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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

**FORM 8-K**

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

Date of report (Date of earliest event reported): **August 4, 2021**

**CALAVO GROWERS, INC.**

(Exact Name of Registrant as Specified in Charter)

|   |                          |                                      |
|---|--------------------------|--------------------------------------|
| <b>California</b>                                 | <b>000-33385</b>         | <b>33-0945304</b>                    |
| (State or Other<br>Jurisdiction of Incorporation) | (Commission File Number) | (IRS Employer<br>Identification No.) |

**1141-A Cummings Road, Santa Paula, California 93060**

(Address of Principal Executive Offices) (Zip Code)

(Former Name or Former Address, if Changed Since Last Report)

Registrant's telephone number, including area code: **(805) 525-1245**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|-------------------|---|
| Common Stock        | CVGW              | Nasdaq Global Market                      |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

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## **Item 2.02 Results of Operations and Financial Condition.**

On August 4, 2021, Calavo Growers, Inc. (Calavo) issued a press release reporting preliminary estimated ranges for revenue and adjusted EBITDA for its third quarter 2021. These preliminary financial results are forward-looking and based on Calavo's good faith estimates. Adjusted EBITDA is a non-GAAP financial measure and further information concerning this non-GAAP financial measure is contained in the press release. The press release also discloses that Calavo plans to report its financial results for the third quarter 2021 after the market closes on September 8, 2021, and the press release provides information for participation in Calavo's conference call and audio webcast scheduled for the same day. The financial information furnished in this Form 8-K has not been reviewed by the Company's independent registered public accounting firm and is subject to the completion of the Company's financial reporting processes and independent registered public accounting firm review procedures. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

In accordance with General Instruction B.2 of Form 8-K, the information contained in this Item 2.02, including Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed by Calavo under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

## **Item 9.01. Financial Statements and Exhibits.**

### (d) Exhibits

99.1 [Press release dated August 4, 2021 of the Registrant.](#)

104 Cover Page Interactive Data File (formatted as inline XBRL).

**SIGNATURE**

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 hereunto duly authorized.

August 4, 2021

Calavo Growers, Inc.

By: /s/ James Gibson  
James Gibson  
Chief Executive Officer  
(Principal Executive Officer)



## Calavo Growers, Inc. Announces Preliminary Third Quarter 2021 Results

### *Third Quarter Earnings Call Scheduled for September 8, 2021*

SANTA PAULA, Calif., August 4, 2021—Calavo Growers, Inc. (Nasdaq-GS: CVGW), a global avocado-industry leader and provider of value-added fresh food, announced today that after an initial review of its third quarter 2021 operating results, the Company now expects revenue to be between \$275 million and \$285 million, near the low end of its previously announced range, while adjusted EBITDA (a non-GAAP financial measure) is expected to be in the range of \$0 to \$2 million, below its previously announced range of \$11 million to \$15 million. Calavo's third quarter 2021 results will be reported on September 8, 2021, and the Company will hold its earnings call the same day.

The revised adjusted EBITDA estimated range is largely due to gross margins that are below the Company's previous expectations. The Company's original forecast reflected near-term inflationary pressures on labor, raw materials and freight, as previously discussed. However, these pressures as well as delays in the Mexican and Californian avocado crops were more acute than anticipated. The delay in the Mexican summer crop and slow start to the California season resulted in limited supplies of the most desirable fruit (both in sizes and quality) which affected the Company's avocado margins. In the Company's Renaissance Food Group labor shortages impacted throughput and increased the cost of labor. Raw material costs and freight costs remained higher and for longer than expected, impacting all segments.

The Company expects that a number of these pressures will continue into the fourth quarter, but that by the end of the calendar year many of them will be mitigated through a combination of pricing initiatives and the implementation of internal operational efficiencies.

#### **Third Quarter 2021 Conference Call and Webcast**

Calavo will release financial results for the third quarter ended July 31, 2021 after the market closes on Wednesday, September 8, 2021.

A conference call and audio webcast with analysts and investors will be held that afternoon at 5:00 p.m. Eastern Time/2:00 p.m. Pacific Time, to discuss the results and answer questions.

- Live conference call: 877-407-3982 (domestic) or 201-493-6780 (international) with conference ID: 13722246.
- Live and archived webcast will be available on the Events and Presentations page of Calavo's investor relations website at <http://ir.calavo.com>.

### **Non-GAAP Financial Measures**

This press release includes the non-GAAP financial measure adjusted EBITDA, which is not determined in accordance with U.S. generally accepted accounting principles, or "GAAP."

