers, and we believe this experience provides us with a solid foundation from which to estimate our expected losses on accounts receivable. Should our sales mix change or if we develop new lines of business or new customers, these estimates and our estimation process will change accordingly. These estimates have been accurate in the past.

Income Taxes

The Company uses the liability method of accounting for income taxes. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry-forwards. The measurement of deferred tax assets and liabilities is based on provisions of applicable tax law. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance based on the amount of tax benefits that, based on available evidence, is not expected to be realized.

Leases

The Company determines if an arrangement is a lease at inception. Operating lease right-of-use assets (“ROU assets”) and short-term and long-term lease liabilities are included on the face of the condensed consolidated balance sheet.

ROU assets represent the right of use to an underlying asset for the lease term and lease liabilities represent the Company’s obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the Company’s leases do not provide an implicit rate, the Company uses an incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also excludes lease incentives. The Company’s lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The Company has lease agreements with lease and non-lease components, which are accounted for as a single lease component. For lease agreements with terms less than 12 months, the Company has elected the short-term lease measurement and recognition exemption, and it recognizes such lease payments on a straight-line basis over the lease term.

Our Business Activities

We build dynamic scalable businesses by selling specialty foods that are difficult to find through traditional channels. Our expertise is forging close relationships with the producers, growers, makers and distributors of specialty products, then carefully selecting our suppliers based on their quality, uniqueness and reliability.

Our team is adept at evaluating and certifying the food safety and supply chain capabilities of small batch producers who do not typically sell through broad-based sales channels. We seek out the freshest, most unique, origin-specific gourmet cheese, meat, produce, and premium ingredients available, and distribute them directly from our robust network of vendors and warehouses within 24 – 72 hours of an order being placed. We also source, package, and brand a meaningful segment of these products ourselves, enabling us to better control the assortment, offer more flexibility and variety to our customers, and capture additional margin.

We leverage this unique, premium assortment to serve the needs of Professional Chefs in settings such as restaurants, hotels, country clubs, national chain accounts, casinos, hospitals and catering houses. We provide these premium customers with products that cannot typically be found through their broadline distributor's warehouse assortment. We distribute these products directly to Professional Chefs in Chicago through our subsidiary, Artisan Specialty Foods, Inc., and nationally through our e-commerce businesses on Amazon.com and our own website. We also drop ship specialty foods to Professional Chefs nationally through the websites of broadline distributors, such as U.S. Foods, Inc. Lastly, we sell these foods to large retailers for resale on their shelves to the end customer. Between this variety of sales channels, we are able to serve our Professional Chef customers wherever they are located.

We operate our airline catering distribution business out of our owned 28,000 square foot facility in the greater Chicago area. Additionally, we operate a warehouse in Denver, Colorado, measuring approximately 20,000 square feet. In March 2026, we sold our facility in Mountain Top, Pennsylvania, which previously supported both our retail and airline catering operations. In connection with this sale, our airline catering operations have been relocated to the Chicago facility, and our retail business is being wound down.

Our facilities have the capabilities to pack and ship frozen, refrigerated, and ambient products, enabling us to offer a broad range of specialty foods. We maintain GFSI/SQF certifications, ensuring compatibility with the highest global standards for food handling and meeting the quality and food safety expectations of our premium customers. These warehouses are equipped to ship packages and pallets of all sizes via overnight carriers. We also utilize our own fleet of trucks to deliver directly to Professional Chef customers within our delivery footprint.

Our proprietary technology platform underpins our entire business, driving transparency and efficiency up and down the supply chain. Orders flow in real time, whether to our warehouses or to our vendor partners, to allow for fast handling and fulfillment. Our picking is enabled by efficient scan-based, handheld devices, ensuring order and inventory accuracy. Our warehouse management software optimizes pick routes for common items and order types, recommends a box size, and calculates the appropriate amount of packaging and ice required based on forecasted temperatures along the delivery route.

We have built a team consisting of passionate, committed, and food-obsessed people: our average tenure (outside of seasonal workers) across the Company is over five years. Our merchandising team has deep connections within the specialty food space around the globe. Our customer service and sales teams, as ex-chefs themselves, go beyond customer service to offer our Professional Chefs customer support, menu ideas, and preparation guidance.

RESULTS OF OPERATIONS

This discussion may contain forward-looking statements that involve risks and uncertainties. Our future results could differ materially from the forward-looking statements discussed in this report. This discussion should be read in conjunction with our consolidated financial statements, the notes thereto and other financial information included elsewhere in the report.

Financial highlights for the fiscal quarter ended September 30, 2026: we reported revenue of $12.0 million, a 24% decrease compared to $15.7 million in 2025.

Three Months Ended September 30, 2026

Revenue Breakdown:

- Digital Channels: Largely comprised of our distributor relationships and supported by our drop-ship model generated revenue of $6.4 million, a decrease of 23.5%, compared to $8.4 million in the prior year period. This decrease was primarily driven by continued headwinds in our legacy drop-ship business, where increased competition in online marketplace channels has resulted in lower order volumes and pricing pressure.
- National Distribution: Revenue was $2.3 million, a decrease of 31%, compared to $3.3 million in the prior year period. The decrease was primarily driven by stiffer competition and airline menu cycle changes.
- Local Distribution: Consists mainly of local sales team relationships and our local fleet delivering direct from warehouse. This category generated $3.3 million, a decrease of 19%, compared to $4.0 million in 2025. This decrease was primarily driven by customer attrition following prior year operational transitions; however, these strategic customer attrition efforts have stabilized.

Cost of goods sold for the three months ended September 30, 2026, was $9.2 million, a decrease of 22.5%, compared to $11.8 million in the prior year period. This decrease was primarily due to a 23.8% decrease in revenue. Gross profit declined by 27.7% to $2.8 million, while gross margin decreased to 23.3% from 24.6%.

Operating Expenses

Total operating expenses decreased by $0.2 million, or 6.9%, primarily due to the factors described below:

- Payroll and related costs decreased by $0.8 million to $1.9 million. This decrease was primarily due to a reduction in headcount from organizational restructuring, largely at the executive level.
- Office, facility, and vehicles expenses decreased by $0.2 million to $0.3 million. This decrease was primarily due to organizational cost cutting initiatives.
- Share-based compensation increased by $0.9 million to $0.2 million, due to revaluation of SARs in the prior year coupled with equity-based incentives offered to attract and retain key personnel in the current year.

Nine Months Ended September 30, 2026

Revenue Breakdown:

- Digital Channels: Largely comprised of our distributor relationships and supported by our drop-ship model generated $20.1 million, 54% of total revenue, in the current period, compared to $24.6 million in the prior year period, a decrease of approximately 18.3%. This decrease was primarily driven by continued headwinds in our legacy drop-ship business, where increased competition in online marketplace channels has resulted in lower order volumes and pricing pressure.
- National Distribution: Revenue was $7.6 million, 20.3% of total revenue, compared to $10.1 million in the prior year period. The decrease was primarily driven by stiffer competition and airline menu cycle changes.
- Local Distribution: Consists mainly of local sales team relationships and our local fleet delivering direct from warehouse. This category generated $9.5 million, 25.6% of total revenue, which is a 24.7% decrease from $12.7 million in 2025. This decrease was primarily driven by customer attrition following prior year operational transitions; however, these strategic customer attrition efforts have stabilized.

Cost of goods sold for the nine months ended September 30, 2026 decreased by approximately 21.1% to $27.9 million compared to $35.3 million in the prior year period, which is primarily due to a 21.5% decrease in revenue. Gross margin remained flat at approximately 25%.

Operating Expenses

Total operating expenses decreased by $1.5 million, or 14.9%, primarily due to the factors described below:

- Payroll and related costs decreased by $1.9 million to $5.5 million. This decrease was primarily due to a reduction in headcount from organizational restructuring, largely at the executive level.
- Professional fees decreased by $0.1 million to $1.0 million primarily due to the discontinuation of strategic growth initiatives that did not yield desired results.
- Office, facility, and vehicles expenses decreased by $0.3 million to $0.8 million. This decrease was primarily due to organizational cost cutting initiatives.
- Share-based compensation increased by $1.0 million to $0.3 million, due to revaluation of SARs in the prior year coupled with equity-based incentives offered to attract and retain key personnel in the current year.

Liquidity and Capital Resources at September 30, 2026

As of September 30, 2026, we had current assets of $10.0 million and current liabilities of $3.4 million. Net working capital was $6.6 million.

We believe we have sufficient liquidity to fund operations for at least the next twelve months. With the sale of the Pennsylvania facility, operating cash flows are expected to continue to improve as facility costs and lower margin product sales roll off. We do not anticipate the need to raise additional capital. We are exploring new credit facility options to provide working capital flexibility. Remaining severance obligations are not expected to be material, and staffing levels are being managed to align with current business needs.

Cash Flow Analysis:

- Net cash provided by operating activities was $0.4 million primarily due to net income of $2.0 million, offset by non-cash adjustments of $1.4 million and working capital decreases of $0.2 million.
- Net cash provided by investing activities was $8.8 million which was primarily due to cash received for the sale of the Pennsylvania land and building.
- Net cash used in financing activities was $9.0 million, primarily due to principal payments on debt of $8.8 million, including the repayment of our term loan in connection with the sale of the Pennsylvania facility, and payments of $0.1 million for taxes related to shares withheld on equity awards.

Transactions with Major Customers

During the three months ended September 30, 2026 and 2025, U.S. Foods, Inc. and its affiliates accounted for approximately 36.7% and 40.5% of total revenue, respectively. Gate Gourmet accounted for approximately 18.2% and 18.7% of total revenue, respectively, during the three months ended September 30, 2026 and 2025.

During the nine months ended September 30, 2026 and 2025, U.S. Foods, Inc. and its affiliates accounted for approximately 38.9% and 40.6% of total revenue, respectively. Gate Gourmet accounted for approximately 17.2% and 18.5% of total revenue, respectively, during the nine months ended September 30, 2026 and 2025.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues, or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Inflation

In the opinion of management, inflation has had a material effect on the Company's financial condition and results of its operations. The Company has seen the impact of inflation across its costs for fuel, shipping, cost of goods, and marketing. Balancing the management of these increases with the willingness of our customers to pay higher prices will continue to be a key focus for the Company this year. However, no assurance can be given that we will be successful and inflationary pressure on our profits will likely continue through 2026.

RISK FACTORS

The Company's business and success is subject to numerous risk factors as detailed in its Annual Report on Form 10-K for the year ended December 31, 2025 and its Current Reports on Form 8-K, all of which reports are available at no cost at www.sec.gov.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this Item.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit pursuant to the requirements of the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, among other things, controls and procedures designed to ensure that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, to allow timely decisions regarding required disclosure.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of the end of the period covered by this report. Based on this evaluation, and because of the material weaknesses in internal control over financial reporting described below, management concluded that the Company's disclosure controls and procedures were not effective as of September 30, 2026.

Material Weaknesses in Internal Control Over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

During management's evaluation of internal control of financial reporting, management identified material weaknesses related to information technology general controls over certain applications that support the Company's financial reporting processes. Specifically, management identified deficiencies associated with (a) effective user access controls to appropriately segregate duties and adequately restrict user and privileged access, (b) effective controls to monitor, document and approve application changes, and (c) effective controls related to monitoring of critical jobs. As a result of these deficiencies and certain account reconciliation and review controls that were not effectively designed in fully mitigating the related risks, automated process- level and manual controls within the financial reporting cycles that rely on information generated from such financially relevant systems were not considered effective.

Notwithstanding the identified material weaknesses, management, including our principal executive officer and principal financial and accounting officer, concluded the consolidated financial statements included in this report fairly represent in all material respects our results of operations, financial condition, and cash flows at and for the periods presented in accordance with U.S. GAAP.

As disclosed in Part II, Item 9A of the Annual Report on Form 10-K for the year ended December 31, 2025, management concluded that the aforementioned material weaknesses in internal control existed for the Company. Management concluded that these material weaknesses still existed as of September 30, 2026.

Remediation Plan

Management has begun implementing measures designed to remediate the material weaknesses described above. These remediation efforts include:

- Formalizing information technology governance procedures related to user access administration, periodic access reviews, and application change management for systems supporting financial reporting;
- Enhancing documentation, approval, testing, and tracking procedures for application changes;
- Reviewing user roles and access permissions within relevant applications and implementing additional role-based access governance procedures, as appropriate;
- Enhancing the documentation, retention, and review of system change logs and other relevant system activity logs; and
- Strengthening documentation of existing monitoring controls related to system interfaces, application functionality, and data validation processes.

Management will continue to evaluate the design and operating effectiveness of these remediation efforts. The material weaknesses will not be considered remediated until the applicable controls have been fully implemented, tested, and determined to be operating effectively for a sufficient period of time.

Changes in Internal Control Over Financial Reporting

Other than as discussed above, during the period covered by this report, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company has become and may become involved in certain lawsuits and legal proceedings which arise in the ordinary course of business, or as the result of current or previous investments, or current or previous subsidiaries, or current or previous employees, or current or previous directors, or as a result of acquisitions and dispositions or other corporate activities. The Company intends to vigorously defend its positions. However, litigation is subject to inherent uncertainties, and an adverse result in these or other matters may arise from time to time that may harm our financial position or our business, and the outcome of these matters cannot be ultimately predicted.

Item 1A. Risk Factors

As a smaller reporting company under Rule 12b-2 of the Exchange Act, we are not required to include risk factors in report. However, for detailed descriptions of the risks relating to our Company, see the section titled "Risk Factors" contained in our Annual Report for the year ended December 31, 2025. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. We may disclose changes to such risk factors or disclose additional risk factors from time to time in our future filings with the SEC.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Trading Arrangements

During the quarterly period ended September 30, 2026, none of our directors or officers (as defined in Rule 16a-1(f) promulgated under the Exchange Act) adopted or terminated any "Rule 10b5-1 trading arrangement" or any "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

Item 6. Exhibits

3.1	Articles of Incorporation (incorporated by reference to Exhibit 3.1 of the Company's Annual Report on Form 10-KSB for the year ended December 31, 2004 filed with the Securities and Exchange Commission on September 28, 2005).
3.2	Amended Bylaws of the Company (incorporated by reference to Exhibit 3.2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2010 filed with the SEC on March 16, 2011).
3.3	Amended Bylaws of the Company (incorporated by reference to Exhibit 3.1 of the Company's Current Report Form 8-K filed with the SEC on January 31, 2012).
3.4	Amended Bylaws of the Company (incorporated by reference to Exhibit 3.2 of the Company's Current Report Form 8-K filed with the SEC on January 23, 2018)
3.5	Amended Bylaws of the Company (incorporated by reference to Exhibit 3.1 of the Company's Current Report Form 8-K filed with the SEC on September 14, 2021)
3.6	Amended Bylaws of the Company (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K filed with the SEC on March 13, 2023).
3.7	Amended Bylaws of the Company (incorporated by reference to Exhibit 3.1 of the Company's Current Report Form 8-K filed with the SEC on May 23, 2023)
10.1*+	Amended and Restated Employment Agreement, dated September 14, 2026, by and between the Company and Gary Schubert.
10.2*+	Amended and Restated Employment Agreement, dated September 14, 2026, by and between the Company and Argie Liarakos.
10.3*+	Employment Agreement, dated September 14, 2026, by and between the Company and Erik Saterbo.
31.1*	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) under the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of the Principal Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of the Principal Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.
** Furnished herewith.
\+ Indicates management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INNOVATIVE FOOD HOLDINGS, INC.

Date: November 12, 2026

By: /s/ Gary Schubert
Name: Gary Schubert
Title: Chief Executive Officer
(Principal Executive Officer)

Date: November 12, 2026

By: /s/ Erik Saterbo
Name: Erik Saterbo
Title: Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 10.1

INNOVATIVE FOOD HOLDINGS, INC.
AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

Innovative Food Holdings, Inc., a Florida corporation (the "Company"), and Gary Schubert (the "Executive") (the Company and the Executive each a "Party" and, collectively, the "Parties") enter into this **AMENDED AND RESTATED EMPLOYMENT AGREEMENT** (this "Agreement") dated as of September 14, 2026 ("Effective Date").

W I T N E S S E T H

WHEREAS, the Company and the Executive are party to that certain Executive Employment Agreement, dated as of October 3, 2025 (the "Prior Agreement"), pursuant to which the Executive served as the Company's Chief Executive Officer.

WHEREAS, the Company and the Executive desire to amend and restate that Prior Agreement and in this agreement, pursuant to which the Executive will continue to serve as the Company's Chief Executive Officer on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. PRIOR AGREEMENTS, POSITION, AND DUTIES.

(a) As of the Effective Date, the Prior Agreement shall terminate and be of no further force or effect, *provided that*: (i) Executive shall remain entitled to any compensation and vested benefits earned under the Prior Agreement; (ii) those terms of the Prior Agreement intended to survive the termination of such agreements shall survive; and (iii) the Employee Confidential Information and Non-Solicitation Agreement dated December 27, 2023 (the "Restrictive Covenants Agreement") shall survive the termination of the Prior Agreement.

