Lifeway Foods Supercharges Growth with Strategic Waukesha Expansion — A High-Impact Move from America's Probiotic Kefir Leader

MORTON GROVE, III., Sept. 12, 2025 -- <u>Lifeway Foods</u>, Inc. (Nasdaq: LWAY) ("Lifeway" or "the Company"), a leading U.S. supplier of kefir and fermented probiotic products that support the microbiome, today announced the completion of stage one of its plans to double its production capacity in Waukesha, Wisconsin, the brand's latest move in a nationwide growth surge redefining the future of functional dairy.

## Stage One Complete of Strategic Expansion in America's Dairyland

Lifeway is undergoing a multi-million dollar expansion in Waukesha. This multi-million-dollar investment will roughly double production capacity at the Waukesha facility and drive a significant hiring ramp-up to meet increased demand. Lifeway currently utilizes almost 100 million pounds of Wisconsin milk annually to culture into kefir. Kefir is made by inoculating milk with live kefir grains — colonies of probiotic bacteria and yeasts — that ferment lactose into a tangy, nutrient-dense beverage over a 12–24-hour process, creating billions of live probiotic cultures in every serving.

Stage one is complete. During 2025, the company doubled the number of fermentation tanks used to combine the raw milk purchased from Wisconsin dairy farmers with the live kefir cultures during the fermentation process to make kefir

The next three stages are underway and expected to be completed in the third quarter of 2026. After this expansion is fully operational, Lifeway expects to double production, directly benefiting the Wisconsin dairy economy and the greater Waukesha community.

## Unprecedented Momentum Across the Board

- Q2 2025 hit new highs: Lifeway achieved a record \$53.9 million in net sales, <u>an 18% year-over-year jump on</u> a comparable basis.
- Category dominance continues into Q3: In just the first two months of Q3 (through August 31), Lifeway recorded \$39.1 million in unaudited net sales, a 20% year-over-year increase.
- Earlier surge: During April–May 2025, net sales reached \$37.6 million (up 10.7% YoY), with year-to-date totals of \$83.7 million, fueled by expanded distribution in Target, Whole Foods, Amazon Fresh, and other leading retailers.
- Consistent trajectory: Lifeway has delivered 22 consecutive quarters of growth, cementing its reputation as a retail dairy innovator.

"We're not just growing; we're accelerating," said Julie Smolyansky, CEO of Lifeway Foods. "With record-breaking results across Q1 and Q2 and blistering momentum already in Q3, Lifeway is charting a new growth frontier. Our Waukesha expansion ensures we scale smart, invest in community and remain at the vanguard of functional dairy innovation."

## Lifeway: From Pioneer to Powerhouse

Founded in 1986, Lifeway has grown from a pioneering kefir brand into a \$186.8 million retail dairy powerhouse (2024 revenue), nearly doubling sales over the last five years. Today, Lifeway commands over 90% of the U.S. kefir market, with distribution in the U.S., Mexico, Ireland, South Africa, UAE, and France.

## About Lifeway Foods, Inc.

Lifeway Foods, Inc., which has been recognized as one of Forbes' Best Small Companies, is America's leading supplier of the probiotic, fermented beverage known as kefir. In addition to its line of drinkable kefir, the Company also produces a variety of cheeses and a ProBugs line for kids. Lifeway's tart and tangy fermented dairy products are now sold across the United States, Mexico, Ireland, South Africa, United Arab Emirates, and France. Learn how Lifeway is good for more than just you at <a href="lifewayfoods.com">lifewayfoods.com</a>.

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