EBITDA is defined as net income (loss) attributable to Calavo Growers, Inc. excluding (1) interest income and expense, (2) income tax (benefit) provision, (3) depreciation and amortization and (4) stock-based compensation expense. Adjusted EBITDA is EBITDA with further adjustments for (1) non-cash net losses recognized from unconsolidated entities, (2) goodwill impairment, (3) write-off of long-lived assets, (4) acquisition-related costs, (5) restructuring and certain severance costs, (6) certain litigation and other related costs, and (7) one-time items. Adjusted EBITDA is a primary metric by which management evaluates the operating performance of the business, on which certain operating expenditures and internal budgets are based. The adjustments to calculate EBITDA and adjusted EBITDA are items recognized and recorded under GAAP in particular periods but might be viewed as not necessarily coinciding with the underlying business operations for the periods in which they are so recognized and recorded.

The Company is not able to provide a reconciliation of expected adjusted EBITDA to expected net income (loss) attributable to Calavo Growers, Inc., the most directly comparable GAAP measure, due to the unknown effect, timing, and potential significance of the effects of non-cash income and losses associated with unconsolidated entities, among others. These items have in the past, and may in the future, significantly affect GAAP results in a particular period.

Non-GAAP information should be considered as supplemental in nature and not as a substitute for, or superior to, any measure of performance prepared in accordance with GAAP. Adjusted EBITDA is not presented as a measure of liquidity. The way the Company measures adjusted EBITDA may not be comparable to similarly titled measures presented by other companies and may not be identical to corresponding measures used in Company agreements.

### **About Calavo Growers, Inc.**

Calavo Growers, Inc. is a global avocado-industry leader and provider of value-added fresh food serving retail grocery, foodservice, club stores, mass merchandisers, food distributors and wholesalers worldwide. The Company's Fresh segment procures and markets fresh avocados and select other fresh produce, including tomatoes and papayas. The Renaissance Food Group (RFG) segment creates, markets and distributes a portfolio of healthy, fresh foods, including fresh-cut fruit, fresh-cut vegetables and prepared foods. The Foods segment manufactures and distributes guacamole and salsa. Founded in 1924, Calavo's fresh food products are sold under the respected Calavo brand name as well as Garden Highway, Chef Essentials and a variety of private label and store brands.

### **Safe Harbor Statement**

This press release contains statements relating to future events and results of Calavo (including the preliminary estimated ranges set forth in this press release and other projections and business trends) that are "forward-looking statements," as defined in the Private Securities Litigation Reform Act of 1995, that involve risks, uncertainties and assumptions. The preliminary estimated ranges set forth in this press release are based on Calavo's good faith estimates and are subject to the completion of the Company's financial reporting processes and independent registered public accounting firm review

procedures. These statements are based on our current expectations and are not promises or guarantees. If any of the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of Calavo may differ materially from those expressed or implied by such forward-looking statements and assumptions. The use of words such as “anticipates,” “estimates,” “expects,” “projects,” “intends,” “plans” and “believes,” among others, generally identify forward-looking statements.

Risks and uncertainties that may cause our actual results to be materially different from any future results expressed or implied by the forward-looking statements include, but are not limited to, the following: the completion of our financial reporting processes and independent registered public accounting firm review procedures, the impact of the COVID-19 pandemic on our business, results of operations, and financial condition, including, but not limited to, disruptions in the manufacturing of our products and the operations of the related supply chains supporting our ability to deliver our products to consumers, impacts on our employees and uncertainty regarding our ability to implement health and safety measures for our employees, uncertainties regarding consumer demand for our products in light of COVID-19, impact on our food service customers, increased costs that we must incur as a result of COVID-19, the impact of governmental trade restrictions imposed as a result of COVID-19 and the possible adverse impact of COVID-19 on our goodwill and other intangible assets; seasonality of our business; sensitivity of our business to changes in market prices of avocados and other agricultural products and other raw materials including fuel, packaging and paper; potential disruptions to our supply chain; risks associated with potential future acquisitions, including integration; potential exposure to data breaches and other cyber-attacks on our systems or those of our suppliers or customers; dependence on large customers; dependence on key personnel and the ability of our management team to work together successfully; potential for labor disputes; reliance on co-packers for a portion of our production needs; competitive pressures, including from foreign growers; risks of recalls and food-related injuries to our customers; changing consumer preferences; the impact of environmental regulations, including those related to climate change; our ability to develop and transition new products and services and enhance existing products and services to meet customer needs; risks associated with doing business internationally (including possible restrictive U.S. and foreign governmental actions, such as restrictions on transfers of funds and COVID-19 and trade protection measures such as import/export/customs duties, tariffs and/or quotas and currency fluctuations); risks associated with receivables from, loans to and/or equity investments in unconsolidated entities, including FreshRealm; volatility in the value of our common stock; the impact of macroeconomic trends and events; and the resolution of pending investigations, legal claims and tax disputes.

For a further discussion of these risks and uncertainties and other risks and uncertainties that we face, please see the risk factors described in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission and any subsequent updates that may be contained in our Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. Forward-looking statements contained in this press release are made only as of the date of this press release, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

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