(b) During the Employment Term (as defined below), the Executive will serve as the Chief Executive Officer ("CEO") of the Company and a member of the Company's Board of Directors (the "Board"). In this capacity, the Executive will have the duties, authorities and responsibilities commensurate with the duties, authorities and responsibilities of persons in similar capacities in similarly-sized public companies, and such other duties, authorities and responsibilities not inconsistent with the Executive's position as may be assigned to the Executive by the Board from time to time. The Executive will report directly to the Board.

(c) The Executive will be permitted to work primarily from the Executive's home office in a state of the Executive's choice, so long as the Executive's primary residence remains in the 48 contiguous United States. The Executive will be expected from time to time to travel to and work at one of the Company's corporate locations, or for other business purposes, as deemed necessary or appropriate by the Executive or the Board. The Executive agrees not to relocate outside of the 48 contiguous United States without prior written approval of the Board.

(d) During the Employment Term, the Executive will faithfully serve the Company and devote substantially all of the Executive's business time, energy, business judgment, knowledge and skill, and the Executive's best efforts, to the performance of the Executive's duties with the Company. At the Executive's discretion, he may also devote a small minority of his time to sitting on other company boards, speaking at industry conferences or events, and speaking or teaching at educational institutions, so long as any such activities are first disclosed to and approved by the Board in writing and do not, individually or in the aggregate, interfere or conflict with the Executive's duties, obligations and restrictions hereunder or create a potential business or fiduciary conflict.

2. EMPLOYMENT TERM. The Executive's employment under this Agreement will commence on or about October 3, 2025 and will automatically terminate, and the Executive's employment with the Company will end, on December 31, 2028 (the later of such date or the end of any successive one-year term, the "Expiration Date"); *provided, however*, that this Agreement will be automatically renewed for successive one-year terms unless the Board provides the Executive with 90 days' advance written notice of non-renewal. In the event the Company gives notice of non-renewal, the Company may place Executive on paid leave for the period remaining in the term of the Agreement and such action by the Company shall not be considered "Good Reason" or a termination of Executive's employment. Notwithstanding the foregoing or anything else herein to the contrary, the Executive's employment is at-will, and either the Executive or the Company may terminate the Executive's employment and the "Employment Term" (as defined below) at any time (including prior to the Expiration Date), for any or no reason. The effective date of any termination of the Executive's employment hereunder is hereinafter referred to as the "Termination Date", and the period of time between the October 3, 2025 and the Termination Date is hereinafter referred to as the "Employment Term." Effective upon any Termination Date, this Agreement will automatically terminate and will be of no further force or effect, except as otherwise provided in Section 13(a) hereof, and the Executive shall immediately be automatically removed (or, if requested by the Board, shall resign, in writing) from all positions then held by the Executive with the Company and its affiliates, including the Executive's seat on the Board, unless otherwise agreed to by the Company.

3. COMPENSATION AND BENEFITS.

(a) **BASE SALARY.** Beginning on January 1, 2026, the Company will pay to the Executive a base salary at an annualized rate of $400,000, payable in accordance with the regular payroll practices of the Company, but not less frequently than monthly. The Executive's Base Salary will be subject to periodic review, at least annually, by the Board or its compensation committee (the "Committee"), and will be increased by the Board or the Committee effective each January 1, beginning on January 1, 2027, by at least 3% of the Base Salary rate in effect as of the immediately preceding December 31. The base salary, as determined herein and increased from time to time, will constitute "Base Salary" for purposes of this Agreement.

(b) **ANNUAL INCENTIVE PLAN.** Beginning in calendar year 2026, for each calendar year during the Employment Term, the Executive shall be eligible to earn an annual cash incentive bonus with a target (attainable upon achievement of the applicable performance goals at the target level) of not less than $137,500 (prorated for any partial years based on the number of whole calendar days served in such partial years) (the "Target Bonus"), *provided, however,* that the incentive bonus cannot exceed 8% of the Company's adjusted free cash flow over the previous calendar year. The incentive bonus shall be payable no later than January 31 of the year following the year to which the bonus relates, subject to the Executive's continued employment with the Company and compliance with this Agreement and the Company's annual incentive plan ("AIP") through end of the calendar year to which the bonus relates. Such bonuses will be based on attainment of one or more individual or business performance goals (to be reasonably determined by the Board annually after good faith consultation with the Executive) and all of the other terms and conditions (including as to earning and forfeiture) of the AIP. The maximum annual bonus under the AIP will be $400,000. For the avoidance of doubt, the Executive shall continue to participate in the AIP for calendar year 2025.

(c) **LONG-TERM INCENTIVE AWARDS**.

(i) Not later than three business days after the date of this Amended and Restated Employment Agreement, the Company shall grant the Executive 1,350,000 shares of restricted common stock (the "Stock Grant"). The restricted shares subject to the Stock Grant shall vest as follows: (A) a number of shares equal to the product of (u) the total number of restricted shares subject to this award (the "Total Restricted Shares") and (v) the Executive's elected tax rate (which must fall within the ranges prescribed by applicable law and which must be elected with the Company prior to the grant date), shall be vested immediately upon the grant date, (B) a number of restricted shares equal to the product of (w) the difference between (i) the Total Restricted Shares and (ii) the number of restricted shares which vest pursuant to clause (A), and (x) one-third (1/3), shall be vested immediately upon the grant date, and (C) a number of shares equal to the difference between (y) the Total Restricted Shares and (z) the sum of (1) the number of restricted shares which vest pursuant to clause (A) and (2) the number of restricted shares which vest pursuant to clause (B), shall vest in twenty-four substantially equal monthly installments beginning on the one-year anniversary of the Executive's employment commencement date set forth in Section 2, and on each monthly anniversary thereafter, subject to the Executive's continuous service with the Company through each applicable vesting date. Subject to applicable law and Company procedures, the Executive may pay any withholding obligation in cash and retain the shares vested under Section 3(c)(i)(A), or satisfy it through net-share withholding or surrender of shares.

(ii) The Stock Grant will be subject to the terms and conditions of an award agreement setting forth additional details of the terms and conditions of the Stock grant, *provided, that*, such award agreement shall be consistent with the terms of this Section 3(c) and, in the event of a conflict between this Section 3(c) and the award agreement, the language of this Section 3(c) shall prevail.

(iii) The Executive may settle any tax obligations through a share withholding or sell-to-cover arrangement, based on maximum applicable statutory tax rates, *provided that*, as the Company's CEO, Executive shall be responsible for ensuring that the foregoing process is followed and that all withholding taxes required to be remitted to the U.S. Internal Revenue Service or other tax authorities are completely and timely remitted.

(iv) In the event the Company terminates Executive's employment without Cause or Executive resigns for Good Reason, all unvested restricted shares, subject to satisfaction of the Release Condition set forth in Section 5(c) of this Agreement, shall vest upon the effective date of the General Release defined in Section 5(c) of this Agreement. In the event the Company Terminates Executive's employment for Cause, or Executive resigns without Good Reason, all unvested restricted shares shall be forfeited.

(v) In the event of the consummation of a Change of Control during the Employment Term, any then-unvested shares under the Stock Grant shall accelerate and vest in full. For purposes of the Stock Grant, "Change of Control" means the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of equity interests in the Company constituting more than fifty percent (50%) of either the total fair market value or the total voting power of the then-outstanding equity interests in the Company; provided, however, that the following acquisitions shall not constitute a Change of Control: (w) any acquisition by any individual, entity or group that holds an equity interest in the Company as of the date of this Agreement through any open market purchases or any private investment in public equity (PIPE) or similar transactions, (x) any acquisition directly from the Company, (y) any acquisition by the Company, or (z) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company.

(d) **EMPLOYEE BENEFITS.** During the Employment Term, the Executive will be eligible to participate in any employee benefit plan maintained by the Company for the benefit of its employees generally, subject to all of the terms and conditions (including eligibility requirements) of such plan. Notwithstanding the foregoing, the Company may modify or terminate any employee benefit plan at any time, in its sole and absolute discretion.

(e) **PAID TIME OFF.** During the Employment Term, the Executive will be entitled to paid vacation and other paid time off in accordance with the Company's paid time off policy as in effect from time to time, with a minimum of twenty (20) vacation days, and eight (8) personal/sick days, plus all federal and state of residence holidays. Vacation may be taken at such times and intervals as the Executive determines, subject to the business needs of the Company.

(f) **BUSINESS EXPENSES.** Upon presentation of reasonable substantiation and documentation as the Company may specify from time to time, the Executive will be reimbursed in accordance with the Company's expense reimbursement policy as in effect from time to time for all eligible out-of-pocket business expenses (including for business travel) incurred and paid by the Executive during the Employment Term.

(g) **ATTORNEY FEES**. Contingent on the Executive entering into this Agreement, and commencing employment with the Company on October 3, 2025, the Company will pay or reimburse the Executive, upon receipt of appropriate supporting documentation (and in all events on or before December 31, 2025), for the attorneys' fees actually incurred by the Executive in connection with negotiating and executing this Agreement, up to a maximum of five thousand dollars ($5,000).

4. TERMINATION. The Executive's employment and the Employment Term will terminate on the first of the following to occur:

(a) **EXPIRATION**. Automatically and immediately on the Expiration Date.

(b) **DEATH.** Automatically and immediately upon the date of death of the Executive.

(c) **TERMINATION DUE TO DISABILITY.** Upon not less than thirty (30) calendar days' prior written notice by the Company to the Executive of termination due to Disability. For purposes of this Agreement, "Disability" means (i) if the Company then maintains a long-term disability policy covering the Executive, the Executive becoming entitled to long-term disability benefits under such policy, as determined by the administrator of such policy; or (ii) if the Company does not then maintain a long-term disability policy covering the Executive, the determination by the Board in its good faith discretion that the Executive has experienced a physical or mental injury, infirmity or incapacity which is expected to render the Executive unable, with or without reasonable accommodation, to perform the Executive's material duties hereunder for at least one hundred eighty (180) calendar days in any three hundred sixty five (365) calendar day period (and the Executive will cooperate in all respects with the Board if a question arises as to whether the Executive has become Disabled (including, without limitation, submitting to reasonable examinations by one or more medical doctors and other health care specialists selected by the Board and authorizing such medical doctors and other health care specialists to discuss the Executive's condition with the Board)).

(d) **TERMINATION FOR CAUSE.** Immediately upon written notice by the Company to the Executive of a termination for Cause. For purposes of this Agreement, "Cause" means any of the following:

(i) The Executive's theft, fraud, embezzlement, willful misconduct, breach of fiduciary duty or material falsification of any documents or records of the Company, its subsidiaries or other affiliates (each, a "Group Company");

(ii) The Executive's material failure to abide by a Group Company's code of conduct or other policies (including policies relating to confidentiality and workplace conduct) made available to the Executive;

(iii) The Executive's unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Group Company (including the Executive's improper use or disclosure of a Group Company's confidential or proprietary information);

(iv) any misconduct, moral turpitude or gross negligence of the Executive that has or, in the reasonable good faith judgment of the Board, could be expected to have, a material detrimental effect on a Group Company's reputation or business;

(v) The Executive's willful failure to perform the Executive's duties hereunder after written notice from the Board of such failure;

(vi) The Executive's conviction of (including any plea of guilty or nolo contendere to), or indictment for, any felony, or any crime involving fraud, dishonesty, misappropriation, or moral turpitude, or that materially and permanently impairs the Executive's ability to perform the Executive's duties with a Group Company;

(vii) The Executive's willful failure to cooperate with the Company and its legal counsel in connection with any investigation or other legal or similar proceeding involving any Group Company;

(viii) any material breach or misrepresentation by the Executive of or in this Agreement, or any breach by the Executive of the Restrictive Covenants Agreement; or

(ix) Executive's willful refusal to follow a lawful directive contained in a written resolution approved by the Board.

Notwithstanding the foregoing, no event described in clauses (i), (ii), (iii), (iv), (v), (vii), (viii), or (ix) of this Section 4(d) that is reasonably determined by the Board in good faith to be curable will constitute Cause unless the Board has given the Executive notice of its intention to terminate the Executive for Cause, which sets forth the events that constitute Cause, and the Executive fails to cure such events to the Board's reasonable satisfaction within fourteen (14) calendar days after receiving such notice.

(e) **TERMINATION WITHOUT CAUSE.** Upon not less than thirty (30) calendar days' prior written notice by the Company to the Executive of an involuntary termination without Cause (which, for the avoidance of doubt, will not include any termination described in Sections 4(a), 4(b) or 4(c) above).

(f) **RESIGNATION FOR GOOD REASON.** Upon written notice by the Executive to the Company of a resignation for Good Reason (provided that at the time of such resignation no notice of the Board's intention to terminate the Executive's employment for Cause is pending under Section 4(d) above). For purposes of this Agreement, "Good Reason" means the occurrence of any of the following events, without the express written consent of the Executive, unless such events are fully corrected in all material respects by the Company within sixty (60) calendar days following written notification by the Executive to the Company of the occurrence of one of the reasons set forth below:

(i) material diminution in the Executive's Base Salary or Target Bonus opportunity, *provided, however* that in the event the Board reasonably determines that salary reductions are required to maintain the Company's financial health, a reduction in the Executive's Base Salary of up to 20% (twenty percent) shall be permitted so long as such percentage reduction is no greater than the percentage reduction applicable to other senior executives of the Company;

(ii) material diminution in the Executive's duties, authorities or responsibilities (other than temporarily while physically or mentally incapacitated or as required by applicable law), or a requirement that the Executive report to a party other than the Board;

(iii) any requirement that the Executive work primarily from a place of employment (including one of the Company's corporate locations) other than the Executive's home office or a corporate office established by the Company not more than 35 miles from the Executive's home office; or

(iv) material breach by the Company of any of its material obligations hereunder, including, but not limited to, the obligation to grant the Stock Grant set forth in Section 3(c) pursuant to the terms set forth therein.

The Executive must provide the Company with a written notice detailing the specific circumstances alleged to constitute Good Reason within sixty (60) calendar days after the first occurrence of such circumstances, and actually terminate employment within thirty (30) calendar days following the expiration of the Company's sixty (60)-day cure period described above. Otherwise, any claim of such circumstances as "Good Reason" will be deemed irrevocably waived by the Executive.

(g) **RESIGNATION WITHOUT GOOD REASON.** Upon not less than thirty (30) calendar days' prior written notice by the Executive to the Company of the Executive's resignation from employment with the Company other than for Good Reason, provided that the Company may, in its sole and absolute discretion, waive all or part of the Executive's notice period and/or instruct the Executive to not report to work during all or part of the Executive's notice period.

5. CONSEQUENCES OF TERMINATION.

(a) **EXPIRATION; DEATH; TERMINATION DUE TO DISABILITY; TERMINATION FOR CAUSE; RESIGNATION.** In the event that the Executive's employment and the Employment Term end in accordance with Section 4(a), 4(b), 4(c), 4(d) or 4(g), the Executive (or the Executive's estate, as applicable) will be entitled to the following (collectively, the "Accrued Benefits"), subject to Section 10 below:

(i) any previously earned but unpaid Base Salary through the Termination Date, paid within sixty (60) calendar days following the Termination Date, or on such earlier date as may be required by applicable law;

(ii) any earned but unpaid annual bonus under the AIP for the immediately preceding calendar year, subject to the terms and conditions of the AIP;

(iii) subject to Section 3(e) above, any accrued but unused vacation time, paid subject to and in accordance with Company policy;

(iv) subject to Section 3(f) above, reimbursement for any unreimbursed eligible business expenses incurred through the Termination Date, paid subject to and in accordance with Company policy; and

(v) any accrued vested benefits under any Company employee benefit plan, paid or provided subject to and in accordance with the terms of such plan.

(b) **TERMINATION WITHOUT CAUSE OR RESIGNATION WITH GOOD REASON.** In the event that the Executive's employment and the Employment Term end in accordance with Section 4(e) or 4(f), the Executive shall be entitled to the Accrued Benefits and, conditioned on the Executive's (x) compliance with the "Release Condition" in Section 5(c) below and (y) continued compliance with this Agreement, including Section 6 below, the Executive may also earn and receive the following additional severance, subject to Section 10 below:

(i) an amount equal to the Executive's Base Salary (as in effect on the Termination Date) for nine (9) months in the event the Termination Date is prior to October 3, 2027, and twelve (12) months if the Termination Date is on or after October 3, 2027 and prior to the date this Agreement expires (the "Severance Period"), which will be paid in equal periodic installments on the Company's regular payroll dates (not less frequently than monthly) over the Severance Period beginning with the first regular Company payroll date next following the Termination Date; provided that the first installment payment of such severance will be made on the Company's first regularly scheduled payroll date next following the sixtieth (60^{th}) calendar day after the Termination Date and will include payment of any installment payments that were otherwise due prior thereto;

(ii) subject to the Executive's (x) eligibility for and timely election of continuation coverage under the Company's group health plan in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") and (y) continued copayment of coverage premiums at the same level and cost to the Executive as if the Executive were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued copayment by the Company for such coverage to the same extent that the Company paid for such coverage immediately prior to the Termination Date, in a manner intended to avoid any excise tax under Section 4980D of the Internal Revenue Code of 1986, as amended (the "Code"), and subject to the eligibility requirements and other terms and conditions of such insurance coverage, for the duration of the Severance Period; and

(iii) full acceleration of any then-outstanding and unvested equity awards held by the Executive.

