



KalVista Pharmaceuticals Reports Fiscal First Quarter Results

September 14, 2018

CAMBRIDGE, Mass. & SALISBURY, England--(BUSINESS WIRE)--

– KVD900 Phase 2 On Track to Begin in 2018 for Potential On-Demand Treatment of Acute Attacks in Patients with Hereditary Angioedema –

– Intravitreal Diabetic Macular Edema Candidate KVD001 Enrollment On Track with Data Expected in H2 2019 –

– Over \$87 million Net Proceeds from Two Recent Equity Offerings –

KalVista Pharmaceuticals, Inc. ([KALV](#)), a clinical stage pharmaceutical company focused on the discovery, development, and commercialization of small molecule protease inhibitors, today provided an operational update and released financial results for the fiscal first quarter ended July 31, 2018.

“Our two recent financings provide significant additional capital for late stage development of KVD900, our oral plasma kallikrein inhibitor for potential treatment of on-demand acute attacks in patients with hereditary angioedema, or HAE,” said Andrew Crockett, Chief Executive Officer of KalVista. “KVD001, our intravitreal candidate for potential treatment of diabetic macular edema, or DME, currently enrolling a Phase 2 clinical trial, continues with data expected as planned in the second half of 2019. Additionally, we remain committed to our work in discovering and developing oral plasma kallikrein inhibitors for prophylactic treatment of HAE as well as DME. Finally, we recently moved to our new facility in Porton Down, England, which is intended to support our scientific team as they continue to work on discovery and development of additional drug programs.”

First Quarter and Recent Business Highlights:

- Raised \$78.2 million in gross proceeds from a previously announced public offering of 4.6 million shares of common stock at a price of \$17.00 per share. The Company expects to receive approximately \$73.3 million in net proceeds from the offering after deducting underwriting fees and expenses, which is anticipated to fund operations into 2021.
- Occupied a new, 8,873 square foot laboratory and office facility in Porton Science Park, Salisbury, England. The opening of this facility is an important step in our planned growth, and reflects the ongoing commitment to our internal research capabilities as a key strategic strength of the Company. The KalVista research team has decades of experience in discovering and developing protease inhibitors, and this new facility will significantly expand our capacity and capabilities.
- Selected KVD900 to advance to a Phase 2 proof-of-concept clinical trial for potential on-demand treatment of acute attacks in patients with HAE.
- In July 2018, announced the sale of approximately \$14.6 million in common stock to Venrock Healthcare Capital Partners and BVF Partners L.P. in a registered direct transaction. This transaction was closed in August.

Fiscal First Quarter Financial Results:

- Revenue: Revenue was \$3.7 million for the three months ended July 31, 2018, compared to \$0.1 million for the same period in 2017. Revenue in the three months ended July 31, 2018 consisted of the recognition of a portion of the upfront payment from Merck related to the agreement signed in October 2017.
- R&D Expenses: Research and development expenses were \$8.4 million for the three months ended July 31, 2018, compared to \$3.5 million for the same period in 2017. The increase in R&D expense primarily reflects the ongoing clinical trials for KVD001 and KVD900.
- G&A Expenses: General and administrative expenses were \$2.4 million for the three months ended July 31, 2018, compared to \$2.1 million for the same period in 2017. The increase was primarily due to an increase in payroll related expenses and expenses related to our new facility in the U.K. in the three months ended July 31, 2018 compared to those incurred in the same period in 2017.
- Net Loss: Net loss was \$5.0 million, or \$(0.47) per basic and diluted share for the three months ended July 31, 2018, compared to a net loss of \$4.9 million, or \$(0.51) per basic and diluted share, for the same period in 2017.
- Cash: Cash and cash equivalents were \$48.1 million as of July 31, 2018. The cash balance at July 31, 2018 includes \$5.0 million of proceeds from the \$14.6 million registered direct financing, which closed on August 2, 2018.

About KalVista Pharmaceuticals, Inc.

