

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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>SMOLYANSKY JULIE</u> (Last) (First) (Middle) <u>C/O LIFEWAY FOODS, INC.</u> <u>6431 OAKTON STREET</u> (Street) <u>MORTON IL 60053</u> (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) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>CEO, President and Secretary</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/31/2022</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								2,151,748 ⁽¹⁾⁽²⁾	D	
Common Stock, no par value								22,216	I	See Footnote ⁽³⁾
Common Stock, no par value								4,636	I	See Footnote ⁽⁴⁾
Common Stock, no par value								500,000	I	See Footnote ⁽⁵⁾

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		Date Exercisable	Expiration Date						Title
Restricted Stock Units	(6)	08/31/2022		A		40,000	(6)	(6)	Common Stock	40,000	\$0	40,000	D	

Explanation of Responses:

- Includes (i) an award of 47,099 shares of restricted stock which will vest immediately upon issuance and (ii) a time-based restricted stock award of 125,000 shares of which 41,667 shares will vest immediately upon issuance, 41,667 shares will vest on April 20, 2023 and 41,666 shares will vest on April 20, 2024 and (iii) an award of 149,198 shares of restricted stock of which 48,733 shares will vest immediately upon issuance, 48,733 shares will vest on April 29, 2023 and 48,732 shares will vest on April 29, 2024, in each case contingent on the Reporting Person's continued service on each applicable vesting date.
- The issuance of all shares of restricted stock listed in Footnote 1 is dependent on receipt by the Company of consent and agreement by DanoneWave PBC ("Danone") that such issuance will not constitute a breach of violation of or constitute "New Securities" under that certain Stockholders' Agreement, dated as of October 1, 1999, by and among the Corporation, Danone, Michael Smolyansky and the other stockholders of the Corporation listed therein, as amended by that certain letter agreement dated September 24, 1999 and as further amended from time to time (the "Stockholders Agreement").
- Held for the benefit of minor children.
- Held by the Reporting Person's spouse.
- Held by Smolyansky Holding LLC of which the reporting person is the beneficial owner of 50%. The reporting person disclaims beneficial ownership of such shares except to the extent of any pecuniary interest therein.
- Each restricted stock unit has a value equal to one share of common stock. Of such restricted stock units, 13,333 will vest on August 31, 2023, 13,333 will vest on August 31, 2024 and 13,334 will vest on August 31, 2025, contingent on the Reporting Person's continued service on each applicable vesting date. The issuance of shares upon vesting of these restricted stock units is contingent upon receipt by the

Company of consent and agreement by Danone that such issuance will not constitute a breach of violation of or constitute "New Securities" under the Stockholders' Agreement.

/s/ Julie Smolyansky

09/02/2022

** 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.