Lifeway Foods, Inc.

LWAY

Nasdaq; consumer nondurables; SIC 2020, Dairy Products; CIK 0000814586

A

strongest fifth of 124 graded peers in consumer nondurables

rank 10 of 124; percentile 7.3; sampling error 3.8 points; lower is stronger

A B C D E

A, the bull



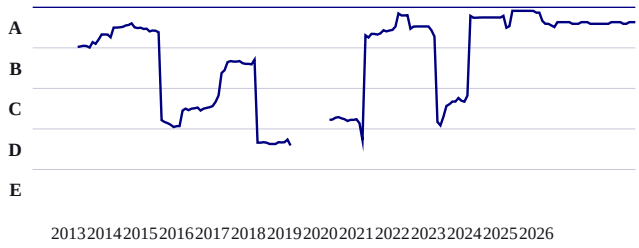
Scoreboard	
Profitability	C/D percentile 59.6
Solvency	A/B percentile 20.5
Growth and financing	A percentile 15.3
Reliability	0.83 AUC filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025
Peer failure rate	1.07% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$12.5M to $120M assets total assets $105.6M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet not computable: distress
Inputs computable	9 of 14
Graded from	filings received through Mar 17, 2026 221 days before the rescan; latest periodic filing 10-Q received Aug 13, 2026
Last close	$22.46 2026-10-23; market equity $339.3M; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Mar 17, 2026

ten years after he and his family emigrated from Eastern Europe to the United States. Lifeway was the first to successfully introduce kefir to the U.S. consumer on a commercial scale, initially catering to ethnic consumers in the Chicago, Illinois metropolitan area. Lifeway has grown to become the largest producer and marketer of kefir in the U.S. and an important player in the broader market spaces of probiotic-based dairy product. Lifeway kefir is tart and tangy, high in protein, calcium and vitamin D.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 59.6						
Gross profitability	55.1%	29.8%		16.3	142	2025-12-31
Return on invested capital	not computable	5.6%				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Accruals ratio	3.0%	(5.0%)		91.2	149	2025-12-31

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Gross margin stability, five years	3.0 pts	1.9 pts		71.3	116	2025-12-31
Solvency, sleeve percentile 20.5						
Twelve-month failure probability	not computable	0.03%				
latest liabilities, cash plus short-term investments, book equity, and shares are required						
Altman Z double-prime	9.59	3.11		6.8	119	2025-12-31
Net debt to EBITDA	not computable	2.54x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Interest coverage	not computable	2.51x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	2.23x	1.81x		34.2	153	2025-12-31
Growth and financing, sleeve percentile 15.3						
Revenue growth, three-year compound	14.5%	0.2%		6.1	133	2025-12-31
Free cash flow growth, three-year compound	not computable	14.9%				
current FCF must be positive and base FCF must exceed $100,000						
Reinvestment rate	137.9%	10.7%		10.1	70	2025-12-31
Asset growth, three years	15.2%	0.5%		10.5	134	2025-12-31
Net share issuance, one year	(0.4%)	0.03%		34.3	103	2026-03-02

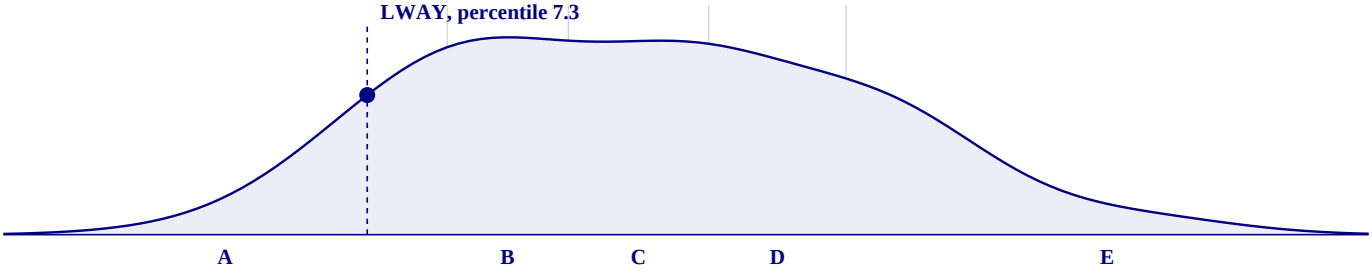
Warnings

1 of 7 checks triggered; none of them enters the letter

Check	Measured
Fortress balance sheet	cash minus debt is 10,448,000 USD; Altman Z is not used

Among 124 peers

consumer nondurables; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
5	National Beverage Corp. (FIZZ)	3.3	A	
6	Bellring Brands, Inc. (BRBR)	4.1	A	
7	Mama's Creations, Inc. (MAMA)	4.9	A	fortress balance sheet
8	Ralph Lauren Corp. (RL)	5.7	A	fortress balance sheet
9	Monster Beverage Corp. (MNST)	6.5	A	fortress balance sheet
10	Lifeway Foods, Inc. (LWAY)	7.3	A	fortress balance sheet
11	Sanfilippo John B & SON Inc. (JBSS)	8.1	A	
12	Jerash Holdings (Us), Inc. (JRSH)	8.9	A	fortress balance sheet
13	Columbia Sportswear Co. (COLM)	9.8	A	
14	Steven Madden, Ltd. (SHOO)	10.6	A	
15	Vita Coco Company, Inc. (COCO)	11.4	A	