KalVista Pharmaceuticals, Inc. is a pharmaceutical company focused on the discovery, development, and commercialization of small molecule protease inhibitors for diseases with significant unmet need. The initial focus is on inhibitors of plasma kallikrein, which is an important component of the body's inflammatory response and which, in excess, can lead to increased vascular permeability, edema and inflammation. KalVista has developed a proprietary portfolio of novel, small molecule plasma kallikrein inhibitors initially targeting hereditary angioedema (HAE) and diabetic macular edema (DME). The Company has created a structurally diverse portfolio of oral plasma kallikrein inhibitors and is advancing multiple drug

candidates into Phase 1 clinical trials for HAE. The Company has selected KVD900 as its program to be advanced as an on-demand therapy for acute HAE attacks, and anticipates commencing a Phase 2 proof-of-concept study in HAE patients in late 2018. In DME, KalVista's most advanced program, an intravitreally administered plasma kallikrein inhibitor known as KVD001, began a Phase 2 clinical trial in 2017 that is anticipated to report data in the second half of 2019.

For more information, please visit www.kalvista.com.

Forward-Looking Statements

This press release contains "forward-looking" statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. These statements are subject to numerous risks and uncertainties that could cause actual results to differ materially from what we expect. Examples of forward-looking statements include, among others, available funding, our cash runway and future clinical trial timing and results. Further information on potential risk factors that could affect our business and its financial results are detailed in the annual report on Form 10-K filed on July 30, 2018 and other reports as filed from time to time with the Securities and Exchange Commission. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

KalVista Pharmaceuticals Inc. Condensed Consolidated Balance Sheets (in thousands, except share and per share amounts) (Unaudited)

	July 31, 2018	April 30, 2018
Assets		
Current assets:		
Cash and cash equivalents	\$ 48,070	\$ 51,055
Research and development tax credit receivable	5,604	6,834
Prepaid expenses and other current assets	1,511	1,491
Total current assets	55,185	59,380
Other assets	173	173
Property and equipment, net	2,260	1,836
Total assets	\$ 57,618	\$ 61,389
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 2,345	\$ 1,433
Accrued expenses	3,137	3,087
Deferred revenue - current portion	17,207	18,475
Capital lease liability - current portion	214	221
Total current liabilities	22,903	23,216
Long-term liabilities:		
Deferred revenue - net of current portion	8,465	10,862
Capital lease liability - net of current portion	-	58
Total long-term liabilities	8,465	10,920
Stockholders' equity:		
Common stock, \$0.001 par value	11	11
Additional paid-in capital	105,358	100,011
Accumulated deficit	(76,690)	(71,660)
Accumulated other comprehensive loss	(2,429)	(1,109)
Total stockholders' equity	26,250	27,253
Total liabilities and stockholders' equity	\$ 57,618	\$ 61,389

KalVista Pharmaceuticals Inc. Condensed Consolidated Statement of Operations (in thousands, except share and per share amounts) (Unaudited)

Three Months Ended

	July 31, 2018	2017
Revenue	\$ 3,718	\$ 96
Operating expenses:		
Research and development	8,356	3,476
General and administrative	2,371	2,073
Total operating expenses	10,727	5,549
Operating loss	(7,009)	(5,453)
Other income:		
Interest income	89	2
Foreign currency exchange rate gain (loss)	67	(32)
Other income	1,823	555
Total other income	1,979	525
Net loss	\$ (5,030)	\$ (4,928)
Net loss per share to common stockholders, basic and diluted	\$ (0.47)	\$ (0.51)
Weighted average common shares outstanding, basic and diluted	10,799,895	9,713,042

KalVista Pharmaceuticals Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands, unaudited)

	Three Months Ended	
	July 31	
	2018	2017
Cash Flows from Operating Activities		
Net loss	\$ (5,030)	\$ (4,928)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	50	32
Stock-based compensation expense	347	221
Foreign currency remeasurement loss	6	32
Changes in operating assets and liabilities:		
Research and development tax credit receivable	919	(530)
Prepaid expenses and other current assets	(69)	(85)
Grants and other receivables	—	224
Accounts payable	1,126	771
Accrued expenses	157	(185)
Deferred revenue	(3,718)	—
Net cash used in operating activities	(6,212)	(4,448)
Cash Flows from Investing Activities		
Acquisition of property and equipment	(565)	(110)
Net cash used in investing activities	(565)	(110)
Cash Flows from Financing Activities		
Capital lease principal payments	(52)	—
Proceeds from issuance of common stock	5,000	—
Net cash provided by financing activities	4,948	—
Effect of exchange rate changes on cash and cash equivalents	(1,156)	64

Net decrease in cash and cash equivalents	(2,985)	(4,494)
Cash and cash equivalents, beginning of period	51,055	30,950
Cash and cash equivalents, end of period	\$ 48,070	\$ 26,456

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