(c) **RELEASE CONDITION**. The Executive will be eligible to receive the payments and benefits described in Section 5(b) only if the Executive executes and delivers to the Company a separation agreement including a general release of claims in a form then provided by the Company (the "General Release"), and such General Release becomes effective and irrevocable according to its terms no later than sixty (60) calendar days following the Termination Date, and only so long as the Executive has not revoked or breached any of the provisions of the General Release and does not subsequently breach any such provisions (the "Release Condition").

(d) **EXCLUSIVE REMEDY**. The payments and benefits described in this Section 5 will be in full and complete satisfaction of the Executive's rights and entitlements under this Agreement and any other claims that Executive may have in respect of the Executive's employment with the Company or any of its affiliates, and the termination thereof, and the Executive acknowledges that such amounts are fair and reasonable, and are the Executive's sole and exclusive remedy, in lieu of all other remedies at law or in equity, with respect to the termination of the Executive's employment hereunder or any breach of this Agreement. As of the date of the final payment described in this Section 5, the Company and its affiliates shall not have any further obligation to Executive under this Agreement or otherwise, except as may be required by law.

(e) **NO MITIGATION.** In no event will the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, and such amounts will not be reduced whether or not the Executive obtains other employment.

6. D&O COVERAGE. The Company will maintain a directors' and officers' liability insurance policy (or policies) providing coverage for the Executive that is at least as favorable to the Executive in any respect (including as to the length of any post-employment tail coverage) as the coverage then being provided to any other officer or director of the Company. The policy must be held with a reputable company, of the standard appropriate for CEOs of public companies.

7. NO ASSIGNMENTS. This Agreement is personal to each of the Parties hereto. Except as provided in this paragraph, no Party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other Party hereto. The Company may assign this Agreement to any successor to all or substantially all of the business and/or assets of the Company and, as used in this Agreement, "Company" will mean the Company and any such successor which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise.

8. NOTICE. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when delivered personally, on the date of transmission if delivered by electronic mail with delivery receipt, on the third Business Day after having been mailed by certified or registered mail, return receipt requested and postage prepaid, or on the first Business Day after the date sent via a nationally recognized overnight courier. "Business Day" is any day other than a Saturday, Sunday or a day on which banks in New York are required or authorized to be closed. Such notices, demands and other communications will be sent to the address indicated below:

If to the Executive:

At the Executive's address (or to the e-mail address or facsimile number) shown in the books and records of the Company.

If to the Company:

Innovative Food Holdings, Inc.
Attention: Board of Directors
2528 S. 27th Avenue
Broadview, IL 60155
e-mail: James Pappas jcp@jcpinv.com

With a copy (which will not constitute notice) to:

Ellenoff Grossman & Schole LLP
Attention: Sarah Williams, Esq.
1345 Avenue of the Americas, 11th Floor
New York, New York 10105
e-mail: swilliams@egsllp.com

or to such other address as either Party may have furnished to the other in writing in accordance herewith, except that notices of change of address will be effective only upon receipt.

9. TAX MATTERS.

(a) **WITHHOLDING.** The Company may withhold from any compensation and benefits payable under this Agreement all applicable federal, state, local, or other taxes, and any other applicable withholdings and tax related requirements.

(b) **SECTION 409A.**

(i) Although the Company does not guarantee the tax treatment of any payments or benefits under this Agreement, the intent of the Parties is that the payments and benefits under this Agreement be exempt from or, to the extent not exempt, comply with, Section 409A of the Code, and the regulations and guidance promulgated thereunder (collectively "Section 409A"), and, accordingly, to the maximum extent possible, this Agreement will be interpreted and construed consistent with such intent. Notwithstanding the foregoing, the Company does not guarantee any particular tax result, and in no event whatsoever will the Company, its affiliates, or their respective officers, directors, employees, counsel or other service providers, be liable for any tax, interest or penalty that may be imposed on the Executive by Section 409A or damages for failing to comply with Section 409A.

(ii) To the extent that reimbursements or other in-kind benefits hereunder constitute "deferred compensation" subject to Section 409A, (x) all expenses or other reimbursements hereunder will be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (y) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (z) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(iii) For purposes of Section 409A, the Executive's right to receive installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment hereunder specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

(iv) Any other provision of this Agreement to the contrary notwithstanding, in no event will any payment or benefit hereunder that constitutes "deferred compensation" subject to Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A.

(v) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "deferred compensation" subject to Section 409A upon or following a termination of employment, unless such termination is also a "separation from service" within the meaning of Section 409A, and, for purposes of any such provision, all references in this Agreement to the Executive's "termination", "termination of employment" or like terms will mean the Executive's "separation from service" with the Company, and the date of such separation from service will be the date of termination for purposes of any such payment or benefit.

(vi) Notwithstanding any other provision of this Agreement to the contrary, if, at the time of the Executive's separation from service, the Executive is a "specified employee" within the meaning and in accordance with Treasury Regulation Section 1.409A-1(i), then the Company will defer the payment or commencement of any "deferred compensation" subject to Section 409A that is payable upon separation from service (without any reduction in such payments or benefits ultimately paid or provided to the Executive) until the date that is six (6) months following separation from service or, if earlier, the earliest other date as is permitted under Section 409A (and any amounts that otherwise would have been paid during this deferral period will be paid in a lump sum on the day after the expiration of the six (6) month period or such shorter period, if applicable).

10. CLAWBACK. To the maximum extent permitted by applicable law, all amounts paid or provided to the Executive hereunder shall be subject to any clawback or recoupment policy that may be maintained by the Company from time to time, and the requirements of any law or regulation applicable to the Company and governing the clawback or recoupment of executive compensation, or as set forth in any final non-appealable order by any court of competent jurisdiction or arbitrator.

11. GOVERNING LAW; MANDATORY ARBITRATION. This Agreement, the rights and obligations of the Parties hereto, and any claims or disputes relating thereto, will be governed by and construed in accordance with the laws of the State of New York, without regard to its conflicts of laws principles. Any controversy or dispute between the Executive and the Company arising under or related to this Agreement or the Executive's employment with the Company, with the exception of those arising under or related to injunctive relief (which may properly be the subject of civil action in a judicial forum), shall be resolved exclusively by binding, single-arbitrator arbitration, said arbitration to be conducted in New York, NY, in accordance with the Employment Rules of the American Arbitration Association. The Parties shall share the fees and costs of the arbitrator and all other costs in connection with any arbitration, and each Party shall bear its own legal fees and expenses. The Federal Arbitration Act shall apply to this paragraph.

12. MISCELLANEOUS.

(a) **SURVIVAL**. Sections 2 and 4 through 12 hereof (and, for the avoidance of doubt, the Restrictive Covenants Agreement) will survive and continue in full force and effect in accordance with their respective terms notwithstanding any expiration or termination of the Employment Term and/or this Agreement.

(b) **ENTIRE AGREEMENT; WAIVER; MODIFICATION**. This Agreement, together with the Restrictive Covenants Agreement, set forth the entire agreement of the Parties hereto in respect of the subject matter hereof and supersedes any and all prior agreements or understandings between the Executive and the Company with respect to the subject matter hereof. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either Party which are not expressly set forth in this Agreement. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in a writing expressly referencing this Agreement and signed by the Executive and such officer or director of the Company as may be designated by the Board.

(c) **EXECUTIVE'S REPRESENTATION.** The Executive represents and warrants to the Company that the Executive has the legal right to enter into this Agreement and to perform all of the obligations on the Executive's part to be performed hereunder in accordance with its terms, and that the Executive's employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by Executive of any agreement to which Executive is a party or by which Executive may be bound.

(d) **SECTION HEADINGS.** The section headings used in this Agreement are included solely for convenience and will not affect, or be used in connection with, the interpretation of this Agreement.

(e) **SEVERABILITY.** The provisions of this Agreement will be deemed severable. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction will not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the Parties hereunder will be enforceable to the fullest extent permitted by applicable law.

(f) **COUNTERPARTS.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Facsimile, PDF, and electronic counterpart signatures to and versions of this Agreement will be acceptable and binding on the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Amended and Restated Employment Agreement as of the date first written above.

EXECUTIVE

/s/ Gary Schubert
Gary Schubert

INNOVATIVE FOOD HOLDINGS, INC.

By: /s/ James Pappas
James Pappas
Chair, Board of Directors

INNOVATIVE FOOD HOLDINGS, INC.
AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

Innovative Food Holdings, Inc., a Florida corporation (the "Company"), and Argie Liarakos (the "Executive") (the Company and the Executive each a "Party" and, collectively, the "Parties") enter into this **AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT** (this "Agreement") dated and effective as of September 14, 2026 (the "Effective Date").

W I T N E S S E T H

WHEREAS, the Company and the Executive are party to that certain Employment Agreement, effective as of January 6, 2026 (the "Prior Agreement").

WHEREAS, the Company and the Executive desire to amend and restate that Prior Agreement in this Agreement, pursuant to which the Executive will continue to serve as an executive of the Company on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. POSITION AND DUTIES.

(a) During the "Employment Term" (as defined below), the Executive will serve as Executive Vice President of Commercial Operations and Execution of the Company. In this capacity, the Executive will have the duties, authorities and responsibilities customary for such a role and as may be reasonably assigned by the Company's Chief Executive Officer (the "CEO") from time to time. The Executive will report directly to the CEO.

(b) The Executive will be permitted to work primarily from the Artisan Specialty Foods Home Office, located at 2528 S. 27th Avenue, Broadview, Illinois 60155 ("Primary Work Location"). The Executive will be expected from time to time to travel to other Company's facilities, customer sites, or for other business purposes, as deemed necessary or appropriate by the Chief Executive Officer. The Executive agrees not to relocate the Primary Work Location without prior written approval of the CEO.

(c) During the Employment Term, the Executive will faithfully serve the Company and devote substantially all of the Executive's business time, energy, business judgment, knowledge and skill, and the Executive's best efforts, to the performance of the Executive's duties with the Company. At the Executive's discretion, he may devote a small minority of his time to outside professional activities consistent with company policy, so long as any such activities are pre-disclosed to and approved in writing by the CEO and do not interfere with Executive's duties or create a conflict of interest.

2. EMPLOYMENT TERM. The Executive's employment under this Agreement will commence on or about January 6, 2026**,** and will automatically terminate, and the Executive's employment with the Company will end, on December 31, 2028 (the "Expiration Date"), unless extended by mutual written agreement of the Parties prior to the Expiration Date. Notwithstanding the foregoing or anything else herein to the contrary, the Executive's employment is at-will, and either the Executive or the Company may terminate the Executive's employment and the "Employment Term" (as defined below) at any time (including prior to the Expiration Date), for any or no reason. The effective date of any termination of the Executive's employment hereunder is hereinafter referred to as the "Termination Date." and the period of time between the January 6, 2026, and the Termination Date is hereinafter referred to as the "Employment Term." Effective upon any Termination Date, this Agreement will automatically terminate and will be of no further force or effect, except as otherwise provided in Section 13(a) hereof, and the Executive shall be deemed to have resigned from all other positions, if any, then held with the Company and its affiliates, effective on the Termination Date.

3. COMPENSATION AND BENEFITS.

(a) **BASE SALARY.** Beginning on January 6, 2026, the Company will pay to the Executive a base salary at an annualized rate of two hundred sixty thousand dollars ($260,000.00), payable in accordance with the regular payroll practices of the Company, but not less frequently than monthly. The Executive's Base Salary will be subject to periodic review, at least annually, by the CEO or the Board's compensation committee (the "Committee"), and may be increased at the discretion of the CEO or the Committee. The base salary, as determined herein and increased from time to time, will constitute "Base Salary" for purposes of this Agreement.

(b) **ANNUAL INCENTIVE PLAN.** Beginning in calendar year 2026 and for each calendar year during the Employment Term thereafter, the Executive shall be eligible to participate in the Company's Annual Incentive Plan ("AIP"). Under the AIP, the Executive shall have a target bonus opportunity equal to fifteen percent (15%) of the Executive's Base Salary, payable in cash following the close of each calendar year, contingent upon the achievement of performance goals established by the Company for that year and the Executive's continued employment through the end of the applicable performance period. The AIP shall be administered by the Chief Executive Officer or the Company's Compensation Committee, and the terms and conditions of the AIP (including metrics, targets, and payout timing) shall apply. Any AIP payment shall be made no later than March 15 of the year following the performance year.

(c) **Year-One Bonus.** For the first full calendar year of employment (2026), the Executive shall be eligible to earn the following bonus amounts (the "Year-One Bonus"), subject to the Executive's continued employment through the applicable payment or grant date: (i) Part A: $100,000, payable in cash or in shares of Company common stock, at the Company's discretion, at the end of Year One; and (ii) Part B: $60,000 worth of Company common stock, with the number of shares granted to be determined based on the closing market price on the applicable grant date, granted at the end of Year One.

(d) **Equity**.

(i) Not later than three business days after the date of this Amended and Restated Employment Agreement, the Company shall grant the Executive 150,000 shares of restricted common stock (the "Stock Grant"). The restricted shares subject to the Stock Grant shall vest as follows: (A) a number of shares equal to the product of (u) the total number of restricted shares subject to this award (the "Total Restricted Shares") and (v) the Executive's elected tax rate (which must fall within the ranges prescribed by applicable law and which must be elected with the Company prior to the grant date), shall be vested immediately upon the grant date, (B) a number of restricted shares equal to the product of (w) the difference between (i) the Total Restricted Shares and (ii) the number of restricted shares which vest pursuant to clause (A), and (x) one-third (1/3), shall be vested immediately upon the grant date, and (C) a number of shares equal to the difference between (y) the Total Restricted Shares and (z) the sum of (1) the number of restricted shares which vest pursuant to clause (A) and (2) the number of restricted shares which vest pursuant to clause (B), shall vest in twenty-four substantially equal monthly installments beginning on the one-year anniversary of the Executive's employment commencement date set forth in Section 2, and on each monthly anniversary thereafter, subject to the Executive's continuous service with the Company through each applicable vesting date. Subject to applicable law and Company procedures, the Executive may pay any withholding obligation in cash and retain the shares vested under Section 3(d)(i)(A), or satisfy it through net-share withholding or surrender of shares.

(ii) The Stock Grant will be subject to the terms and conditions of an award agreement setting forth additional details of the terms and conditions of the Stock grant, *provided, that*, such award agreement shall be consistent with the terms of this Section 3(d) and, in the event of a conflict between this Section 3(d) and the award agreement, the language of this Section 3(d) shall prevail.

(iii) In the event of the consummation of a Change of Control during the Employment Term, any then-unvested shares under the Stock Grant shall accelerate and vest in full. For purposes of the Stock Grant, "Change of Control" means the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of equity interests in the Company constituting more than fifty percent (50%) of either the total fair market value or the total voting power of the then-outstanding equity interests in the Company; provided, however, that the following acquisitions shall not constitute a Change of Control: (w) any acquisition by any individual, entity or group that holds an equity interest in the Company as of the date of this Agreement through any open market purchases or any private investment in public equity (PIPE) or similar transactions, (x) any acquisition directly from the Company, (y) any acquisition by the Company, or (z) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company.

(iv) The Executive may settle any tax obligations through a share withholding or sell-to-cover arrangement, based on maximum applicable statutory tax rates.

(v) In the event the Company terminates Executive's employment without Cause or Executive resigns for Good Reason, all unvested restricted shares, subject to satisfaction of the Release Condition set forth in Section 5(c) of this Agreement, shall vest upon the effective date of the General Release defined in Section 5(c) of this Agreement. In the event the Company Terminates Executive's employment for Cause, or Executive resigns without Good Reason, all unvested restricted shares shall be forfeited.

(e) **EMPLOYEE BENEFITS.** During the Employment Term, the Executive will be eligible to participate in any employee benefit plan maintained by the Company for the benefit of its employees generally, subject to all of the terms and conditions (including eligibility requirements) of such plan. Notwithstanding the foregoing, the Company may modify or terminate any employee benefit plan at any time, in its sole and absolute discretion.

(f) **PAID TIME OFF.** During the Employment Term, the Executive will be entitled to paid vacation and other paid time off in accordance with the Company's paid time off policy as in effect from time to time, with a minimum of twenty (20) vacation days, and eight (8) personal/sick days, plus all federal and state of residence holidays. Vacation may be taken at such times and intervals as the Executive determines, subject to the business needs of the Company.