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What the price implies

at the 2026-10-23 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(6.2%)	(0.2%)	40
Distance from 52-week high	(30.5%)	(23.0%)	34
EBIT to enterprise value	4.8%	3.9%	57
Free cash flow yield	(4.8%)	4.6%	19
Book value to price	0.25	0.57	25
Sales to price	0.63	1.21	24
Composite equity issuance, five years	(3.2%)	(16.3%)	72
Relative strength against the sector, log excess return	(0.16)	(0.10)	40

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	fail
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$7.1M
Operating cash flow, four quarters	$11.2M
Months of runway	not finite
Days since last periodic filing	72 (10-Q received Aug 13, 2026)
Median daily dollar volume, 63 sessions	$2.5M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$58.2M	2025-12-31	2026-03-17	10-K	26-001886
2	assets	us-gaap:Assets	$105.6M	2025-12-31	2026-03-17	10-K	26-001886
3	operating income	us-gaap:OperatingIncomeLoss	$17.0M	2023-12-31	2025-03-14	10-K	25-001592
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$16.6M	2023-12-31	2025-03-14	10-K	25-001592
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$5.3M	2023-12-31	2025-03-14	10-K	25-001592
6	total debt	us-gaap:LongTermDebt	$2.8M	2023-12-31	2024-03-20	10-K	24-001564
7	book equity	us-gaap:StockholdersEquity	$60.4M	2023-12-31	2026-03-17	10-K	26-001886
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$13.2M	2023-12-31	2025-03-14	10-K	25-001592
9	total debt	us-gaap:LongTermDebt	$3.8M	2022-12-31	2023-03-27	10-K	23-001804
10	book equity	us-gaap:StockholdersEquity	$47.6M	2022-12-31	2025-03-14	10-K	25-001592
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$4.4M	2022-12-31	2024-03-20	10-K	24-001564
12	net income	us-gaap:NetIncomeLoss	$13.9M	2025-12-31	2026-03-17	10-K	26-001886
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$10.9M	2025-12-31	2026-03-17	10-K	26-001886
14	assets	us-gaap:Assets	$90.5M	2024-12-31	2026-03-17	10-K	26-001886
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$212.5M	2025-12-31	2026-03-17	10-K	26-001886
16	gross profit	us-gaap:GrossProfit	$48.6M	2024-12-31	2026-03-17	10-K	26-001886
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$186.8M	2024-12-31	2026-03-17	10-K	26-001886
18	gross profit	us-gaap:GrossProfit	$42.4M	2023-12-31	2025-03-14	10-K	25-001592

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19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$160.1M	2023-12-31	2025-03-14	10-K	25-001592
20	gross profit	us-gaap:GrossProfit	$26.8M	2022-12-31	2024-03-20	10-K	24-001564
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$141.6M	2022-12-31	2024-03-20	10-K	24-001564
22	gross profit	us-gaap:GrossProfit	$28.7M	2021-12-31	2023-03-27	10-K	23-001804
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$119.1M	2021-12-31	2023-03-27	10-K	23-001804
24	current assets	us-gaap:AssetsCurrent	$37.1M	2025-12-31	2026-03-17	10-K	26-001886
25	current liabilities	us-gaap:LiabilitiesCurrent	$16.6M	2025-12-31	2026-03-17	10-K	26-001886
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$88.7M	2025-12-31	2026-03-17	10-K	26-001886
27	operating income	us-gaap:OperatingIncomeLoss	$16.2M	2025-12-31	2026-03-17	10-K	26-001886
28	book equity	us-gaap:StockholdersEquity	$85.8M	2025-12-31	2026-03-17	10-K	26-001886
29	liabilities	us-gaap:Liabilities	$19.8M	2025-12-31	2026-03-17	10-K	26-001886
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$3.2M	2023-12-31	2025-03-14	10-K	25-001592
31	interest expense	us-gaap:InterestExpense	$384,000	2023-12-31	2024-03-20	10-K	24-001564
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$27.4M	2025-12-31	2026-03-17	10-K	26-001886
33	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$13.0M	2024-12-31	2026-03-17	10-K	26-001886
34	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$6.7M	2024-12-31	2026-03-17	10-K	26-001886
35	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$16.9M	2023-12-31	2025-03-14	10-K	25-001592
36	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$4.4M	2023-12-31	2025-03-14	10-K	25-001592
37	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$4.0M	2022-12-31	2024-03-20	10-K	24-001564
38	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.4M	2022-12-31	2024-03-20	10-K	24-001564
39	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$4.0M	2025-12-31	2026-03-17	10-K	26-001886
40	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$19.7M	2025-12-31	2026-03-17	10-K	26-001886
41	income tax	us-gaap:IncomeTaxExpenseBenefit	$5.8M	2025-12-31	2026-03-17	10-K	26-001886
42	current assets	us-gaap:AssetsCurrent	$43.6M	2024-12-31	2026-03-17	10-K	26-001886
43	current liabilities	us-gaap:LiabilitiesCurrent	$15.5M	2024-12-31	2026-03-17	10-K	26-001886
44	assets	us-gaap:Assets	$81.7M	2023-12-31	2025-03-14	10-K	25-001592
45	assets	us-gaap:Assets	$69.0M	2022-12-31	2024-03-20	10-K	24-001564
46	shares outstanding	dei:EntityCommonStockSharesOutstanding	15,149,600	2026-03-02	2026-03-17	10-K	26-001886
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	15,203,241	2025-04-25	2025-04-29	10-K/A	25-002934

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