

SIMPLY GOOD FOODS COMPANY

CASE OVERVIEW

Lead Plaintiff Deadline: 10/13/2026

Status: Investigating

Company Name: Simply Good Foods Company

Court: Southern District of New York

Case Number: 1:26cv06971

Class Period: 10/24/2024 - 04/08/2026

Ticker: SMPL

Related Attorneys: Thomas W. Elrod

Related Practices: Securities

The lawsuit alleges that Good Foods made materially false and/or misleading statements and failed to disclose to investors that: (i) following the June 2024 acquisition of OWYN (the “Acquisition”), Good Foods had lost key managerial personnel necessary for the successful integration of the acquired OWYN assets, impairing the Company’s ability to achieve the Acquisition’s purported strategic initiatives and financial and operational targets; (ii) Good Foods had materially increased its general and administrative spending to compensate for the loss of key managerial personnel, leading to an inefficient and bloated organizational structure and a lack of clear and cohesive strategic priorities for its OWYN segment; (iii) the addition of a new pea protein supplier for OWYN formulations prior to the Acquisition had created significant product quality issues, which had negatively impacted the taste, texture, and shelf-life of OWYN products, leading to negative product reviews, depressed consumer sales, and the loss of important distributor relationships; (iv) in an effort to boost short-term sales, Good Foods offered discounts and engaged in other promotional activities for OWYN products above its historical practices, eroding the Company’s margins but failing to achieve the desired sales turnaround; (v) to stem the margin erosion being suffered in its OWYN segment, Good Foods cut brand support and marketing for OWYN, further depressing product sales; and (vi) as a result of the foregoing, the Acquisition had largely failed to achieve its key goals.

On October 23, 2025, Good Foods reported its fourth quarter 2025 financial results, revealing that the Company’s OWYN segment had suffered a slowdown in sales growth. The Company revealed that end user consumption of OWYN branded products had declined due to a previously undisclosed product quality issue, explaining that a “raw material sourcing decision for pea protein” had “resulted in taste and texture issues,” leading to depressed sales. The Company also provided 2026 net sales guidance in the range of negative 2% to positive 2%, a 75% decline in rate of growth from the 9% net sales growth the Company reported for fiscal year 2025. On this news, Good Food’s stock price fell \$4.33, or 17%, to close at \$20.63 per share on October 23, 2025.

On April 9, 2026, Good Foods announced its second quarter 2026 earnings results, revealing that consumer consumption had plummeted across all the Company’s brands, and OWYN’s quarterly sales had contracted by nearly 17% year-over-year. On this news, Good Food’s stock price fell \$3.97 over two days, or 27%, to close at \$10.44 per share on April 10, 2026.