(g) **BUSINESS EXPENSES.** Upon presentation of reasonable substantiation and documentation as the Company may specify from time to time, the Executive will be reimbursed in accordance with the Company's expense reimbursement policy as in effect from time to time for all eligible out-of-pocket business expenses (including for business travel) incurred and paid by the Executive during the Employment Term.

4. TERMINATION. The Executive's employment and the Employment Term will terminate on the first of the following to occur:

(a) **EXPIRATION**. Automatically and immediately on the Expiration Date.

(b) **DEATH.** Automatically and immediately upon the date of death of the Executive.

(c) **TERMINATION DUE TO DISABILITY.** Upon not less than thirty (30) calendar days' prior written notice by the Company to the Executive of termination due to Disability. For purposes of this Agreement, "Disability" means (i) if the Company then maintains a long-term disability policy covering the Executive, the Executive becoming entitled to long-term disability benefits under such policy, as determined by the administrator of such policy; or (ii) if the Company does not then maintain a long-term disability policy covering the Executive, the determination by the Board or the Committee in its good faith discretion that the Executive has experienced a physical or mental injury, infirmity or incapacity which is expected to render the Executive unable, with or without reasonable accommodation, to perform the Executive's material duties hereunder for at least one hundred eighty (180) calendar days in any three hundred sixty five (365) calendar day period (and the Executive will cooperate in all respects with the Board or the Committee if a question arises as to whether the Executive has become Disabled (including, without limitation, submitting to reasonable examinations by one or more medical doctors and other health care specialists selected by the Board or the Committee and authorizing such medical doctors and other health care specialists to discuss the Executive's condition with the Board or the Committee)).

(d) **TERMINATION FOR CAUSE.** Immediately upon written notice by the Company to the Executive of a termination for Cause. For purposes of this Agreement, "Cause" means any of the following:

(i) The Executive's theft, dishonesty, fraud, embezzlement, willful misconduct, breach of fiduciary duty or material falsification of any documents or records of the Company, its subsidiaries or other affiliates (each, a "Group Company");

(ii) The Executive's material failure to abide by a Group Company's code of conduct or other policies (including policies relating to confidentiality and workplace conduct) made available to the Executive;

(iii) The Executive's unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Group Company (including the Executive's improper use or disclosure of a Group Company's confidential or proprietary information);

(iv) any misconduct, moral turpitude, gross negligence or malfeasance of the Executive that has or, in the good faith judgment of the Board, could be expected to have, a material detrimental effect on a Group Company's reputation or business;

(v) The Executive's willful failure to perform the Executive's duties hereunder after written notice from the CEO/Board of such failure;

(vi) The Executive's conviction of (including any plea of guilty or nolo contendere to), or indictment for, any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or that materially and permanently impairs the Executive's ability to perform the Executive's duties with a Group Company;

(vii) The Executive's willful failure to cooperate with the Company and its legal counsel in connection with any investigation or other legal or similar proceeding involving any Group Company;

(viii) any material breach or misrepresentation by the Executive of or in this Agreement, or any breach by the Executive of the Restrictive Covenants Agreement; or

(ix) Executive's willful refusal to follow a directive contained in a written resolution approved by the CEO/Board.

Notwithstanding the foregoing, no event described in clauses (i), (ii), (iii), (iv), (v), (vii), (viii), or (ix) of this Section 4(d) that is reasonably determined by the CEO/Board in good faith to be curable will constitute Cause unless the CEO/Board has given the Executive notice of its intention to terminate the Executive for Cause, which sets forth the events that constitute Cause, and the Executive fails to cure such events to the Board's reasonable satisfaction within fourteen (14) calendar days after receiving such notice.

(e) **TERMINATION WITHOUT CAUSE.** Upon not less than thirty (30) calendar days' prior written notice by the Company to the Executive of an involuntary termination without Cause (which, for the avoidance of doubt, will not include any termination described in Sections 4(a), 4(b) or 4(c) above).

(f) **RESIGNATION FOR GOOD REASON.** Upon written notice by the Executive to the Company of a resignation for Good Reason (provided that at the time of such resignation no notice of the Board's intention to terminate the Executive's employment for Cause is pending under Section 4(d) above). For purposes of this Agreement, "Good Reason" means the occurrence of any of the following events, without the express written consent of the Executive, unless such events are fully corrected in all material respects by the Company within sixty (60) calendar days following written notification by the Executive to the Company of the occurrence of one of the reasons set forth below:

(i) material diminution in the Executive's Base Salary or Target Bonus opportunity, *provided, however* that in the event the Board reasonably determines that salary reductions are required to maintain the Company's financial health, a reduction in the Executive's Base Salary of up to 20% (twenty percent) shall be permitted so long as such percentage reduction is no greater than the percentage reduction applicable to other senior Executives of the Company;

(ii) material diminution in the Executive's duties, authorities or responsibilities (other than temporarily while physically or mentally incapacitated or as required by applicable law), or a requirement that the Executive report to a party other than the CEO; or

(iii) material breach by the Company of any of its material obligations hereunder.

The Executive must provide the Company with a written notice detailing the specific circumstances alleged to constitute Good Reason within sixty (60) calendar days after the first occurrence of such circumstances, and actually terminate employment within thirty (30) calendar days following the expiration of the Company's sixty (60)-day cure period described above. Otherwise, any claim of such circumstances as "Good Reason" will be deemed irrevocably waived by the Executive.

(g) **RESIGNATION WITHOUT GOOD REASON.** Upon not less than thirty (30) calendar days' prior written notice by the Executive to the Company of the Executive's resignation from employment with the Company other than for Good Reason, provided that the Company may, in its sole and absolute discretion, waive all or part of the Executive's notice period and/or instruct the Executive to not report to work during all or part of the Executive's notice period.

5. CONSEQUENCES OF TERMINATION.

(a) **EXPIRATION; DEATH; TERMINATION DUE TO DISABILITY; TERMINATION FOR CAUSE; RESIGNATION.** In the event that the Executive's employment and the Employment Term end in accordance with Section 4(a), 4(b), 4(c), 4(d) or 4(g), the Executive (or the Executive's estate, as applicable) will be entitled to the following (collectively, the "Accrued Benefits"), subject to Section 10 below:

(i) any previously earned but unpaid Base Salary through the Termination Date, paid within sixty (60) calendar days following the Termination Date, or on such earlier date as may be required by applicable law;

(ii) any earned but unpaid annual bonus under the AIP for the immediately preceding calendar year, subject to the terms and conditions of the AIP;

(iii) subject to Section 3(f) above, any accrued but unused vacation time, paid subject to and in accordance with Company policy;

(iv) subject to Section 3(g) above, reimbursement for any unreimbursed eligible business expenses incurred through the Termination Date, paid subject to and in accordance with Company policy; and

(v) any accrued vested benefits under any Company employee benefit plan, paid or provided subject to and in accordance with the terms of such plan.

(b) **TERMINATION WITHOUT CAUSE OR RESIGNATION WITH GOOD REASON.** In the event that the Executive's employment and the Employment Term end in accordance with Section 4(e) or 4(f), the Executive shall be entitled to the Accrued Benefits and, conditioned on the Executive's (x) compliance with the "Release Condition" in Section 5(c) below and (y) continued compliance with this Agreement, including Section 6 below, the Executive may also earn and receive the following additional severance, subject to Section 10 below:

(i) an amount equal to the Executive's Base Salary (as in effect on the Termination Date) for six (6) months (the "Severance Period"), which will be paid in equal periodic installments on the Company's regular payroll dates (not less frequently than monthly) over the Severance Period beginning with the first regular Company payroll date next following the Termination Date; provided that the first installment payment of such severance will be made on the Company's first regularly scheduled payroll date next following the sixtieth (60^{th}) calendar day after the Termination Date and will include payment of any installment payments that were otherwise due prior thereto; and

(ii) subject to the Executive's (x) eligibility for and timely election of continuation coverage under the Company's group health plan in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") and (y) continued copayment of coverage premiums at the same level and cost to the Executive as if the Executive were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued copayment by the Company for such coverage to the same extent that the Company paid for such coverage immediately prior to the Termination Date, in a manner intended to avoid any excise tax under Section 4980D of the Internal Revenue Code of 1986, as amended (the "Code"), and subject to the eligibility requirements and other terms and conditions of such insurance coverage, for the duration of the Severance Period; and

(iii) full acceleration of any then-outstanding and unvested equity awards held by the Executive.

(c) **RELEASE CONDITION**. The Executive will be eligible to receive the payments and benefits described in Section 5(b) only if the Executive executes and delivers to the Company a separation agreement including a general release of claims in a form then provided by the Company (the "General Release"), and such General Release becomes effective and irrevocable according to its terms no later than sixty (60) calendar days following the Termination Date, and only so long as the Executive has not revoked or breached any of the provisions of the General Release and does not subsequently breach any such provisions (the "Release Condition").

(d) **EXCLUSIVE REMEDY**. The payments and benefits described in this Section 5 will be in full and complete satisfaction of the Executive's rights and entitlements under this Agreement and any other claims that Executive may have in respect of the Executive's employment with the Company or any of its affiliates, and the termination thereof, and the Executive acknowledges that such amounts are fair and reasonable, and are the Executive's sole and exclusive remedy, in lieu of all other remedies at law or in equity, with respect to the termination of the Executive's employment hereunder or any breach of this Agreement. As of the date of the final payment described in this Section 5, the Company and its affiliates shall not have any further obligation to Executive under this Agreement or otherwise, except as may be required by law.

(e) **NO MITIGATION.** In no event will the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, and such amounts will not be reduced whether or not the Executive obtains other employment.

6. Confidential Information and Non-Solicitation Agreement. The Executive's employment with the Company, and this Agreement, are contingent upon the concurrent execution by the Executive of an Employee Non-Competition, Confidential Information, and Non-Solicitation Agreement with the Company attached as Exhibit A hereto (the "Restrictive Covenants Agreement") and the Executive's continued strict compliance with all the terms and conditions of the Confidentiality and Non-Solicitation Agreement and with any other applicable restrictive covenants in favor of the Company or its affiliates. The terms of the Confidentiality and Non-Solicitation Agreement will survive termination of this Employment Agreement.

7. D&O COVERAGE. The Company will maintain a directors' and officers' liability insurance policy (or policies) providing coverage for the Executive that is at least as favorable to the Executive in any respect (including as to the length of any post-employment tail coverage) as the coverage then being provided to any officer or director of the Company. The policy must be held with a reputable company, of the standard appropriate for employees of public companies.

8. NO ASSIGNMENTS. This Agreement is personal to each of the Parties hereto. Except as provided in this paragraph, no Party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other Party hereto. The Company may assign this Agreement to any successor to all or substantially all of the business and/or assets of the Company and, as used in this Agreement, "Company" will mean the Company and any such successor which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise.

9. NOTICE. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when delivered personally, on the date of transmission if delivered by electronic mail with delivery receipt, on the third Business Day after having been mailed by certified or registered mail, return receipt requested and postage prepaid, or on the first Business Day after the date sent via a nationally recognized overnight courier. "Business Day" is any day other than a Saturday, Sunday or a day on which banks in New York are required or authorized to be closed. Such notices, demands and other communications will be sent to the address indicated below:

If to the Executive:

At the Executive's address (or to the e-mail address or facsimile number) shown in the books and records of the Company.

If to the Company:

Innovative Food Holdings, Inc.
Attention: Chief Executive Officer
2528 S. 27th Avenue
Broadview, IL 60155
e-mail: Gary@ivfh.com

With a copy (which will not constitute notice) to:

Ellenoff Grossman & Schole LLP
Attention: Sarah Williams, Esq.
1345 Avenue of the Americas, 11th Floor
New York, New York 10105
e-mail: swilliams@egsllp.com

or to such other address as either Party may have furnished to the other in writing in accordance herewith, except that notices of change of address will be effective only upon receipt.

10. TAX MATTERS.

(a) **WITHHOLDING.** The Company may withhold from any compensation and benefits payable under this Agreement all applicable federal, state, local, or other taxes, and any other applicable withholdings and tax related requirements.

(b) **SECTION 409A.**

(i) Although the Company does not guarantee the tax treatment of any payments or benefits under this Agreement, the intent of the Parties is that the payments and benefits under this Agreement be exempt from or, to the extent not exempt, comply with, Section 409A of the Code, and the regulations and guidance promulgated thereunder (collectively "Section 409A"), and, accordingly, to the maximum extent possible, this Agreement will be interpreted and construed consistent with such intent. Notwithstanding the foregoing, the Company does not guarantee any particular tax result, and in no event whatsoever will the Company, its affiliates, or their respective officers, directors, employees, counsel or other service providers, be liable for any tax, interest or penalty that may be imposed on the Executive by Section 409A or damages for failing to comply with Section 409A.

(ii) To the extent that reimbursements or other in-kind benefits hereunder constitute "deferred compensation" subject to Section 409A, (x) all expenses or other reimbursements hereunder will be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (y) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (z) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(iii) For purposes of Section 409A, the Executive's right to receive installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment hereunder specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

(iv) Any other provision of this Agreement to the contrary notwithstanding, in no event will any payment or benefit hereunder that constitutes "deferred compensation" subject to Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A.

(v) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "deferred compensation" subject to Section 409A upon or following a termination of employment, unless such termination is also a "separation from service" within the meaning of Section 409A, and, for purposes of any such provision, all references in this Agreement to the Executive's "termination", "termination of employment" or like terms will mean the Executive's "separation from service" with the Company, and the date of such separation from service will be the date of termination for purposes of any such payment or benefit.

(vi) Notwithstanding any other provision of this Agreement to the contrary, if, at the time of the Executive's separation from service, the Executive is a "specified employee" within the meaning and in accordance with Treasury Regulation Section 1.409A-1(i), then the Company will defer the payment or commencement of any "deferred compensation" subject to Section 409A that is payable upon separation from service (without any reduction in such payments or benefits ultimately paid or provided to the Executive) until the date that is six (6) months following separation from service or, if earlier, the earliest other date as is permitted under Section 409A (and any amounts that otherwise would have been paid during this deferral period will be paid in a lump sum on the day after the expiration of the six (6) month period or such shorter period, if applicable).

11. CLAWBACK. To the maximum extent permitted by applicable law, all amounts paid or provided to the Executive hereunder shall be subject to any clawback or recoupment policy that may be maintained by the Company from time to time, and the requirements of any law or regulation applicable to the Company and governing the clawback or recoupment of Executive compensation, or as set forth in any final non-appealable order by any court of competent jurisdiction or arbitrator.

12. GOVERNING LAW; MANDATORY ARBITRATION. This Agreement, the rights and obligations of the Parties hereto, and any claims or disputes relating thereto, will be governed by and construed in accordance with the laws of the State of New York, without regard to its conflicts of laws principles. Any controversy or dispute between the Executive and the Company arising under or related to this Agreement or the Executive's employment with the Company, with the exception of those arising under or related to injunctive relief (which may properly be the subject of civil action in a judicial forum), shall be resolved exclusively by binding, single-arbitrator arbitration, said arbitration to be conducted in New York, New York, in accordance with the Employment Rules of the American Arbitration Association. The Parties shall share the fees and costs of the arbitrator and all other costs in connection with any arbitration, and each Party shall bear its own legal fees and expenses. The Federal Arbitration Act shall apply to this paragraph.

13. MISCELLANEOUS.

(a) **SURVIVAL**. Sections 2 and 4 through 13 hereof (and, for the avoidance of doubt, the Restrictive Covenants Agreement) will survive and continue in full force and effect in accordance with their respective terms notwithstanding any expiration or termination of the Employment Term and/or this Agreement.

(b) **ENTIRE AGREEMENT; WAIVER; MODIFICATION**. This Agreement, together with all exhibits hereto (including, for the avoidance of doubt, the Restrictive Covenants Agreement), the Sign-On Option Documents, and the Equity Documents, set forth the entire agreement of the Parties hereto in respect of the subject matter hereof and supersedes any and all prior agreements or understandings between the Executive and the Company with respect to the subject matter hereof. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either Party which are not expressly set forth in this Agreement. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in a writing expressly referencing this Agreement and signed by the Executive and such officer or director of the Company as may be designated by the Board.

(c) **EXECUTIVE'S REPRESENTATION.** The Executive represents and warrants to the Company that the Executive has the legal right to enter into this Agreement and to perform all of the obligations on the Executive's part to be performed hereunder in accordance with its terms, and that the Executive's employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by Executive of any agreement to which Executive is a party or by which Executive may be bound.

(d) **SECTION HEADINGS.** The section headings used in this Agreement are included solely for convenience and will not affect, or be used in connection with, the interpretation of this Agreement.

(e) **SEVERABILITY.** The provisions of this Agreement will be deemed severable. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction will not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the Parties hereunder will be enforceable to the fullest extent permitted by applicable law.

(f) **COUNTERPARTS.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Facsimile, PDF, and electronic counterpart signatures to and versions of this Agreement will be acceptable and binding on the Parties.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have executed this Amended and Restated Employment Agreement as of the date first written above.

EXECUTIVE

/s/ Argie Liarakos
Argie Liarakos

INNOVATIVE FOOD HOLDINGS, INC.

