

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person * <u>Hanson Eric A</u> <hr/> (Last) (First) (Middle) <u>C/O LIFEWAY FOODS, INC.</u> <u>6431 OAKTON STREET</u> <hr/> (Street) <u>MORTON GROVE IL 60053</u> <hr/> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Lifeway Foods, Inc. [ LWAY ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Fin and Acctg Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>04/29/2021</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock, no par value	04/29/2021		F		2,516 <sup>(1)</sup>	A	\$5.1	31,615 <sup>(2)</sup>	D	
Common Stock, no par value	04/20/2022		A		11,846 <sup>(3)</sup>	A	\$0	43,461	D	
Common Stock, no par value	04/20/2022		F		6,975 <sup>(4)</sup>	D	\$6	36,486	D	
Common Stock, no par value	04/20/2022		A		18,958 <sup>(5)</sup>	A	\$0	55,444	D	
Common Stock, no par value	04/20/2022		F		2,319 <sup>(6)</sup>	D	\$6	53,125	D	

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date					

**Explanation of Responses:**

- No stock was sold. In connection with the grant of 11,702 shares of restricted stock earned under the 2019 LTIP for the 2019 and 2020 performance periods, the Company withheld a total of 2,516 shares to satisfy a payroll tax liability incident to the issuance of vested shares.
- Adjusted to reflect a correction to an inadvertent overstatement of 4,077 shares of common stock in Reporting Person's grant and beneficial ownership on his previously filed Form 4.
- Represents a grant of restricted stock earned under the Company's 2019 Long Term Incentive Program (the "2019 LTIP") for the 2021 performance period and issued pursuant to the Company's 2015 Omnibus Incentive Plan. All issued shares of restricted stock earned in the 2021 performance period vest immediately upon issuance.
- No stock was sold. In connection with the issuance of 16,680 shares of stock vested under the 2019 LTIP, the Company withheld a total of 6,975 shares to satisfy a payroll tax liability incident to such issuance.
- Represents a time-based restricted stock award under the Company's 2021 equity incentive program pursuant to the Company's 2015 Omnibus Incentive Plan. Of such time-based restricted stock, 6,320 shares will be issued and vest immediately, and 6,319 will be issued on each of April 20, 2023 and April 20, 2024 and vest immediately upon issuance, contingent on the Reporting Person's continued service on the vesting date.
- No stock was sold. In connection with the grant of 18,958 shares of restricted stock under the Company's 2021 Long Term Incentive Program, the Company withheld a total of 2,319 shares to satisfy a payroll tax liability incident to the issuance of vested shares.

/s/ Eric A. Hanson

07/13/2022

\*\* Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**