# Lifeway Foods, Inc.

**LWAY**

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

**A**

**strongest fifth of 118 graded peers in consumer nondurables**

rank 10 of 118; percentile 7.7; sampling error 3.8 points; lower is stronger

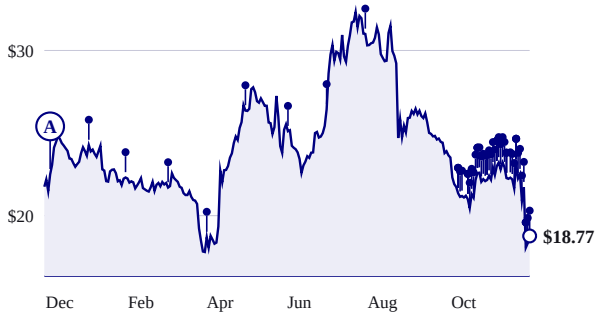
A B C D E

**A, the bull**



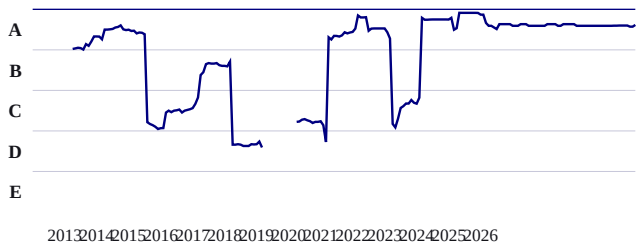
| Scoreboard | |
|---|---|
| **Profitability** | C/D<br>percentile 59.9 |
| **Solvency** | A/B<br>percentile 21.3 |
| **Growth and financing** | A<br>percentile 15.8 |
| **Reliability** | 0.83 AUC<br>filers with $12.5M to $120M assets; 95% interval 0.79 to 0.86; 201 events, 2020 to 2025 |
| **Peer failure rate** | 1.07% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $12.5M to $120M assets<br>total assets $105.6M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet<br>not computable: distress |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through Mar 17, 2026<br>247 days before the rescan; latest periodic filing 10-Q received Nov 12, 2026 |
| **Last close** | $18.73<br>2026-11-18; market equity $282.9M; 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 thirteen 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 59.9** | | | | | | |
| Gross profitability | 55.1% | 30.0% | | 17.2 | 135 | 2025-12-31 |
| Return on invested capital | not computable | 5.7% | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Accruals ratio | 3.0% | (5.2%) | | 90.6 | 139 | 2025-12-31 |

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| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 3.0 pts | 1.9 pts | 71.8 | 111 | 2025-12-31 |
| **Solvency, sleeve percentile 21.3** | | | | | |
| Altman Z double-prime | 9.59 | 3.11 | 7.3 | 110 | 2025-12-31 |
| Net debt to EBITDA | not computable | 2.44x | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Interest coverage | not computable | 2.36x | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 2.23x | 1.82x | 35.2 | 143 | 2025-12-31 |
| **Growth and financing, sleeve percentile 15.8** | | | | | |
| Revenue growth, three-year compound | 14.5% | (0.1%) | 5.6 | 125 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 14.7% | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | |
| Reinvestment rate | 137.9% | 11.8% | 11.9 | 68 | 2025-12-31 |
| Asset growth, three years | 15.2% | 0.2% | 10.5 | 125 | 2025-12-31 |
| Net share issuance, one year | (0.4%) | 0.03% | 35.3 | 103 | 2026-03-02 |

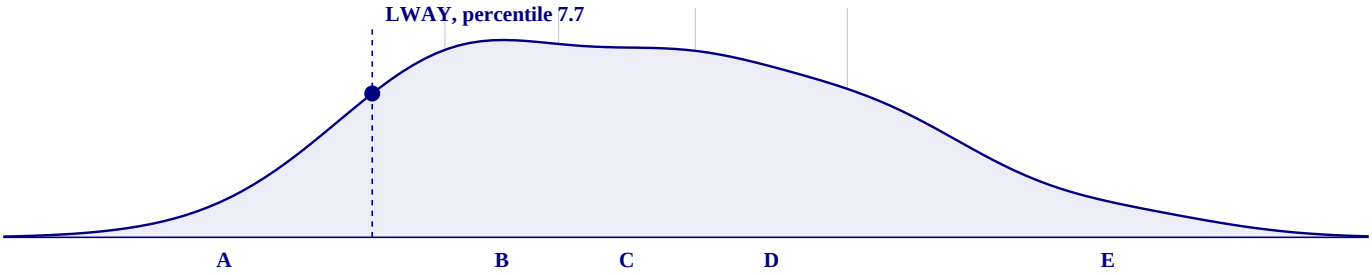
## Warnings

*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 118 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 | lululemon athletica Inc. (LULU) | 3.4 | A | |
| 6 | Mama's Creations, Inc. (MAMA) | 4.3 | A | fortress balance sheet |
| 7 | Ralph Lauren Corp. (RL) | 5.1 | A | fortress balance sheet |
| 8 | Monster Beverage Corp. (MNST) | 6.0 | A | fortress balance sheet |
| 9 | Columbia Sportswear Co. (COLM) | 6.8 | A | |
| 10 | Lifeway Foods, Inc. (LWAY) | 7.7 | A | fortress balance sheet |
| 11 | Sanfilippo John B & SON Inc. (JBSS) | 8.5 | A | |
| 12 | Vita Coco Company, Inc. (COCO) | 9.4 | A | |
| 13 | Jerash Holdings (Us), Inc. (JRSH) | 10.3 | A | fortress balance sheet |
| 14 | G III Apparel Group Ltd. (GIII) | 11.1 | A | fortress balance sheet |
| 15 | Steven Madden, Ltd. (SHOO) | 12.0 | A | |

## What the price implies

*at the 2026-11-18 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (11.7%) | (1.0%) | 38 |
| Distance from 52-week high | (41.9%) | (21.1%) | 20 |
| EBIT to enterprise value | 5.8% | 3.5% | 67 |

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| | | | |
|---|---|---|---|
| Free cash flow yield | (5.8%) | 4.4% | 19 |
| Book value to price | 0.30 | 0.58 | 29 |
| Sales to price | 0.75 | 1.16 | 30 |
| Composite equity issuance, five years | (3.2%) | (17.0%) | 74 |
| Relative strength against the sector, log excess return | (0.21) | (0.09) | 38 |
| Twelve-month failure probability, CHS model | not computable | 0.04% | |

## 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 | $7.0M |
| Operating cash flow, four quarters | $5.2M |
| Months of runway | not finite |
| Days since last periodic filing | 7 (10-Q received Nov 12, 2026) |
| Median daily dollar volume, 63 sessions | $2.4M |

## 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 |
| 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 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 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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