By: /s/ Gary Schubert
Gary Schubert
Chief Executive Officer

Exhibit A

Restrictive Covenants Agreement

[To be attached]

[EXHIBIT A]
EMPLOYEE NON-COMPETITION, CONFIDENTIAL INFORMATION AND NON-SOLICITATION AGREEMENT

This Employee Non-Competition, Confidential Information, and Non-Solicitation Agreement is entered into by and between Innovative Food Holdings, Inc. and its subsidiaries (collectively referred to as the "Company"), and Argie Liarakos ("Employee").

In consideration of Employee's employment with the Company as its Executive Vice President of Commercial Operations and Execution, on or about the effective date of this Agreement, as well as the payment of Employee's compensation by the Company, and the Company's entrusting to Employee of confidential information, including trade secrets, client relationships, and good will relating to its business, the Company and Employee agree to be bound by this Agreement, as follows:

1. Confidential Information.

(a) In the course of Employee's employment with the Company, Employee will have access to highly sensitive and valuable confidential information, which is the property of the Company. Confidential Information are items of information relating to the Company, its products, services, customers, suppliers, vendors, business partners, and employees that are not generally known or available to the trade, but have been developed, compiled or acquired by the Company at its great effort and expense. Confidential Information includes but is not limited to:

(i) financial and business information, such as information with respect to costs, fees, profits, sales, sales margins, capital structure, operating results, borrowing arrangements, strategies and plans for future business, pending projects and proposals, and potential acquisitions or divestitures; (ii) product and technical information, such as product formulations, recipes, new and innovative product ideas, investigations, new business development, know-how, improvements, plans, designs, drawings, prototypes, methods, procedures, manufacturing processes, devices, machines, equipment, data processing programs, program documentation, algorithms, software, software codes, source codes, object codes, computer models, and research and development projects; (iii) marketing information, such as new marketing ideas, markets, mailing lists, the identity of the Company's customers (including dealers, contractors, commercial projects, and landscape architects responsible for engaging the Company, collectively referred to throughout this Agreement as "Customers"), their names and addresses, the names of representatives of the Company's Customers responsible for entering into contracts with the Company, the financial arrangements between the Company and such Customers, specific Customer needs and requirements, and leads and referrals to prospective Customers; (iv) vendor, supplier and other business partner ("Business Partners") information, such as the identity of the Company's Business Partners, their names and addresses, the names of representatives of the Company's Business Partners responsible for entering into contracts with the Company, the financial arrangements between the Company and such Business Partners, their specific needs and requirements, and leads and referrals to prospective Business Partners; and (v) personnel information, such as the identity and number of the Company's other employees, consultants and contractors, their benefits, skills, qualifications, and abilities ("Personnel Information"). Trade Secrets are items of Confidential Information that meet the requirements of applicable trade secret law. Confidential Information and Trade Secrets can be in any form: oral, written or machine readable, including electronic files. The absence of any marking or statement that any particular information is Confidential Information shall not affect its status as Confidential Information.

(b) Employee acknowledges and agrees that the Company is engaged in a highly competitive business and that its competitive position depends upon its ability to maintain the confidentiality of the Confidential Information, including trade secrets, which were developed, compiled and acquired by the Company at its great effort and expense. Employee further acknowledges and agrees that disclosing, divulging, revealing or using any of the Confidential Information, including trade secrets, other than in connection with the Company's business or as specifically authorized by the Company, will be highly detrimental to the Company, and that serious loss of business and pecuniary damage may result therefrom.

(c) Accordingly, Employee agrees, except as specifically required in the performance of Employee's duties on behalf of the Company or with prior written authorization of the Board of Directors of the Company, Employee will not, while associated with the Company and for so long thereafter as the pertinent information or documentation remains confidential, directly or indirectly use, disclose or disseminate to any other person, organization or entity or otherwise use any Confidential Information, including any trade secrets.

(d) Nothing contained in this Agreement is intended to prohibit non- supervisory employees from discussing Personnel Information with other employees, or with third parties who are not future employers or competitors of the Company. Additionally, nothing contained in this Agreement prohibits or prevents Employee from filing a charge with or participating, testifying, or assisting in any investigation, hearing, whistleblowing proceeding or other proceeding before any federal, state, or local government agency (e.g., EEOC, NLRB, SEC, etc.). Under the federal Defend Trade Secrets Act of 2016, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made to Employee's attorney in relation to a lawsuit for retaliation against Employee for reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(e) Employee agrees to deliver to the Company, immediately upon separation from employment and at any time the Company so requests, (i) any and all documents, files, notes, memoranda, databases, computer files and/or other computer programs reflecting any Confidential Information whatsoever or otherwise relating to the Company's business; (ii) lists of the Company's Customers and leads or referrals to prospective Customers; and (iii) any computer equipment, home office equipment, automobile or other business equipment belonging to the Company that Employee may then possess or have under his or her control. For any equipment or devices owned by Employee on which proprietary information of the Company is stored or accessible, Employee shall, immediately upon or prior to separation from employment, deliver such equipment or devices to the Company so that any proprietary information may be deleted or removed. Employee expressly authorizes the Company's designated representatives to access such equipment or devices for this limited purpose and shall provide any passwords, passcodes or access codes necessary to accomplish this task.

2. Non-Competition

(a) Employee recognizes that the Company's goodwill and relationships with its customers have been established at substantial cost and effort by the Company. Employee further acknowledges that in connection with the performance of Employee's job duties for the Company, Employee has created, used or accessed the Company's Confidential Information. As a result, Employee's engaging in a business which is directly competitive with the Company would necessarily and inevitably jeopardize Employer's goodwill, lead to Employee's unauthorized use or disclosure of Confidential Information and cause Employer other irreparable harm.

(b) Accordingly, Employee covenants and agrees that so long as Employee is employed by the Company and for a period of nine (9) months after employment with the Company ends, whether voluntarily or involuntarily, Employee will not, without the express written consent of the Board of Directors of the Company, directly or indirectly, own, manage, operate or control, or be employed in a capacity similar to the position(s) held by Employee with the Company, by any company or entity engaged in such segment(s) of the Company's Business for which Employee had responsibility or about which Employee had knowledge of or access to Confidential Information and Trade Secrets while employed by the Company. For purposes of this Agreement, the Company's "Business" means the specialty food distribution and e-commerce industry. In recognition of the broad geographic scope nature of the Company's Business which includes the sale of its products and services throughout the United States and Canada, this restriction shall apply throughout the states, counties and municipalities to which Employee was assigned or for which Employee was responsible while employed by the Company. Employee may not circumvent the purpose of this restriction by engaging in business within the restricted geography through remote means such as telephone, correspondence, or electronic communication.

3. Non-Solicitation of Customers

(a) Employee acknowledges and agrees that solely by reason of employment by the Company, Employee has and will come into contact with some, most or all of the Company's Customers and prospective Customers, and will have access to Confidential Information, including trade secrets regarding the Company's Customers, prospective Customers and related information, including but not limited to information regarding Customer contacts and representatives, Customer needs and requirements, and financial arrangements with Customers, and will have access to and the benefit of good will and relationships developed by Company with its Customers.

(b) Consequently, Employee covenants and agrees that for so long as Employee is employed by the Company (except on behalf of the Company) and for a period of nine (9) months after employment with the Company ends, whether voluntarily or involuntarily, Employee will not, directly or through others, service or solicit Customers or prospective Customers of the Company for the purpose of selling products and services of the type developed, sold and provided by the Company, and for which Employee had responsibility or knowledge of or access to Confidential Information while employed by the Company. This restriction shall apply only to those Customers or prospective Customers of the Company with whom Employee had contact or about whom Employee learned Confidential Information during the last two (2) years of Employee's employment with the Company. For the purposes of this Section, the term "contact" means interaction between Employee and the Customer which takes place to further the business relationship, or making sales to or performing services for the Customer on behalf of the Company. For purposes of this Section, the term "contact" with respect to a "prospective" Customer means interaction between Employee and a potential Customer of the Company which takes place to obtain the business of the potential Customer on behalf of the Company.

4. Non-Solicitation of Business Partners; Non-Employment With Business Partners.

Employee acknowledges and agrees that as a result of employment with the Company, and in light of the broad responsibilities of such employment which include working with Business Partners of the Company, Employee has and will come into contact with and acquire Confidential Information, including trade secrets, regarding Business Partners (including vendors, suppliers and strategic partners), and will develop relationships with those Business Partners. Accordingly, Employee covenants and agrees that for so long as Employee is employed by the Company and for a period of nine (9) months after such employment ends, whether voluntarily or involuntarily, Employee shall not, either on Employee's own account or on behalf of any person, company, corporation, or other entity, directly or through others, solicit any Business Partner of the Company to or diminish its services to the Company, and Employee shall not accept employment with any such Business Partner without the express written consent of the Board of Directors of the Company. This restriction shall apply only to those Business Partners of the Company with whom Employee came into contact or about whom Employee learned Confidential Information during the last two (2) years of Employee's employment with the Company.

5. Non-Solicitation of Employees, Contractors and Consultants

(a) Employee acknowledges and agrees that solely as a result of employment with the Company, and in light of the broad responsibilities of such employment which include working with other employees and contractors of the Company, Employee has and will come into contact with and acquire Confidential Information, including trade secrets, regarding other employees, contractors and consultants of the Company, and will develop relationships with those employees, contractors and consultants.

(b) Accordingly, Employee covenants and agrees that for so long as Employee is employed by the Company and for a period of nine (9) months after such employment ends, whether voluntarily or involuntarily, Employee shall not, either on Employee's own account or on behalf of any person, company, corporation, or other entity, directly or indirectly, solicit any employee, contractor or consultant of the Company to leave employment with or service to the Company, or diminish their services to the Company. This restriction shall apply only to those employees, contractors and consultants of the Company with whom Employee came into contact or about whom Employee learned Confidential Information during the last two (2) years of his or her employment with the Company, except for those individuals who were already known by, and knew, the Employee prior to the commencement of the Employee's employment with the Company.

6. Conflict of Interest. During employment with the Company, Employee may not use Employee's position, influence, knowledge of Confidential Information, including trade secrets, or the Company's assets for personal gain, except as specifically provided in this Agreement. A direct or indirect financial interest, including joint ventures in or with a supplier, vendor, customer or prospective customer without disclosure and the express written approval of the Board of Directors of the Company is strictly prohibited during employment with the Company.

7. Exclusivity. Without limiting anything in the Employee's employment agreement with the Company, in order to protect the Company's Confidential Information and Trade Secrets, Employee agrees that, while employed by the Company, Employee shall not become employed by or involved in any way whatsoever, directly or indirectly, with any company, business or person that competes with the Company in any way whatsoever, directly or indirectly.

8. Intellectual Property

(a) Employee covenants and agrees that all inventions, improvements, products, designs, specifications, trademarks, service marks, discoveries, formulae, processes, software or computer programs, modifications of software or computer programs, data processing systems, analyses, techniques, trade secrets, creations, ideas, work product or contributions thereto, and any other intellectual property, regardless of whether patented, registered or otherwise protected or protectable, and regardless of whether containing or constituting Confidential Information as defined in this Agreement (referred to collectively as "Intellectual Property"), that were conceived, developed or made by Employee during the period of Employee's employment by the Company, including Intellectual Property related to the Company's business and any other business in which the Company was engaged as of the date of termination of Employee's employment with the Company (the "Proprietary Interests"), shall belong to and be the property of the Company. Employee further acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of and during the period of employment with the Company and which are protectable by copyright are "works made for hire," as that term is defined under applicable law. Employee understands and agrees that the decision whether or not to commercialize or market any invention developed by Employee solely or jointly with others is within the Company's sole discretion and for the Company's sole benefit and that no royalty will be due to Employee as a result of the Company's efforts to commercialize or market any such invention. There shall be three exceptions to the above intellectual property definition: everything the Employee knew, developed, authored, or invented prior to becoming an employee of the Company; everything the Employee obtains from sources outside the Company; everything the Employee develops independently outside of Company time (for instance while serving on other company boards, partnership with universities, or consulting with other companies).

(b) Employee further covenants and agrees that Employee will promptly disclose such Intellectual Property to the Company; and make and maintain for the Company adequate and current written records of Employee's innovations, inventions, discoveries and improvements made solely or jointly with others, said written records to be made available to and remain the sole property of the Company at all times. Employee hereby assigns to the Company, without additional compensation, the entire rights to Intellectual Property for the United States and all foreign countries. Employee covenants and agrees to (i) execute assignments and all other papers and do all acts necessary to carry out the above, including enabling the Company to file and prosecute applications for, acquire, ascertain and enforce in all countries, letters patent, trademark registrations and/or copyrights covering or otherwise relating to Intellectual Property and to enable the Company to protect its proprietary interests therein; and (ii) give testimony, at the Company's expense, in any action or proceeding to enforce rights in the Intellectual Property. In the event the Company is unable for any reason, after reasonable effort, to secure Employee's signature on any document needed in connection with the actions specified in this Section 8, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agent and attorney in fact, which appointment is coupled with an interest, to act for and in Employee's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Agreement with the same legal force and effect as if executed by Employee.

(c) Employee further covenants and agrees that the Company shall be entitled to shop rights with respect to any Intellectual Property conceived or made by Employee during employment with the Company that is not related in any manner to the Proprietary Interests but which was conceived or made on the Company's time or with the use of the Company's facilities or materials.

(d) Employee further covenants and agrees that it shall be conclusively presumed as against Employee that any Intellectual Property related to the Proprietary Interests described by Employee in a patent, service mark, trademark, or copyright application, disclosed by Employee in any manner to a third person, or created by Employee or any person with whom Employee has any business, financial or confidential relationship, within nine (9) months after cessation of Employee's employment with the Company, was conceived or made by Employee during the period of employment by the Company and that such Intellectual Property is the sole property of the Company.

(e) Appendix "A" attached to this Agreement fully describes all inventions developed by Employee alone or jointly with others before being employed by the Company ("*Prior Inventions*"), and which are, therefore, not part of this Agreement. If no separate sheet is attached, the parties acknowledge that there exist no such Prior Inventions. If in the course of employment with the Company, Employee incorporates into a Company product, process or service a Prior Invention owned by Employee or in which Employee has an interest, Employee hereby grants to the Company a nonexclusive, royalty-free, fully paid-up, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or service, and to practice any method related thereto.

9. Employment At-Will. Employee acknowledges that his or her employment by the Company is not for any specified period of time and that it can be terminated by either Employee or the Company at any time for any lawful reason. This is an "employment at will."

10. Confidential Information Belonging to Others. Employee affirms Employee is not presently subject to a restrictive covenant or other contract or agreement of any kind which would prohibit, restrict or limit employment with the Company. If Employee learns or becomes aware or is advised that he or she is subject to an actual or alleged restrictive covenant or other prior agreement which may prohibit or restrict employment by the Company, Employee shall immediately notify the Company of the same. Employee agrees that he or she shall not disclose to the Company, use for the Company's benefit, or induce the Company to use any trade secret or confidential information he or she may possess or any Intellectual Property belonging to any former employer or other third party.

11. Notice to Future Employers. For the period of nine (9) months immediately following the end of Employee's employment with the Company, Employee will promptly inform each potential employer, upon receipt of an offer but prior to accepting employment, of the existence and details of this Agreement and will provide that potential employer with a copy of this Agreement.

12. Enforcement. Employee acknowledges and agrees that compliance with the covenants set forth in this Agreement is necessary to protect the Confidential Information, including trade secrets, business and goodwill of the Company, and that any breach of this Agreement will result in irreparable and continuing harm to the Company, for which money damages cannot provide adequate relief. Accordingly, in the event of any breach or anticipatory breach of this Agreement by Employee, or Employee's claim in a declaratory judgment action that all or part of this Agreement is unenforceable, the parties agree that the Company shall be entitled to the following particular forms of relief as a result of such breach, in addition to any remedies otherwise available to it at law or equity: (a) injunctions, both preliminary and permanent, enjoining or restraining such breach or anticipatory breach, and Employee hereby consents to the issuance thereof forthwith and without bond by any court of competent jurisdiction; and (b) recovery of all reasonable sums and costs, including attorneys' fees, incurred by the Company to defend or enforce the provisions of this Agreement.

13. Extension of Restrictive Periods. The restrictive periods set forth in this Agreement (including those set forth in Sections 2, 3, 4, and 5 hereof) shall not expire and shall be tolled during any period in which Employee is in violation of such restrictions, and therefore such restrictive periods shall be extended for a period equal to the duration of Employee's violations thereof.

14. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties with regard to the subject matter of this Agreement, is binding upon and inures to the benefit of the parties, and it supersedes any and all prior agreements or understandings between the Company and Employee regarding its subject matter.

15. Modification. This Agreement may be modified or amended only by an instrument in writing and signed by the parties hereto, making specific reference to this Agreement, except as specified in Section 19, below.

