

Armanino Foods Reports First Quarter 2026 Results Driven by Strong Sales Growth and Margin Expansion; Announces Second Quarter 2026 Dividend

PLEASANTON, CA / [ACCESS Newswire](#) / May 7, 2026 / Armanino Foods of Distinction, Inc. (OTCQX:AMNF), a leading producer and marketer of premium frozen Italian and specialty foods serving foodservice, retail, and industrial customers across North America and select international markets, today announced financial results for the first quarter ended March 31, 2026.

Financial Results

<i>\$ in millions (excl. EPS)</i>	Q1 2026	Q1 2025	%Change	
Net Sales	\$18.4	\$17.0	8.3	%
Gross Profit	\$9.2	\$7.6	20.6	%
Operating Income	\$6.1	\$5.0	22.1	%
Net Income	\$4.7	\$3.9	20.4	%
Earnings per Share (Diluted)	\$0.1518	\$0.1242	22.2	%

First Quarter Results

Armanino delivered a strong start to 2026, with first quarter net sales increasing 8.3% to \$18.4 million, driven by continued momentum in the Company's core foodservice business, increased customer penetration, and expansion of product distribution.

Gross profit increased 20.6% to \$9.2 million, while gross margin expanded 510 basis points to 49.8%. Margin improvement was driven by favorable product mix in the quarter as well as pricing actions, reduced trade spend, and continued operational efficiencies.

Trade spend as a percentage of gross sales declined to 9.6%, compared to 11.2% in the prior year period, reflecting the Company's focus on higher-margin segments and disciplined promotional activity.

Operating expenses increased to \$3.0 million, compared to \$2.6 million in the prior year period, primarily reflecting strategic investments in leadership talent and other capabilities needed to support the Company's growth, as well as an increase in broker commissions associated with higher sales volume.

Operating income increased 22.1% to \$6.1 million, while operating margin expanded 380 basis points to 33.3%, demonstrating the continued scalability of the Company's operating model.

Net income increased 20.4% to \$4.7 million, or \$0.1518 per diluted share, compared to \$3.9 million, or \$0.1242 per diluted share, in the first quarter of 2025.

Cash Flow, Balance Sheet, and Capital Allocation

Cash flow from operations was \$3.0 million, compared to \$0.3 million in the prior year period, reflecting strong earnings performance and favorable working capital dynamics.

Free cash flow was \$2.9 million, compared to breakeven levels in the prior year, which was impacted by an increase in accounts receivable and a compensation expense from the exercise of Phantom Stock awards.

The Company ended the quarter with \$30.9 million in cash and cash equivalents and no debt. During the quarter, the

Company paid \$1.6 million in dividends to shareholders. The Company did not repurchase shares during the quarter and retains capacity for future repurchases under its existing share repurchase authorization.

Management Commentary

Deanna Jurgens, President and Chief Executive Officer, commented, "Armanino delivered a strong start to 2026, highlighted by solid sales growth, meaningful margin expansion, and strong cash flow generation in the first quarter.

Our results reflect strong execution across the business, from new customer acquisition and expanding distribution, to improving product mix, pricing realization, and operational efficiency.

At the same time, we recognize that the operating environment remains dynamic. Rising input costs, labor pressures, and customer traffic volatility continue to create challenges across the broader food industry. Our team remains focused on staying close to our customers, actively managing our cost structure, and making investments that strengthen the business for the long term.

We are encouraged by the momentum we are seeing across our foodservice business, our national accounts pipeline, and our international strategy. With a debt-free balance sheet, a strong leadership team, and a clear growth agenda, we believe Armanino is well positioned to create long-term value for our shareholders."

Andrew Leonard, Chief Financial Officer, added, "Our first quarter results reflect both strong operating performance and continued financial discipline. Importantly, \$2.9 million of free cash flow generation further strengthens our balance sheet and positions us well to invest in our strategic growth initiatives while continuing to return cash to shareholders."

Dividend and Corporate Governance Update

The Company's Board of Directors has declared a quarterly cash dividend of \$0.05 per share. The dividend will be payable on or about July 31, 2026, to shareholders of record at the close of business on July 17, 2026.

In addition, the Board of Directors has elected Sara Harris to serve as Corporate Secretary of Armanino Foods of Distinction, Inc., effective immediately. Ms. Harris currently serves as the Company's HR Leader and will assume this additional responsibility while continuing in her current role.

Outlook

The Company remains focused on executing its 2026 Annual Operating Plan, including:

- Expanding its U.S. foodservice footprint
- Advancing national account opportunities
- Scaling international distribution
- Driving operational and procurement efficiencies

Armanino Foods of Distinction, Inc.

