UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the quarterly period ended October 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from _____ to _____.

Commission File No. 001-36830

KALVISTA PHARMACEUTICALS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-0915291**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
55 Cambridge Parkway Suite 901E Cambridge, Massachusetts	**02142**
(Address of principal executive offices)	**(Zip Code)**

857-999-0075
(Registrant's telephone number, including area code)

n/a

Former name, former address and former fiscal year, if changed since last report

Securities registered pursuant to Section 12(b) of the Exchange Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value per share	KALV	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☒ NO ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). YES ☒ NO ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES ☐ NO ☒

As of December 3, 2020, the registrant had 17,942,166 shares of common stock, $0.001 par value per share, issued and outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS

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

	October 31, 2020	April 30, 2020
Assets	(Unaudited)	
Current assets:		
Cash and cash equivalents	$ 16,174	$ 15,789
Marketable securities	39,700	51,925
Research and development tax credit receivable	14,685	16,527
Prepaid expenses and other current assets	1,517	4,455
Total current assets	72,076	88,696
Property and equipment, net	1,889	2,043
Right of use assets	1,305	1,612
Other assets	178	178
Total assets	$ 75,448	$ 92,529
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 2,173	$ 1,677
Accrued expenses	6,941	5,455
Lease liability - current portion	422	588
Total current liabilities	9,536	7,720
Long-term liabilities:		
Lease liability - net of current portion	932	1,057
Total long-term liabilities	932	1,057
Commitments and contingencies (Note 5)		
Stockholders' equity		
Common stock, $0.001 par value, 100,000,000 authorized		
Shares issued and outstanding: 17,915,515 at October 31, 2020 and 17,845,599 at April 30, 2020	18	18
Additional paid-in capital	209,750	207,208
Accumulated deficit	(142,832)	(121,592)
Accumulated other comprehensive loss	(1,956)	(1,882)
Total stockholders' equity	64,980	83,752
Total liabilities and stockholders' equity	$ 75,448	$ 92,529

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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

	Three Months Ended October 31,		Six Months Ended October 31,	
	2020	2019	2020	2019
Revenue	$ —	$ 3,920	$ —	$ 7,289
Operating expenses:				
Research and development	9,148	9,789	20,313	19,476
General and administrative	3,633	3,420	6,912	6,665
Total operating expenses	12,781	13,209	27,225	26,141
Operating loss	(12,781)	(9,289)	(27,225)	(18,852)
Other income:				
Interest income	193	505	451	1,095
Foreign currency exchange gain (loss)	(24)	560	414	108
Other income	2,186	2,321	5,119	4,408
Total other income	2,355	3,386	5,984	5,611
Net loss	$ (10,426)	$ (5,903)	$ (21,241)	$ (13,241)
Other comprehensive income (loss):				
Foreign currency translation adjustments	(127)	495	211	406
Unrealized holding (loss) gain on marketable securities	(164)	28	(169)	56
Reclassification adjustment for realized (gain) on marketable securities included in net loss	(46)	—	(116)	—
Other comprehensive income (loss)	(337)	523	(74)	462
Comprehensive loss	$ (10,763)	$ (5,380)	$ (21,315)	$ (12,779)
Net loss per share, basic and diluted	$ (0.58)	$ (0.33)	$ (1.19)	$ (0.75)
Weighted average common shares outstanding, basic and diluted	17,907,393	17,823,302	17,877,988	17,656,150

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

KalVista Pharmaceuticals, Inc.
Condensed Consolidated Statement of Changes in Stockholders' Equity
(in thousands, except share amounts)
(Unaudited)

	Six Months Ended October 31, 2020					
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at May 1, 2020	17,845,599	$ 18	$ 207,208	$ (121,592)	$ (1,882)	$ 83,752
Issuance of common stock from exercise of stock options	34,815	—	46	—	—	46
Stock-based compensation expense	—	—	1,188	—	—	1,188
Net loss	—	—	—	(10,814)	—	(10,814)
Foreign currency translation adjustment	—	—	—	—	338	338
Unrealized holding losses from marketable securities	—	—	—	—	(5)	(5)
Reclassification adjustment for realized (gain) on marketable securities included in net loss	—	—	—	—	(70)	(70)
Balance at July 31, 2020	17,880,414	$ 18	$ 208,442	$ (132,406)	$ (1,619)	$ 74,435
Issuance of common stock from exercise of stock options	35,101	—	60	—	—	60
Stock-based compensation expense	—	—	1,248	—	—	1,248
Net loss	—	—	—	(10,426)	—	(10,426)
Foreign currency translation adjustment	—	—	—	—	(127)	(127)
Unrealized holding losses from marketable securities	—	—	—	—	(164)	(164)
Reclassification adjustment for realized (gain) on marketable securities included in net loss	—	—	—	—	(46)	(46)
Balance at October 31, 2020	17,915,515	$ 18	$ 209,750	$ (142,832)	$ (1,956)	$ 64,980