16. Governing Law and Venue. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its conflict of laws provisions. The parties agree that any action or proceeding with respect to this Agreement and Employee's employment shall be brought exclusively in the Supreme Court of the State of New York, New York County, or in the United States District Court for the Southern District of New York, or in any other court of competent jurisdiction sitting in the State and County of New York, and the parties agree to the personal jurisdiction thereof. The parties hereby irrevocably waive any objection they may now or hereafter have to the laying of venue of any such action in such court(s), and further irrevocably waive any claim they may now or hereafter have that any such action brought in such court(s) has been brought in an inconvenient forum. The parties recognize that, if any dispute or controversy arising from or relating to this Agreement is submitted for adjudication to any court, the preservation of the secrecy of Confidential Information or Trade Secrets may be jeopardized. Consequently, the parties agree that all issues of fact shall be tried without a jury.

17. Waiver. If in one or more instances either party fails to insist that the other party perform any of this Agreement's terms, this failure shall not be construed as a waiver by the party of any past, present, or future right granted under this Agreement; the obligations of both parties under this Agreement shall continue in full force and effect. Any waiver by the Company or by Employee must be in writing and signed by all parties.

18. Binding Effect. This Agreement shall be binding upon Employee, Employee's heirs, executors and administrators, and upon the Company, and its successors and assigns, and shall inure to the benefit of the Company, and its successors and assigns. This Agreement may not be assigned by Employee. The Company has the right to assign this Agreement, and this Agreement may be enforced by the Company's successors and assigns. Employee's obligations under this Agreement shall survive any changes made in the future to the employment terms of Employee, including but not limited to changes in salary, benefits, bonus plans, job title and job responsibilities.

19. Severability. The parties agree they have attempted to limit the scope of the post- employment restrictions contained herein to the extent necessary to protect the Company's Confidential Information, client relationships and good will. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under applicable laws and public policies. Accordingly, if any term or provision of this Agreement or any portion thereof is declared illegal or unenforceable by any court of competent jurisdiction, such provision or portion thereof shall be deemed modified so as to render it enforceable, and to the extent such provision or portion thereof cannot be rendered enforceable, this Agreement shall be considered divisible as to such provision which shall become null and void, leaving the remainder of this Agreement in full force and effect.

20. Acknowledgment. Employee has read this Agreement and has had an opportunity to ask Employer's representatives questions about it. Employee has had an opportunity to consult with an attorney of his/her choice (at his/her own expense) prior to signing this contract, and understands that signing this Agreement is a condition of employment or continued employment.

21. Section Headings. Section headings are used herein for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

22. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed valid and binding on the signatory and both of which together shall constitute an original contract.

IN WITNESS WHEREOF, the parties knowingly and voluntarily execute this Agreement as of the dates set forth below.

COMPANY:
INNOVATIVE FOOD HOLDINGS, INC.

By: /s/ Gary Schubert
Gary Schubert
Chief Executive Officer

Dated: September 14, 2026

EMPLOYEE:
ARGIE LIARAKOS

Signature: /s/ Argie Liarakos

Dated: September 14, 2026

APPENDIX "A"
EMPLOYEE'S PRIOR INVENTIONS

Set forth below are all inventions of Employee that employee created prior to the beginning of Employee's employment with the Company.

Description of Inventions:

Exhibit 10.3

INNOVATIVE FOOD HOLDINGS, INC.
EXECUTIVE EMPLOYMENT AGREEMENT

Innovative Food Holdings, Inc., a Florida corporation (the "Company"), and Erik Saterbo (the "Executive") (the Company and the Executive each a "Party" and, collectively, the "Parties") enter into this **EXECUTIVE EMPLOYMENT AGREEMENT** (this "Agreement") dated as of September 14, 2026.

W I T N E S S E T H

WHEREAS, the Company and the Executive desire to enter into an agreement pursuant to which the Executive will serve as the Company's Chief Financial Officer on the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the foregoing, of the mutual promises contained herein, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. POSITION, DUTIES, REQUIREMENTS.

(a) During the Employment Term (as defined below), the Executive will serve as the Chief Financial Officer ("CFO") of the Company. In this capacity, the Executive will have the duties, authorities and responsibilities commensurate with the duties, authorities and responsibilities of persons in similar capacities in similarly-sized public companies, and such other duties, authorities and responsibilities not inconsistent with the Executive's position as may be assigned to the Executive by the Chief Executive Officer or the Board from time to time. The Executive will report directly to the Chief Executive Officer, with regular interaction with the Board and its committees as required by the Company's governance and reporting obligations.

(b) The Executive will be permitted to work primarily from the Executive's home office in a state of the Executive's choice, so long as the Executive's primary residence remains in the 48 contiguous United States. The Executive will be expected from time to time to travel to and work at one of the Company's corporate locations, or for other business purposes, as deemed necessary or appropriate by the Executive, the Chief Executive Officer or the Board. The Executive agrees not to relocate outside of the 48 contiguous United States without prior written approval of the Chief Executive Officer or the Board.

(c) During the Employment Term, the Executive will faithfully serve the Company and devote substantially all of the Executive's business time, energy, business judgment, knowledge and skill, and the Executive's best efforts, to the performance of the Executive's duties with the Company. At the Executive's discretion, he may also devote a small minority of his time to sitting on other company boards, speaking at industry conferences or events, and speaking or teaching at educational institutions, so long as any such activities are first disclosed to and approved by the Chief Executive Officer or the Board in writing and do not, individually or in the aggregate, interfere or conflict with the Executive's duties, obligations and restrictions hereunder or create a potential business or fiduciary conflict.

(d) As a pre-condition of employment with the Company, Executive must execute the Company's Employee Confidential Information, Non-Competition, and Non-Solicitation, Agreement ("Restrictive Covenants Agreement") annexed hereto as Exhibit A.

2. EMPLOYMENT TERM. The Executive's employment under this Agreement will commence on or about September 14 (such actual commencement date, the "Effective Date") and will automatically terminate, and the Executive's employment with the Company will end, on September 14, 2029 (the later of such date or the end of any successive one-year term, the "Expiration Date"); provided, however, that this Agreement will be automatically renewed for successive one-year terms unless the Company provides the Executive with 90 days' advance written notice of non-renewal. In the event the Company gives notice of non-renewal, the Company may place Executive on paid leave for the period remaining in the term of the Agreement and such action by the Company shall not be considered "Good Reason" or a termination of Executive's employment. Notwithstanding the foregoing or anything else herein to the contrary, the Executive's employment is at-will, and either the Executive or the Company may terminate the Executive's employment and the "Employment Term" (as defined below) at any time (including prior to the Expiration Date), for any or no reason. The effective date of any termination of the Executive's employment hereunder is hereinafter referred to as the "Termination Date", and the period of time between the Effective Date and the Termination Date is hereinafter referred to as the "Employment Term." Effective upon any Termination Date, this Agreement will automatically terminate and will be of no further force or effect, except as otherwise provided in Section 12(a) hereof, and the Executive shall immediately be automatically removed (or, if requested by the Company, shall resign, in writing) from all positions then held by the Executive with the Company and its affiliates, unless otherwise agreed to by the Company.

3. COMPENSATION AND BENEFITS.

(a) **BASE SALARY.** Beginning on the Effective Date, the Company will pay to the Executive a base salary at an annualized rate of $225,000 (Two Hundred Twenty-Five Thousand Dollars) payable in accordance with the regular payroll practices of the Company, but not less frequently than monthly. The Executive's Base Salary will be subject to periodic review, at least annually, by the Chief Executive Officer, the Board or its compensation committee (the "Committee"), and may be adjusted by the Company from time to time. The base salary, as determined herein and increased from time to time, will constitute "Base Salary" for purposes of this Agreement.

(b) **ANNUAL INCENTIVE PLAN.** Beginning in calendar year 2026, and for each calendar year during the Employment Term thereafter, the Executive shall be eligible to participate in the Company's annual incentive plan ("AIP"). Under the AIP, the Executive shall have a target annual cash incentive bonus opportunity equal to twelve percent (12%) of the Executive's Base Salary, prorated for calendar year 2026 and any other partial calendar year during the Employment Term based on the number of whole calendar days served by the Executive during such calendar year (the "Target Bonus"). The annual incentive bonus shall be payable in cash following the close of each applicable calendar year, contingent upon the achievement of performance goals established by the Company for such calendar year and the Executive's continued employment with the Company and compliance with this Agreement and the AIP through the end of the applicable performance period. The AIP shall be administered by the Chief Executive Officer, the Board, or the Company's Committee, as applicable, and all terms and conditions of the AIP, including applicable metrics, targets, payout levels, earning and forfeiture conditions, and payout timing, shall apply. Any AIP payment shall be made no later than March 15 of the year following the calendar year to which the bonus relates.

(c) LONG-TERM INCENTIVE AWARDS.

(i) Not later than three business days after the Effective Date of this Agreement, the Company shall grant the Executive 150,000 shares of restricted common stock (the "Stock Grant"). The restricted shares subject to the Stock Grant shall vest as follows: (A) a number of shares equal to the product of (u) the total number of restricted shares subject to this award (the "Total Restricted Shares") and (v) the Executive's elected tax rate (which must fall within the ranges prescribed by applicable law and which must be elected with the Company prior to the grant date), shall be vested immediately upon the grant date, (B) a number of restricted shares equal to the product of (w) the difference between (i) the Total Restricted Shares and (ii) the number of restricted shares which vest pursuant to clause (A), and (x) one-third (1/3), shall be vested immediately upon the grant date, and (C) a number of shares equal to the difference between (y) the Total Restricted Shares and (z) the sum of (1) the number of restricted shares which vest pursuant to clause (A) and (2) the number of restricted shares which vest pursuant to clause (B), shall vest in twenty-four substantially equal monthly installments beginning on the one-year anniversary of the Executive's employment commencement date set forth in Section 2, and on each monthly anniversary thereafter, subject to the Executive's continuous service with the Company through each applicable vesting date. Subject to applicable law and Company procedures, the Executive may pay any withholding obligation in cash and retain the shares vested under Section 3(c)(i)(A), or satisfy it through net-share withholding or surrender of shares.

(ii) The Stock Grant will be subject to the terms and conditions of an award agreement setting forth additional details of the terms and conditions of the Stock grant, *provided, that*, such award agreement shall be consistent with the terms of this Section 3(c) and, in the event of a conflict between this Section 3(c) and the award agreement, the language of this Section 3(c) shall prevail.

(iii) In the event of the consummation of a Change of Control during the Employment Term, any then-unvested shares under the Stock Grant shall accelerate and vest in full. For purposes of the Stock Grant, "Change of Control" means the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of equity interests in the Company constituting more than fifty percent (50%) of either the total fair market value or the total voting power of the then-outstanding equity interests in the Company; provided, however, that the following acquisitions shall not constitute a Change of Control: (w) any acquisition by any individual, entity or group that holds an equity interest in the Company as of the date of this Agreement through any open market purchases or any private investment in public equity (PIPE) or similar transactions, (x) any acquisition directly from the Company, (y) any acquisition by the Company, or (z) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company.

(iv) The Executive may settle any tax obligations through a share withholding or sell-to-cover arrangement, based on maximum applicable statutory tax rates.

(v) In the event the Company terminates Executive's employment without Cause or Executive resigns for Good Reason, all unvested restricted shares, subject to satisfaction of the Release Condition set forth in Section 5(c) of this Agreement, shall vest upon the effective date of the General Release defined in Section 5(c) of this Agreement. In the event the Company Terminates Executive's employment for Cause, or Executive resigns without Good Reason, all unvested restricted shares shall be forfeited.

(d) **EMPLOYEE BENEFITS.** During the Employment Term, the Executive will be eligible to participate in any employee benefit plan maintained by the Company for the benefit of its employees generally, subject to all of the terms and conditions (including eligibility requirements) of such plan. Notwithstanding the foregoing, the Company may modify or terminate any employee benefit plan at any time, in its sole and absolute discretion.

(e) **PAID TIME OFF.** During the Employment Term, the Executive will be entitled to paid vacation and other paid time off in accordance with the Company's paid time off policy as in effect from time to time, with a minimum of twenty (20) vacation days, and eight (8) personal/sick days, plus all federal and state of residence holidays. Vacation may be taken at such times and intervals as the Executive determines, subject to the business needs of the Company.

(f) **BUSINESS EXPENSES.** Upon presentation of reasonable substantiation and documentation as the Company may specify from time to time, the Executive will be reimbursed in accordance with the Company's expense reimbursement policy as in effect from time to time for all eligible out-of-pocket business expenses (including for business travel) incurred and paid by the Executive during the Employment Term.

4. TERMINATION.

The Executive's employment and the Employment Term will terminate on the first of the following to occur:

(a) **EXPIRATION.** Automatically and immediately on the Expiration Date.

(b) **DEATH.** Automatically and immediately upon the date of death of the Executive.

(c) **TERMINATION DUE TO DISABILITY.** Upon not less than thirty (30) calendar days' prior written notice by the Company to the Executive of termination due to Disability. For purposes of this Agreement, "Disability" means (i) if the Company then maintains a long-term disability policy covering the Executive, the Executive becoming entitled to long-term disability benefits under such policy, as determined by the administrator of such policy; or (ii) if the Company does not then maintain a long-term disability policy covering the Executive, the determination by the Company in its good faith discretion that the Executive has experienced a physical or mental injury, infirmity or incapacity which is expected to render the Executive unable, with or without reasonable accommodation, to perform the Executive's material duties hereunder for at least one hundred eighty (180) calendar days in any three hundred sixty five (365) calendar day period (and the Executive will cooperate in all respects with the Company if a question arises as to whether the Executive has become Disabled (including, without limitation, submitting to reasonable examinations by one or more medical doctors and other health care specialists selected by the Company and authorizing such medical doctors and other health care specialists to discuss the Executive's condition with the Company)).

(d) **TERMINATION FOR CAUSE.** Immediately upon written notice by the Company to the Executive of a termination for Cause. For purposes of this Agreement, "Cause" means any of the following:

(i) The Executive's theft, fraud, embezzlement, willful misconduct, breach of fiduciary duty or material falsification of any documents or records of the Company, its subsidiaries or other affiliates (each, a "Group Company");

(ii) The Executive's material failure to abide by a Group Company's code of conduct or other policies (including policies relating to confidentiality and workplace conduct) made available to the Executive;

(iii) The Executive's unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Group Company (including the Executive's improper use or disclosure of a Group Company's confidential or proprietary information);

(iv) any misconduct, moral turpitude or gross negligence of the Executive that has or, in the reasonable good faith judgment of the Company, could be expected to have, a material detrimental effect on a Group Company's reputation or business;

(v) The Executive's willful failure to perform the Executive's duties hereunder after written notice from the Company of such failure;

(vi) The Executive's conviction of (including any plea of guilty or nolo contendere to), or indictment for, any felony, or any crime involving fraud, dishonesty, misappropriation, or moral turpitude, or that materially and permanently impairs the Executive's ability to perform the Executive's duties with a Group Company;

(vii) The Executive's willful failure to cooperate with the Company and its legal counsel in connection with any investigation or other legal or similar proceeding involving any Group Company;

(viii) any material breach or misrepresentation by the Executive of or in this Agreement, or any breach by the Executive of the Restrictive Covenants Agreement; or

(ix) Executive's willful refusal to follow a lawful directive contained in a written resolution approved by the Board or a lawful directive from the Chief Executive Officer not inconsistent with the Executive's position.

Notwithstanding the foregoing, no event described in clauses (i), (ii), (iii), (iv), (v), (vii), (viii), or (ix) of this Section 4(d) that is reasonably determined by the Company in good faith to be curable will constitute Cause unless the Company has given the Executive notice of its intention to terminate the Executive for Cause, which sets forth the events that constitute Cause, and the Executive fails to cure such events to the Company's reasonable satisfaction within fourteen (14) calendar days after receiving such notice.

(e) **TERMINATION WITHOUT CAUSE.** Upon not less than thirty (30) calendar days' prior written notice by the Company to the Executive of an involuntary termination without Cause (which, for the avoidance of doubt, will not include any termination described in Sections 4(a), 4(b) or 4(c) above).

(f) **RESIGNATION FOR GOOD REASON.** Upon written notice by the Executive to the Company of a resignation for Good Reason (provided that at the time of such resignation no notice of the Company's intention to terminate the Executive's employment for Cause is pending under Section 4(d) above). For purposes of this Agreement, "Good Reason" means the occurrence of any of the following events, without the express written consent of the Executive, unless such events are fully corrected in all material respects by the Company within sixty (60) calendar days following written notification by the Executive to the Company of the occurrence of one of the reasons set forth below:

(i) material diminution in the Executive's Base Salary or Target Bonus opportunity, provided, however that in the event the Company reasonably determines that salary reductions are required to maintain the Company's financial health, a reduction in the Executive's Base Salary of up to 20% (twenty percent) shall be permitted so long as such percentage reduction is no greater than the percentage reduction applicable to other senior executives of the Company;

(ii) material diminution in the Executive's duties, authorities or responsibilities (other than temporarily while physically or mentally incapacitated or as required by applicable law), or a requirement that the Executive report to a party other than the Chief Executive Officer or the Board;

(iii) any requirement that the Executive work primarily from a place of employment (including one of the Company's corporate locations) other than the Executive's home office or a corporate office established by the Company not more than 35 miles from the Executive's home office; or

(iv) material breach by the Company of any of its material obligations hereunder, including, but not limited to, the obligation to grant the Stock Grant set forth in Section 3(c) pursuant to the terms set forth therein.

