Class Action Filed Against Zosano Pharma Corporation – Kehoe Law Firm, P.C. Investigating Securities Claims

Investors Who Purchased Or Acquired ZSAN Securities During The Class Period And Suffered Losses Greater Than $50K Encouraged To Contact Kehoe Law Firm, P.C.

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CALIFORNIA, USA, October 30, 2020 /EINPresswire.com/ -- Kehoe Law Firm, P.C. continues its investigation of potential securities claims on behalf of investors of Zosano Pharma Corporation ("Zosano" or the "Company") (NASDAQ: ZSAN) to determine whether the Company engaged in securities fraud or other unlawful business practices.

ZOSANO INVESTORS WHO PURCHASED, OR OTHERWISE ACQUIRED, THE COMPANY'S SECURITIES BETWEEN FEBRUARY 13, 2017 AND SEPTEMBER 30, 2020, BOTH DATES INCLUSIVE (THE "CLASS PERIOD"), AND SUFFERED LOSSES GREATER THAN $50,000 ARE ENCOURAGED TO CONTACT KEVIN CAULEY, DIRECTOR, BUSINESS DEVELOPMENT, (215) 792-6676, EXT. 802, KCAULEY@KEHOELAWFIRM.COM, SECURITIES@KEHOELAWFIRM.COM, INFO@KEHOELAWFIRM.COM, TO DISCUSS THE SECURITIES INVESTIGATION OR POTENTIAL LEGAL CLAIMS.

On September 30, 2020, Zosano disclosed that it ". . . received a discipline review letter ('DRL') from the U.S. Food and Drug Administration ('FDA') in connection with the Qtrypta™ (zolmitriptan transdermal microneedle system) 505(b)(2) New Drug Application ('NDA')." According to Zosano, the FDA ". . . raised questions regarding unexpected high plasma concentrations of zolmitriptan observed in five study subjects from two pharmacokinetic studies, and how the data from these subjects affect the overall clinical pharmacology section of the application." The FDA also ". . . raised questions regarding differences in zolmitriptan exposures observed between subjects receiving different lots of Qtrypta in the Company's clinical trials."

On this news, Zosano's stock price fell $0.92 per share, or 57%, to close at $0.70 per share on October 1, 2020.

On October 21, 2020, Zosano announced receipt of a Complete Response Letter ("CRL") from the FDA. According to Zosano, "[t]he CRL cited inconsistent zolmitriptan exposure levels observed across clinical pharmacology studies, which had been previously identified in the FDA's discipline review letter received by the Company in September. Specifically, the CRL noted differences in zolmitriptan exposures observed between subjects receiving different lots of Qtrypta in the Company's trials and inadequate pharmacokinetic bridging between the lots that made interpretation of some safety data unclear."

Further, Zosano reported that "[t]he CRL referenced unexpected high plasma concentrations of zolmitriptan observed in five study subjects enrolled in the Company's pharmacokinetic studies. The FDA recommended that the Company conduct a repeat bioequivalence study between three of the lots used during development. The NDA included data on a total of 774 subjects across 5 trials who were administered or dosed with Qtrypta."

On this news, Zosano's stock price fell $0.17 per share, or 27%, to close at $0.4441 per share on October 21, 2020.

On October 29, 2020, a class action lawsuit was filed in United States District Court, Northern District of California, on behalf of Zosano investors who purchased, or otherwise acquired, Zosano securities during the Class Period.

According to the complaint, throughout the Class Period, the Zosano Defendants made materially false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. The Zosano Defendants, allegedly, failed to disclose to investors: (1) that the Company's clinical results reflected differences in zolmitriptan exposures observed between subjects receiving different lots; (2) that pharmocokinetic studies submitted in connection with the Company's NDA included patients exhibiting unexpected high plasma concentrations of zolmitriptan; (3) that, as a result of the foregoing differences among patient results, the FDA was reasonably likely to require further studies to support regulatory approval of Qtrypta; (4) as a result, regulatory approval of Qtrypta was reasonably likely to be delayed; and (5) as a result of the foregoing, the Zosano Defendants' public statements were materially false and misleading at all relevant times.

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Kehoe Law Firm, P.C., with offices in New York and Philadelphia, is a multidisciplinary,

plaintiff–side law firm dedicated to protecting investors from securities fraud, breaches of fiduciary duties, and corporate misconduct. Combined, the partners at Kehoe Law Firm have served as Lead Counsel or Co-Lead Counsel in cases that have recovered more than $10 billion on behalf of institutional and individual investors.

This press release may constitute attorney advertising.

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