	Six Months Ended October 31, 2019					
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at May 1, 2019	17,277,750	$ 17	$ 191,123	$ (92,476)	$ (1,926)	$ 96,738
Issuance of common stock, net of issuance costs	527,221	1	11,421	—	—	11,422
Issuance of common stock from equity incentive plans	10,522	—	32	—	—	32
Stock-based compensation expense	—	—	1,074	—	—	1,074
Net loss	—	—	—	(7,338)	—	(7,338)
Foreign currency translation adjustment	—	—	—	—	(89)	(89)
Unrealized holding gains from marketable securities, net of reclassification for realized gains	—	—	—	—	28	28
Balance at July 31, 2019	17,815,493	$ 18	$ 203,650	$ (99,814)	$ (1,987)	$ 101,867
Issuance of common stock, net of issuance costs	18,633	—	138	—	—	138
Issuance of common stock from equity incentive plans	—	—	—	—	—	—
Stock-based compensation expense			1,162			1,162
Net loss	—	—	—	(5,903)	—	(5,903)
Foreign currency translation adjustment	—	—	—	—	495	495
Unrealized holding gains from marketable securities, net of reclassification for realized gains	—	—	—	—	28	28
Balance at October 31, 2019	17,834,126	$ 18	$ 204,950	$ (105,717)	$ (1,464)	$ 97,787

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

	Six Months Ended October 31,	
	2020	**2019**
Cash flows from operating activities		
Net loss	$ (21,241)	$ (13,241)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	261	248
Stock-based compensation expense	2,436	2,236
Realized gain from sale of marketable securities	(116)	(129)
Non-cash operating lease expense	17	2
Amortization of premium on marketable securities	137	79
Foreign currency exchange (gain) loss	(168)	(81)
Changes in operating assets and liabilities:		
Research and development tax credit receivable	2,322	(577)
Prepaid expenses and other current assets	3,031	785
Accounts payable	446	(558)
Accrued expenses	1,335	(564)
Deferred revenue	—	(7,289)
Net cash used in operating activities	(11,540)	(19,089)
Cash flows from investing activities		
Purchases of marketable securities	(19,342)	(42,561)
Sales and maturities of marketable securities	31,261	39,729
Acquisition of property and equipment	(35)	(212)
Net cash provided by (used in) investing activities	11,884	(3,044)
Cash flows from financing activities		
Issuance of common stock, net of offering expenses	—	11,422
Issuance of common stock from equity incentive plans	106	170
Finance lease principal payments	—	(54)
Net cash provided by financing activities	106	11,538
Effect of exchange rate changes on cash and cash equivalents	(65)	308
Net increase (decrease) in cash and cash equivalents	385	(10,287)
Cash and cash equivalents at beginning of period	15,789	32,006
Cash and cash equivalents at end of period	$ 16,174	$ 21,719

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

1. The Company

Company Background

KalVista Pharmaceuticals, Inc. ("KalVista" or the "Company") is a clinical stage pharmaceutical company focused on the discovery, development and commercialization of small molecule protease inhibitors for diseases with significant unmet need. The Company applies its insights into the chemistry and biology of proteases to develop orally delivered, small molecule inhibitors with high selectivity, potency and bioavailability that it believes will make them successful treatments for disease. The Company has used these capabilities to develop a proprietary portfolio of novel, small molecule plasma kallikrein inhibitors targeting hereditary angioedema (HAE) and diabetic macular edema (DME).

The Company's headquarters is located in Cambridge, Massachusetts, with research activities located in Porton Down, United Kingdom and Boston, Massachusetts.