The Executive must provide the Company with a written notice detailing the specific circumstances alleged to constitute Good Reason within sixty (60) calendar days after the first occurrence of such circumstances, and actually terminate employment within thirty (30) calendar days following the expiration of the Company's sixty (60)-day cure period described above. Otherwise, any claim of such circumstances as "Good Reason" will be deemed irrevocably waived by the Executive.

(g) **RESIGNATION WITHOUT GOOD REASON.** Upon not less than thirty (30) calendar days' prior written notice by the Executive to the Company of the Executive's resignation from employment with the Company other than for Good Reason, provided that the Company may, in its sole and absolute discretion, waive all or part of the Executive's notice period and/or instruct the Executive to not report to work during all or part of the Executive's notice period.

5. CONSEQUENCES OF TERMINATION.

(a) **EXPIRATION; DEATH; TERMINATION DUE TO DISABILITY; TERMINATION FOR CAUSE; RESIGNATION.** In the event that the Executive's employment and the Employment Term end in accordance with Section 4(a), 4(b), 4(c), 4(d) or 4(g), the Executive (or the Executive's estate, as applicable) will be entitled to the following (collectively, the "Accrued Benefits"), subject to Section 10 below:

(i) any previously earned but unpaid Base Salary through the Termination Date, paid within sixty (60) calendar days following the Termination Date, or on such earlier date as may be required by applicable law;

(ii) any earned but unpaid annual bonus under the AIP for the immediately preceding calendar year, subject to the terms and conditions of the AIP;

(iii) subject to Section 3(e) above, any accrued but unused vacation time, paid subject to and in accordance with Company policy;

(iv) subject to Section 3(f) above, reimbursement for any unreimbursed eligible business expenses incurred through the Termination Date, paid subject to and in accordance with Company policy; and

(v) any accrued vested benefits under any Company employee benefit plan, paid or provided subject to and in accordance with the terms of such plan.

(b) **TERMINATION WITHOUT CAUSE OR RESIGNATION WITH GOOD REASON.** In the event that the Executive's employment and the Employment Term end in accordance with Section 4(e) or 4(f), the Executive shall be entitled to the Accrued Benefits and, conditioned on the Executive's (x) compliance with the "Release Condition" in Section 5(c) below and (y) continued compliance with this Agreement, including Section 6 below, the Executive may also earn and receive the following additional severance, subject to Section 10 below:

(i) an amount equal to the Executive's Base Salary (as in effect on the Termination Date) for three (3) months (the "Severance Period"), which will be paid in equal periodic installments on the Company's regular payroll dates (not less frequently than monthly) over the Severance Period beginning with the first regular Company payroll date next following the Termination Date; provided that the first installment payment of such severance will be made on the Company's first regularly scheduled payroll date next following the sixtieth (60th) calendar day after the Termination Date and will include payment of any installment payments that were otherwise due prior thereto;

(ii) subject to the Executive's (x) eligibility for and timely election of continuation coverage under the Company's group health plan in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA") and (y) continued copayment of coverage premiums at the same level and cost to the Executive as if the Executive were an employee of the Company (excluding, for purposes of calculating cost, an employee's ability to pay premiums with pre-tax dollars), continued copayment by the Company for such coverage to the same extent that the Company paid for such coverage immediately prior to the Termination Date, in a manner intended to avoid any excise tax under Section 4980D of the Internal Revenue Code of 1986, as amended (the "Code"), and subject to the eligibility requirements and other terms and conditions of such insurance coverage, for the duration of the Severance Period; and

(iii) full acceleration of any then-outstanding and unvested equity awards held by the Executive.

(c) **RELEASE CONDITION.** The Executive will be eligible to receive the payments and benefits described in Section 5(b) only if the Executive executes and delivers to the Company a separation agreement including a general release of claims in a form then provided by the Company (the "General Release"), and such General Release becomes effective and irrevocable according to its terms no later than sixty (60) calendar days following the Termination Date, and only so long as the Executive has not revoked or breached any of the provisions of the General Release and does not subsequently breach any such provisions (the "Release Condition").

(d) **EXCLUSIVE REMEDY.** The payments and benefits described in this Section 5 will be in full and complete satisfaction of the Executive's rights and entitlements under this Agreement and any other claims that Executive may have in respect of the Executive's employment with the Company or any of its affiliates, and the termination thereof, and the Executive acknowledges that such amounts are fair and reasonable, and are the Executive's sole and exclusive remedy, in lieu of all other remedies at law or in equity, with respect to the termination of the Executive's employment hereunder or any breach of this Agreement. As of the date of the final payment described in this Section 5, the Company and its affiliates shall not have any further obligation to Executive under this Agreement or otherwise, except as may be required by law.

(e) **NO MITIGATION.** In no event will the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement, and such amounts will not be reduced whether or not the Executive obtains other employment.

6. D&O COVERAGE. The Company will maintain a directors' and officers' liability insurance policy (or policies) providing coverage for the Executive that is at least as favorable to the Executive in any respect (including as to the length of any post-employment tail coverage) as the coverage then being provided to any other officer or director of the Company. The policy must be held with a reputable company, of the standard appropriate for CFOs of public companies.

7. NO ASSIGNMENTS. This Agreement is personal to each of the Parties hereto. Except as provided in this paragraph, no Party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other Party hereto. The Company may assign this Agreement to any successor to all or substantially all of the business and/or assets of the Company and, as used in this Agreement, "Company" will mean the Company and any such successor which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise.

8. NOTICE. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement will be in writing and will be deemed to have been given when delivered personally, on the date of transmission if delivered by electronic mail with delivery receipt, on the third Business Day after having been mailed by certified or registered mail, return receipt requested and postage prepaid, or on the first Business Day after the date sent via a nationally recognized overnight courier. "Business Day" is any day other than a Saturday, Sunday or a day on which banks in New York are required or authorized to be closed. Such notices, demands and other communications will be sent to the address indicated below:

If to the Executive:

At the Executive's address (or to the e-mail address or facsimile number) shown in the books and records of the Company.

If to the Company:

Innovative Food Holdings, Inc.
Attention: Chief Executive Officer
2528 S. 27th Avenue
Broadview, IL 60155
e-mail: Gary@ivfh.com

With a copy (which will not constitute notice) to:

Ellenoff Grossman & Schole LLP
Attention: Sarah Williams, Esq.
1345 Avenue of the Americas, 11th Floor
New York, New York 10105
e-mail: swilliams@egsllp.com

or to such other address as either Party may have furnished to the other in writing in accordance herewith, except that notices of change of address will be effective only upon receipt.

9. TAX MATTERS.

(a) **WITHHOLDING.** The Company may withhold from any compensation and benefits payable under this Agreement all applicable federal, state, local, or other taxes, and any other applicable withholdings and tax related requirements.

(b) **SECTION 409A.**

(i) Although the Company does not guarantee the tax treatment of any payments or benefits under this Agreement, the intent of the Parties is that the payments and benefits under this Agreement be exempt from or, to the extent not exempt, comply with, Section 409A of the Code, and the regulations and guidance promulgated thereunder (collectively "Section 409A"), and, accordingly, to the maximum extent possible, this Agreement will be interpreted and construed consistent with such intent. Notwithstanding the foregoing, the Company does not guarantee any particular tax result, and in no event whatsoever will the Company, its affiliates, or their respective officers, directors, employees, counsel or other service providers, be liable for any tax, interest or penalty that may be imposed on the Executive by Section 409A or damages for failing to comply with Section 409A.

(ii) To the extent that reimbursements or other in-kind benefits hereunder constitute "deferred compensation" subject to Section 409A, (x) all expenses or other reimbursements hereunder will be made on or prior to the last day of the taxable year following the taxable year in which such expenses were incurred by the Executive, (y) any right to reimbursement or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (z) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year will in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(iii) For purposes of Section 409A, the Executive's right to receive installment payments pursuant to this Agreement shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment hereunder specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Company.

(iv) Any other provision of this Agreement to the contrary notwithstanding, in no event will any payment or benefit hereunder that constitutes "deferred compensation" subject to Section 409A be subject to offset by any other amount unless otherwise permitted by Section 409A.

(v) A termination of employment will not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that constitute "deferred compensation" subject to Section 409A upon or following a termination of employment, unless such termination is also a "separation from service" within the meaning of Section 409A, and, for purposes of any such provision, all references in this Agreement to the Executive's "termination", "termination of employment" or like terms will mean the Executive's "separation from service" with the Company, and the date of such separation from service will be the date of termination for purposes of any such payment or benefit.

(vi) Notwithstanding any other provision of this Agreement to the contrary, if, at the time of the Executive's separation from service, the Executive is a "specified employee" within the meaning and in accordance with Treasury Regulation Section 1.409A-1(i), then the Company will defer the payment or commencement of any "deferred compensation" subject to Section 409A that is payable upon separation from service (without any reduction in such payments or benefits ultimately paid or provided to the Executive) until the date that is six (6) months following separation from service or, if earlier, the earliest other date as is permitted under Section 409A (and any amounts that otherwise would have been paid during this deferral period will be paid in a lump sum on the day after the expiration of the six (6) month period or such shorter period, if applicable)).

10. CLAWBACK. To the maximum extent permitted by applicable law, all amounts paid or provided to the Executive hereunder shall be subject to any clawback or recoupment policy that may be maintained by the Company from time to time, and the requirements of any law or regulation applicable to the Company and governing the clawback or recoupment of executive compensation, or as set forth in any final non-appealable order by any court of competent jurisdiction or arbitrator.

11. GOVERNING LAW; MANDATORY ARBITRATION. This Agreement, the rights and obligations of the Parties hereto, and any claims or disputes relating thereto, will be governed by and construed in accordance with the laws of the State of New York, without regard to its conflicts of laws principles. Any controversy or dispute between the Executive and the Company arising under or related to this Agreement or the Executive's employment with the Company, with the exception of those arising under or related to injunctive relief (which may properly be the subject of civil action in a judicial forum), shall be resolved exclusively by binding, single-arbitrator arbitration, said arbitration to be conducted in New York, NY, in accordance with the Employment Rules of the American Arbitration Association. The Parties shall share the fees and costs of the arbitrator and all other costs in connection with any arbitration, and each Party shall bear its own legal fees and expenses. The Federal Arbitration Act shall apply to this paragraph.

12. MISCELLANEOUS.

(a) **SURVIVAL.** Sections 2 and 4 through 12 hereof (and, for the avoidance of doubt, the Restrictive Covenants Agreement) will survive and continue in full force and effect in accordance with their respective terms notwithstanding any expiration or termination of the Employment Term and/or this Agreement.

(b) **ENTIRE AGREEMENT; WAIVER; MODIFICATION.** This Agreement, together with the Restrictive Covenants Agreement, set forth the entire agreement of the Parties hereto in respect of the subject matter hereof and supersedes any and all prior agreements or understandings between the Executive and the Company with respect to the subject matter hereof. No agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof have been made by either Party which are not expressly set forth in this Agreement. No waiver by either Party hereto at any time of any breach by the other Party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other Party will be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. No provision of this Agreement may be modified, waived or discharged unless such modification, waiver or discharge is agreed to in a writing expressly referencing this Agreement and signed by the Executive and such officer or director of the Company as may be designated by the Board.

(c) **EXECUTIVE'S REPRESENTATION.** The Executive represents and warrants to the Company that the Executive has the legal right to enter into this Agreement and to perform all of the obligations on the Executive's part to be performed hereunder in accordance with its terms, and that the Executive's employment hereunder and compliance with the terms and conditions hereof will not conflict with or result in the breach by Executive of any agreement to which Executive is a party or by which Executive may be bound.

(d) **SECTION HEADINGS.** The section headings used in this Agreement are included solely for convenience and will not affect, or be used in connection with, the interpretation of this Agreement.

(e) **SEVERABILITY.** The provisions of this Agreement will be deemed severable. The invalidity or unenforceability of any provision of this Agreement in any jurisdiction will not affect the validity, legality or enforceability of the remainder of this Agreement in such jurisdiction or the validity, legality or enforceability of any provision of this Agreement in any other jurisdiction, it being intended that all rights and obligations of the Parties hereunder will be enforceable to the fullest extent permitted by applicable law.

(f) **COUNTERPARTS.** This Agreement may be executed in several counterparts, each of which will be deemed to be an original but all of which together will constitute one and the same instrument. Facsimile, PDF, and electronic counterpart signatures to and versions of this Agreement will be acceptable and binding on the Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Executive Employment Agreement as of the date first written above.

INNOVATIVE FOOD HOLDINGS, INC.

By: /s/ Gary Schubert
Gary Schubert
Chief Executive Officer

EXECUTIVE

/s/ Erik Saterbo
Erik Saterbo

Attachment: Exhibit A (Restrictive Covenants Agreement)

[Exhibit A]
EMPLOYEE CONFIDENTIAL INFORMATION,
NON-COMPETITION, AND NON-SOLICITATION, AGREEMENT

This Employee Confidential Information, Non-Competition, and Non-Solicitation, Agreement is entered into by and between Innovative Food Holdings, Inc. and its subsidiaries (collectively referred to as the "Company"), and Erik Saterbo ("Employee").

In consideration of Employee's employment with the Company as its Chief Financial Officer, on or about the effective date of this Agreement, as well as the payment of Employee's compensation by the Company, and the Company's entrusting to Employee of confidential information, including trade secrets, client relationships, and good will relating to its business, the Company and Employee agree to be bound by this Agreement, as follows:

1. Confidential Information.

(a) In the course of Employee's employment with the Company, Employee will have access to highly sensitive and valuable confidential information, which is the property of the Company. Confidential Information are items of information relating to the Company, its products, services, customers, suppliers, vendors, business partners, and employees that are not generally known or available to the trade, but have been developed, compiled or acquired by the Company at its great effort and expense. Confidential Information includes but is not limited to: (i) financial and business information, such as information with respect to costs, fees, profits, sales, sales margins, capital structure, operating results, borrowing arrangements, strategies and plans for future business, pending projects and proposals, and potential acquisitions or divestitures; (ii) product and technical information, such as product formulations, recipes, new and innovative product ideas, investigations, new business development, know-how, improvements, plans, designs, drawings, prototypes, methods, procedures, manufacturing processes, devices, machines, equipment, data processing programs, program documentation, algorithms, software, software codes, source codes, object codes, computer models, and research and development projects; (iii) marketing information, such as new marketing ideas, markets, mailing lists, the identity of the Company's customers (including dealers, contractors, commercial projects, and landscape architects responsible for engaging the Company, collectively referred to throughout this Agreement as "Customers"), their names and addresses, the names of representatives of the Company's Customers responsible for entering into contracts with the Company, the financial arrangements between the Company and such Customers, specific Customer needs and requirements, and leads and referrals to prospective Customers; (iv) vendor, supplier and other business partner ("Business Partners") information, such as the identity of the Company's Business Partners, their names and addresses, the names of representatives of the Company's Business Partners responsible for entering into contracts with the Company, the financial arrangements between the Company and such Business Partners, their specific needs and requirements, and leads and referrals to prospective Business Partners; and (v) personnel information, such as the identity and number of the Company's other employees, consultants and contractors, their benefits, skills, qualifications, and abilities ("Personnel Information"). Trade Secrets are items of Confidential Information that meet the requirements of applicable trade secret law. Confidential Informationand Trade Secrets can be in any form: oral, written or machine readable, including electronic files. The absence of any marking or statement that any particular information is Confidential Information shall not affect its status as Confidential Information.

(b) Employee acknowledges and agrees that the Company is engaged in a highly competitive business and that its competitive position depends upon its ability to maintain the confidentiality of the Confidential Information, including trade secrets, which were developed, compiled and acquired by the Company at its great effort and expense. Employee further acknowledges and agrees that disclosing, divulging, revealing or using any of the Confidential Information, including trade secrets, other than in connection with the Company's business or as specifically authorized by the Company, will be highly detrimental to the Company, and that serious loss of business and pecuniary damage may result therefrom.

(c) Accordingly, Employee agrees, except as specifically required in the performance of Employee's duties on behalf of the Company or with prior written authorization of the Board of Directors of the Company, Employee will not, while associated with the Company and for so long thereafter as the pertinent information or documentation remains confidential, directly or indirectly use, disclose or disseminate to any other person, organization or entity or otherwise use any Confidential Information, including any trade secrets.