Income Statement

(Unaudited)

	Quarter Ended	
	March 31,	
	2026	2025
\$ and shares in millions, except per share amounts		
Net Sales	\$ 18.4	\$ 17.0
Cost of goods sold	9.2	9.4
Gross profit	9.2	7.6
Operating expenses:		
General, administrative and selling expense	1.6	1.0
Salaries & wages	1.1	1.3
Commissions	0.3	0.2
Total operating expenses	3.0	2.6
Income from operations	6.1	5.0
Other Income / (Expense)	0.3	0.3
Income before income taxes	6.4	5.3
Income taxes	1.6	1.4
Net income	\$4.7	\$3.9
Earnings per common and equivalent shares:		
Basic earnings per share	\$0.1525	\$0.1242
Weighted average common shares outstanding	31.1	31.7
Diluted earnings per share	\$0.1518	\$0.1242
Weighted average common shares outstanding assuming dilution	31.2	31.7

Armanino Foods of Distinction, Inc.

Balance Sheets
(Unaudited)

	As of	
	March 31,	December 31,
	2026	2025
\$ in millions		
ASSETS		
Cash and cash equivalents	\$ 30.9	\$ 29.5

Accounts receivable, net	10.5	11.8
Inventories, net	6.3	4.7
Prepaid Expenses	0.5	0.7
	<hr/>	<hr/>
Total Current Assets	48.2	46.7
Property and Equipment, Net	8.3	8.6
Deposits	0.1	0.1
Operating lease right of use asset	0.5	0.7
Goodwill	0.4	0.4
Trademarks	0.1	0.1
	<hr/>	<hr/>
Total Non-Current Assets	9.4	9.9
	<hr/>	<hr/>
TOTAL ASSETS	\$57.6	\$ 56.6
 LIABILITIES AND STOCKHOLDER'S EQUITY		
Accounts Payable	\$3.9	\$ 4.7
Contract Liabilities	1.8	2.3
Accrued Payroll and Payroll Taxes	0.6	1.4
Phantom Stock Liability	1.3	2.2
Operating Lease Liability ST	0.6	0.7
Dividends Payable	1.6	1.6
Income Taxes Payable	0.6	0.0
	<hr/>	<hr/>
Total Current Liabilities	10.2	12.8
Operating Lease Liability LT	0.0	0.1
Deferred Tax Liability LT	0.8	0.6
	<hr/>	<hr/>
Total Non-Current Liabilities	0.8	0.6
	<hr/>	<hr/>
Total Liabilities	11.0	13.4
Common Stock	2.8	2.8
Treasury Stock	-7.5	-7.5
Additional Paid-In Capital	0.5	0.3
Retained Earnings	50.8	47.6
	<hr/>	<hr/>

Total Stockholder's Equity

46.6

43.1

TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY

\$ 57.6

\$ 56.6

About Armanino Foods of Distinction, Inc.

Armanino Foods of Distinction, Inc. (OTCQX:AMNF) is a leading producer and marketer of premium frozen Italian and specialty foods serving foodservice and industrial customers across North America and select international markets. Best known for its top selling Basil Pesto, the Company's product line spans a wide variety of sauces and stuffed pasta dishes, all produced in a British Retail Consortium Global Standards Grade AA facility with rigorous quality systems and scalable packaging formats to meet customer needs. To learn more, please visit the Company's website at <https://armaninofoods.com>.

Cautionary Statements Regarding Forward-Looking Information

Statements in this news release regarding our expectations and beliefs about our future financial performance and trends in our markets are "forward-looking statements" as defined in the Private Securities Litigations Reform Act of 1995. Forward-looking statements often include the words "believe," "expect," "anticipate," "intend," "plan," "estimate," "project," or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could," or "may."

The forward-looking statements in this news release regarding our future financial performance are based on current information and because our business is subject to several risks and uncertainties, actual operating results in the future may differ significantly from the future financial performance expected at the current time. Those risks and uncertainties may include, among others: economic factors affecting consumer confidence and discretionary spending and reducing the consumption of food prepared away from home; cost inflation/deflation and commodity volatility; competition; reliance on third party suppliers and interruption of product supply or increases in product costs; changes in the Company's relationships with customers and group purchasing organizations; the Company's ability to increase or maintain the highest margin portions of the Company's business; achievement of expected benefits from cost savings initiatives; increases in fuel costs; changes in consumer eating habits; cost and pricing structures and other governmental regulation. The forward-looking statements contained in this press release speak only as of the date of this press release and are based on information and estimates available to the Company at this time. We undertake no obligation to update or revise any forward-looking statements, except as may be required by law.

Investor Relations Contact

Lucas A. Zimmerman
Managing Director
MZ Group - MZ North America
(262) 357-2918
AMNF@mzgroup.us
www.mzgroup.us

SOURCE: Armanino Foods of Distinction, Inc.

View the original [press release](#) on ACCESS Newswire

5/7/2026 8:31:00 AM