COVID-19

As a result of the novel strain of coronavirus, SARS-CoV-2 ("COVID-19") pandemic, the Company has experienced and may continue to experience, with respect to the Company's clinical trials, delays in enrollment, site initiation, participant dosing, distribution of clinical trial materials, study monitoring and data analysis, which could materially adversely impact the Company's business, results of operations and overall financial performance in future periods. Any such delays to the Company's planned clinical timelines for KVD900 and KVD824 could also impact the use and sufficiency of existing cash reserves, and the Company may be required to raise additional capital earlier than previously planned. The Company may be unable to raise additional capital if and when needed, which may result in further delays or suspension of development plans. The extent to which COVID-19 may impact the Company's financial condition, results of operations or cash flows is uncertain and will continue to be monitored closely.

Liquidity

The Company has devoted substantially all of its efforts to research and development, including preclinical and clinical trials of its product candidates. The Company has not completed the development of any product candidates. Pharmaceutical drug product candidates, like those being developed by the Company, require approvals from the FDA or foreign regulatory agencies prior to commercial sales. There can be no assurance that any product candidates will receive the necessary approvals and any failure to receive approval or delay in approval may have a material adverse impact on the Company's business and financial results. The Company has not yet commenced commercial operations. The Company is subject to a number of risks and uncertainties similar to those of other life science companies developing new products, including, among others, the risks related to the necessity to obtain adequate additional financing, to successfully develop product candidates, to obtain regulatory approval of product candidates, to comply with government regulations, to successfully commercialize its potential products, to the protection of proprietary technology and to the dependence on key individuals.

The Company has funded operations primarily through the issuance and sale of capital stock and the option agreement with Merck Sharpe & Dohme Corp. that was entered into in 2017 and expired in February 2020. As of October 31, 2020, the Company had an accumulated deficit of $142.8 million and $55.9 million of cash, cash equivalents and marketable securities. To date, the Company has not generated any product sales revenues and does not have any products that have been approved for commercialization. The Company does not expect to generate significant revenue unless and until it obtains regulatory approval for, and commercializes, one of its current or future product candidates. The Company anticipates that it will continue to incur losses for the foreseeable future, and it expects those losses to increase as it continues the development of, and seeks regulatory approvals for, product candidates, and begins to commercialize any approved products. The Company is subject to all of the risks inherent in the development of new therapeutic products, and it may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect its business. The Company currently anticipates that, based upon its operating plans and existing capital resources, it has sufficient funding to operate for at least the next twelve months.

Until such time, if ever, as the Company can generate substantial revenues, it expects to finance its cash needs through a combination of equity or debt financings, collaborations, strategic partnerships and licensing arrangements. To the extent that additional capital is raised through the sale of stock or convertible debt securities, the ownership interest of existing stockholders may be diluted, and the terms of these newly issued securities may include liquidation or other preferences that adversely affect the rights of common stockholders. Debt financing, if available, may involve agreements that include increased fixed payment obligations and covenants limiting or restricting the Company's ability to take specific actions, such as incurring additional debt, making capital

expenditures, declaring dividends, selling or licensing intellectual property rights and other operating restrictions that could adversely impact its ability to conduct business. Additional fundraising through collaborations, strategic partnerships or licensing arrangements with third parties may require the Company to relinquish valuable rights to product candidates, including other technologies, future revenue streams or research programs, or grant licenses on terms that may not be favorable. If the Company is unable to raise additional funds when needed, it may be required to delay, limit, reduce or terminate product development or future commercialization efforts or grant rights to develop and commercialize other product candidates even if it would otherwise prefer to develop and commercialize such product candidates internally.

2. Summary of Significant Accounting Policies

Principles of Consolidation: The accompanying unaudited interim condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. Such financial statements reflect all adjustments that are, in management's opinion, necessary to present fairly, in all material respects, the Company's consolidated financial position, results of operations, and cash flows. The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the annual financial statements. There were no adjustments other than normal recurring adjustments. These unaudited interim condensed consolidated financial results are not necessarily indicative of the results to be expected for the year ending April 30, 2021, or for any other future annual or interim period. The accompanying unaudited interim condensed consolidated financial statements should be read in conjunction with the audited financial statements as of and for the year ended April 30, 2020 in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on July 1, 2020.

Segment Reporting: The chief operating decision maker, the CEO, manages the Company's operations as a single operating segment for the purposes of assessing performance and making operating decisions.

Net Loss per Share: Basic net loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted net loss per share is computed by dividing net loss by the sum of the weighted average number of common shares and the number of potential dilutive common share equivalents outstanding during the period. Potential dilutive common share equivalents consist of the incremental common shares issuable upon the exercise of share options and awards.