(d) Nothing contained in this Agreement is intended to prohibit non-supervisory employees from discussing Personnel Information with other employees, or with third parties who are not future employers or competitors of the Company. Additionally, nothing contained in this Agreement prohibits or prevents Employee from filing a charge with or participating, testifying, or assisting in any investigation, hearing, whistleblowing proceeding or other proceeding before any federal, state, or local government agency (e.g., EEOC, NLRB, SEC, etc.). Under the federal Defend Trade Secrets Act of 2016, Employee shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (a) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made to Employee's attorney in relation to a lawsuit for retaliation against Employee for reporting a suspected violation of law; or (c) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

(e) Employee agrees to deliver to the Company, immediately upon separation from employment and at any time the Company so requests, (i) any and all documents, files, notes, memoranda, databases, computer files and/or other computer programs reflecting any Confidential Information whatsoever or otherwise relating to the Company's business; (ii) lists of the Company's Customers and leads or referrals to prospective Customers; and (iii) any computer equipment, home office equipment, automobile or other business equipment belonging to the Company that Employee may then possess or have under his or her control. For any equipment or devices owned by Employee on which proprietary information of the Company is stored or accessible, Employee shall, immediately upon or prior to separation from employment, deliver such equipment or devices to the Company so that any proprietary information may be deleted or removed. Employee expressly authorizes the Company's designated representatives to access such equipment or devices for this limited purpose and shall provide any passwords, passcodes or access codes necessary to accomplish this task.

2. Non-Competition

(a) Employee recognizes that the Company's goodwill and relationships with its customers have been established at substantial cost and effort by the Company. Employee further acknowledges that in connection with the performance of Employee's job duties for the Company, Employee has created, used or accessed the Company's Confidential Information. As a result, Employee's engaging in a business which is directly competitive with the Company would necessarily and inevitably jeopardize Employer's goodwill, lead to Employee's unauthorized use or disclosure of Confidential Information and cause Employer other irreparable harm.

(b) Accordingly, Employee covenants and agrees that so long as Employee is employed by the Company and for a period of nine (9) months after employment with the Company ends, whether voluntarily or involuntarily, Employee will not, without the express written consent of the Board of Directors of the Company, directly or indirectly, own, manage, operate or control, or be employed in a capacity similar to the position(s) held by Employee with the Company, by any company or entity engaged in such segment(s) of the Company's Business for which Employee had responsibility or about which Employee had knowledge of or access to Confidential Information and Trade Secrets while employed by the Company. For purposes of this Agreement, the Company's "Business" means the specialty food distribution and e-commerce industry. In recognition of the broad geographic scope nature of the Company's Business which includes the sale of its products and services throughout the United States and Canada, this restriction shall apply throughout the states, counties and municipalities to which Employee was assigned or for which Employee was responsible while employed by the Company. Employee may not circumvent the purpose of this restriction by engaging in business within the restricted geography through remote means such as telephone, correspondence, or electronic communication.

3. Non-Solicitation of Customers

(a) Employee acknowledges and agrees that solely by reason of employment by the Company, Employee has and will come into contact with some, most or all of the Company's Customers and prospective Customers, and will have access to Confidential Information, including trade secrets regarding the Company's Customers, prospective Customers and related information, including but not limited to information regarding Customer contacts and representatives, Customer needs and requirements, and financial arrangements with Customers, and will have access to and the benefit of good will and relationships developed by Company with its Customers.

(b) Consequently, Employee covenants and agrees that for so long as Employee is employed by the Company (except on behalf of the Company) and for a period of nine (9) months after employment with the Company ends, whether voluntarily or involuntarily, Employee will not, directly or through others, service or solicit Customers or prospective Customers of the Company for the purpose of selling products and services of the type developed, sold and provided by the Company, and for which Employee had responsibility or knowledge of or access to Confidential Information while employed by the Company. This restriction shall apply only to those Customers or prospective Customers of the Company with whom Employee had contact or about whom Employee learned Confidential Information during the last two (2) years of Employee's employment with the Company. For the purposes of this Section, the term "contact" means interaction between Employee and the Customer which takes place to further the business relationship, or making sales to or performing services for the Customer on behalf of the Company. For purposes of this Section, the term "contact" with respect to a "prospective" Customer means interaction between Employee and a potential Customer of the Company which takes place to obtain the business of the potential Customer on behalf of the Company.

4. Non-Solicitation of Business Partners; Non-Employment With Business Partners.

Employee acknowledges and agrees that as a result of employment with the Company, and in light of the broad responsibilities of such employment which include working with Business Partners of the Company, Employee has and will come into contact with and acquire Confidential Information, including trade secrets, regarding Business Partners (including vendors, suppliers and strategic partners), and will develop relationships with those Business Partners. Accordingly, Employee covenants and agrees that for so long as Employee is employed by the Company and for a period of nine (9) months after such employment ends, whether voluntarily or involuntarily, Employee shall not, either on Employee's own account or on behalf of any person, company, corporation, or other entity, directly or through others, solicit any Business Partner of the Company to or diminish its services to the Company, and Employee shall not accept employment with any such Business Partner without the express written consent of the Board of Directors of the Company. This restriction shall apply only to those Business Partners of the Company with whom Employee came into contact or about whom Employee learned Confidential Information during the last two (2) years of Employee's employment with the Company.

5. Non-Solicitation of Employees, Contractors and Consultants.

(a) Employee acknowledges and agrees that solely as a result of employment with the Company, and in light of the broad responsibilities of such employment which include working with other employees and contractors of the Company, Employee has and will come into contact with and acquire Confidential Information, including trade secrets, regarding other employees, contractors and consultants of the Company, and will develop relationships with those employees, contractors and consultants.

(b) Accordingly, Employee covenants and agrees that for so long as Employee is employed by the Company and for a period of nine (9) months after such employment ends, whether voluntarily or involuntarily, Employee shall not, either on Employee's own account or on behalf of any person, company, corporation, or other entity, directly or indirectly, solicit any employee, contractor or consultant of the Company to leave employment with or service to the Company, or diminish their services to the Company. This restriction shall apply only to those employees, contractors and consultants of the Company with whom Employee came into contact or about whom Employee learned Confidential Information during the last two (2) years of his or her employment with the Company, except for those individuals who were already known by, and knew, the Employee prior to the commencement of the Employee's employment with the Company.

6. Conflict of Interest. During employment with the Company, Employee may not use Employee's position, influence, knowledge of Confidential Information, including trade secrets, or the Company's assets for personal gain, except as specifically provided in this Agreement. A direct or indirect financial interest, including joint ventures in or with a supplier, vendor, customer or prospective customer without disclosure and the express written approval of the Board of Directors of the Company is strictly prohibited during employment with the Company.

7. Exclusivity. Without limiting anything in the Employee's employment agreement with the Company, in order to protect the Company's Confidential Information and Trade Secrets, Employee agrees that, while employed by the Company, Employee shall not become employed by or involved in any way whatsoever, directly or indirectly, with any company, business or person that competes with the Company in any way whatsoever, directly or indirectly.

8. Intellectual Property.

(a) Employee covenants and agrees that all inventions, improvements, products, designs, specifications, trademarks, service marks, discoveries, formulae, processes, software or computer programs, modifications of software or computer programs, data processing systems, analyses, techniques, trade secrets, creations, ideas, work product or contributions thereto, and any other intellectual property, regardless of whether patented, registered or otherwise protected or protectable, and regardless of whether containing or constituting Confidential Information as defined in this Agreement (referred to collectively as "Intellectual Property"), that were conceived, developed or made by Employee during the period of Employee's employment by the Company, including Intellectual Property related to the Company's business and any other business in which the Company was engaged as of the date of termination of Employee's employment with the Company (the "Proprietary Interests"), shall belong to and be the property of the Company. Employee further acknowledges that all original works of authorship which are made by Employee (solely or jointly with others) within the scope of and during the period of employment with the Company and which are protectable by copyright are "works made for hire," as that term is defined under applicable law. Employee understands and agrees that the decision whether or not to commercialize or market any invention developed by Employee solely or jointly with others is within the Company's sole discretion and for the Company's sole benefit and that no royalty will be due to Employee as a result of the Company's efforts to commercialize or market any such invention. There shall be three exceptions to the above intellectual property definition: everything the Employee knew, developed, authored, or invented prior to becoming an employee of the Company; everything the Employee obtains from sources outside the Company; everything the Employee develops independently outside of Company time (for instance while serving on other company boards, partnership with universities, or consulting with other companies).

(b) Employee further covenants and agrees that Employee will promptly disclose such Intellectual Property to the Company; and make and maintain for the Company adequate and current written records of Employee's innovations, inventions, discoveries and improvements made solely or jointly with others, said written records to be made available to and remain the sole property of the Company at all times. Employee hereby assigns to the Company, without additional compensation, the entire rights to Intellectual Property for the United States and all foreign countries. Employee covenants and agrees to (i) execute assignments and all other papers and do all acts necessary to carry out the above, including enabling the Company to file and prosecute applications for, acquire, ascertain and enforce in all countries, letters patent, trademark registrations and/or copyrights covering or otherwise relating to Intellectual Property and to enable the Company to protect its proprietary interests therein; and (ii) give testimony, at the Company's expense, in any action or proceeding to enforce rights in the Intellectual Property. In the event the Company is unable for any reason, after reasonable effort, to secure Employee's signature on any document needed in connection with the actions specified in this Section 8, Employee hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Employee's agent and attorney in fact, which appointment is coupled with an interest, to act for and in Employee's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of this Agreement with the same legal force and effect as if executed by Employee.

(c) Employee further covenants and agrees that the Company shall be entitled to shop rights with respect to any Intellectual Property conceived or made by Employee during employment with the Company that is not related in any manner to the Proprietary Interests but which was conceived or made on the Company's time or with the use of the Company's facilities or materials.

(d) Employee further covenants and agrees that it shall be conclusively presumed as against Employee that any Intellectual Property related to the Proprietary Interests described by Employee in a patent, service mark, trademark, or copyright application, disclosed by Employee in any manner to a third person, or created by Employee or any person with whom Employee has any business, financial or confidential relationship, within nine (9) months after cessation of Employee's employment with the Company, was conceived or made by Employee during the period of employment by the Company and that such Intellectual Property is the sole property of the Company.

(e) Appendix "A" attached to this Agreement fully describes all inventions developed by Employee alone or jointly with others before being employed by the Company ("*Prior Inventions*"), and which are, therefore, not part of this Agreement. If no separate sheet is attached, the parties acknowledge that there exist no such Prior Inventions. If in the course of employment with the Company, Employee incorporates into a Company product, process or service a Prior Invention owned by Employee or in which Employee has an interest, Employee hereby grants to the Company a nonexclusive, royalty-free, fully paid-up, irrevocable, perpetual, worldwide license to make, have made, modify, use and sell such Prior Invention as part of or in connection with such product, process or service, and to practice any method related thereto.

9. Employment At-Will. Employee acknowledges that his or her employment by the Company is not for any specified period of time and that it can be terminated by either Employee or the Company at any time for any lawful reason. This is an "employment at will."

10. Confidential Information Belonging to Others. Employee affirms Employee is not presently subject to a restrictive covenant or other contract or agreement of any kind which would prohibit, restrict or limit employment with the Company. If Employee learns or becomes aware or is advised that he or she is subject to an actual or alleged restrictive covenant or other prior agreement which may prohibit or restrict employment by the Company, Employee shall immediately notify the Company of the same. Employee agrees that he or she shall not disclose to the Company, use for the Company's benefit, or induce the Company to use any trade secret or confidential information he or she may possess or any Intellectual Property belonging to any former employer or other third party.

11. Notice to Future Employers. For the period of nine (9) months immediately following the end of Employee's employment with the Company, Employee will promptly inform each potential employer, upon receipt of an offer but prior to accepting employment, of the existence and details of this Agreement and will provide that potential employer with a copy of this Agreement.

12. Enforcement. Employee acknowledges and agrees that compliance with the covenants set forth in this Agreement is necessary to protect the Confidential Information, including trade secrets, business and goodwill of the Company, and that any breach of this Agreement will result in irreparable and continuing harm to the Company, for which money damages cannot provide adequate relief. Accordingly, in the event of any breach or anticipatory breach of this Agreement by Employee, or Employee's claim in a declaratory judgment action that all or part of this Agreement is unenforceable, the parties agree that the Company shall be entitled to the following particular forms of relief as a result of such breach, in addition to any remedies otherwise available to it at law or equity: (a) injunctions, both preliminary and permanent, enjoining or restraining such breach or anticipatory breach, and Employee hereby consents to the issuance thereof forthwith and without bond by any court of competent jurisdiction; and (b) recovery of all reasonable sums and costs, including attorneys' fees, incurred by the Company to defend or enforce the provisions of this Agreement.

13. Extension of Restrictive Periods. The restrictive periods set forth in this Agreement (including those set forth in Sections 2, 3, 4, and 5 hereof) shall not expire and shall be tolled during any period in which Employee is in violation of such restrictions, and therefore such restrictive periods shall be extended for a period equal to the duration of Employee's violations thereof.

14. Entire Agreement. This Agreement embodies the entire agreement and understanding between the parties with regard to the subject matter of this Agreement, is binding upon and inures to the benefit of the parties, and it supersedes any and all prior agreements or understandings between the Company and Employee regarding its subject matter.

15. Modification. This Agreement may be modified or amended only by an instrument in writing and signed by the parties hereto, making specific reference to this Agreement, except as specified in Section 19, below.

16. Governing Law and Venue. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to its conflict of laws provisions, subject to the provisions of Addendum A. The parties agree that any action or proceeding with respect to this Agreement and Employee's employment shall be brought exclusively in the Supreme Court of the State of New York, New York County, or in the United States District Court for the Southern District of New York, or in any other court of competent jurisdiction sitting in the State and County of New York, and the parties agree to the personal jurisdiction thereof. The parties hereby irrevocably waive any objection they may now or hereafter have to the laying of venue of any such action in such court(s), and further irrevocably waive any claim they may now or hereafter have that any such action brought in such court(s) has been brought in an inconvenient forum. The parties recognize that, if any dispute or controversy arising from or relating to this Agreement is submitted for adjudication to any court, the preservation of the secrecy of Confidential Information or Trade Secrets may be jeopardized. Consequently, the parties agree that all issues of fact shall be tried without a jury.

17. Waiver. If in one or more instances either party fails to insist that the other party perform any of this Agreement's terms, this failure shall not be construed as a waiver by the party of any past, present, or future right granted under this Agreement; the obligations of both parties under this Agreement shall continue in full force and effect. Any waiver by the Company or by Employee must be in writing and signed by all parties.

18. Binding Effect. This Agreement shall be binding upon Employee, Employee's heirs, executors and administrators, and upon the Company, and its successors and assigns, and shall inure to the benefit of the Company, and its successors and assigns. This Agreement may not be assigned by Employee. The Company has the right to assign this Agreement, and this Agreement may be enforced by the Company's successors and assigns. Employee's obligations under this Agreement shall survive any changes made in the future to the employment terms of Employee, including but not limited to changes in salary, benefits, bonus plans, job title and job responsibilities.

19. Severability. The parties agree they have attempted to limit the scope of the post-employment restrictions contained herein to the extent necessary to protect the Company's Confidential Information, client relationships and good will. It is the desire and intent of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under applicable laws and public policies. Accordingly, if any term or provision of this Agreement or any portion thereof is declared illegal or unenforceable by any court of competent jurisdiction, such provision or portion thereof shall be deemed modified so as to render it enforceable, and to the extent such provision or portion thereof cannot be rendered enforceable, this Agreement shall be considered divisible as to such provision which shall become null and void, leaving the remainder of this Agreement in full force and effect.

20. Acknowledgment. Employee has read this Agreement and has had an opportunity to ask Employer's representatives questions about it. Employee has had an opportunity to consult with an attorney of his/her choice (at his/her own expense) prior to signing this contract, and understands that signing this Agreement is a condition of employment or continued employment.

21. Section Headings. Section headings are used herein for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

22. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed valid and binding on the signatory and both of which together shall constitute an original contract.

THUS, the parties knowingly and voluntarily execute this Agreement as of the dates set forth below.

INNOVATIVE FOOD HOLDINGS, INC.	**EXECUTIVE**
By: /s/ Gary Schubert	/s/ Erik Saterbo
Gary Schubert	Erik Saterbo
Chief Executive Officer	
Dated: September 14, 2026	Dated: September 14, 2026

Exhibit 31.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gary Schubert, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Innovative Food Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2026

/s/ Gary Schubert
Gary Schubert
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) AND RULE 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Erik Saterbo, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Innovative Food Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2026

/s/ Erik Saterbo
Erik Saterbo
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF THE PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES OXLEY ACT OF 2002

In connection with the Quarterly Report of Innovative Food Holdings, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Gary Schubert, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Gary Schubert
Gary Schubert
Chief Executive Officer
(Principal Executive Officer)

Date: November 12, 2026

Exhibit 32.2

CERTIFICATION OF THE PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES OXLEY ACT OF 2002

In connection with the Quarterly Report of Innovative Food Holdings, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Erik Saterbo, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Erik Saterbo
Erik Saterbo
Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: November 12, 2026