Potential dilutive common share equivalents consist of:

	October 31,	
	2020	2019
Stock options and awards	3,019,711	2,274,648

In computing diluted earnings per share, common share equivalents are not considered in periods in which a net loss is reported, as the inclusion of the common share equivalents would be anti-dilutive. As a result, there is no difference between the Company's basic and diluted loss per share for the periods presented.

Fair Value Measurement: The Company classifies fair value measurements using a three level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows: Level 1, quoted market prices in active markets for identical assets or liabilities; Level 2, observable inputs other than quoted market prices included in Level 1, such as quoted market prices for markets that are not active or other inputs that are observable or can be corroborated by observable market data; and Level 3, unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities, including certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs. The Company's estimates of fair values are obtained from independent pricing services which utilize Level 1 and Level 2 inputs.

The following tables summarize the cash equivalents and marketable securities measured at fair value on a recurring basis as of October 31, 2020 and April 30, 2020 (in thousands):

	Level 1	Level 2	Level 3	Balance at October 31, 2020
Cash equivalents	$ 1,257	$ —	$ —	$ 1,257
Marketable securities:				
Corporate debt securities	—	30,837	—	30,837
U.S. government agency securities	—	8,863	—	8,863
	$ 1,257	$ 39,700	$ —	$ 40,957

	Level 1	Level 2	Level 3	Balance at April 30, 2020
Cash equivalents	$ 650	$ —	$ —	$ 650
Marketable securities:				
Corporate debt securities	—	39,216	—	39,216
U.S. government agency securities	—	12,709	—	12,709
	$ 650	$ 51,925	$ —	$ 52,575

3. Marketable Securities

The objectives of the Company's investment policy are to ensure the safety and preservation of invested funds, as well as to maintain liquidity sufficient to meet cash flow requirements. The Company invests its excess cash in securities issued by financial institutions, commercial companies, and government agencies that management believes to be of high credit quality in order to limit the amount of its credit exposure. The Company has not realized any net losses from its investments.

The Company classifies all of its debt securities as available-for-sale. Unrealized gains and losses on investments are recognized in accumulated comprehensive loss, unless an unrealized loss is considered to be other than temporary, in which case the unrealized loss is charged to operations. The Company periodically reviews its investments for other than temporary declines in fair value below cost basis and whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Company believes the individual unrealized losses represent temporary declines primarily resulting from interest rate changes. Realized gains and losses are included in other income in the consolidated statements of operations and comprehensive loss and are determined using the specific identification method with transactions recorded on a trade date basis.

The following tables summarize marketable securities held at October 31, 2020 and April 30, 2020 (in thousands):

	October 31, 2020			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Corporate debt securities	$ 30,726	$ 148	$ (37)	$ 30,837
Obligations of the U.S. Government and its agencies	8,791	72	—	8,863
Total	$ 39,517	$ 220	$ (37)	$ 39,700

	April 30, 2020			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Corporate debt securities	$ 38,922	$ 295	$ (1)	$ 39,216
Obligations of the U.S. Government and its agencies	12,534	175	—	12,709
Total	$ 51,456	$ 470	$ (1)	$ 51,925

The following table summarizes the scheduled maturity for the Company's marketable securities at October 31, 2020 (in thousands):

	October 31, 2020
Maturing in one year or less	$ 25,192
Maturing after one year through two years	5,817
Maturing after two years	8,691
Total	$ 39,700

4. Accrued Expenses

Accrued expenses consisted of the following as of October 31, 2020 and April 30, 2020 (in thousands):

	October 31, 2020	April 30, 2020
Compensation expense	$ 2,952	$ 2,333
Research expense	3,501	2,821
Professional fees	410	173
Other expenses	78	128
	$ 6,941	$ 5,455

5. Commitments and Contingencies

Preclinical Studies and Clinical Trials: The Company enters into contractual agreements with contract research organizations in connection with preclinical and toxicology studies and clinical trials. Amounts due under these agreements are invoiced to the Company on predetermined schedules during the course of the studies and clinical trials and are not refundable regardless of the outcome. The Company has a contractual obligation related to the expected future costs to be incurred to complete the ongoing preclinical studies and clinical trials. The remaining commitments, which have cancellation provisions, total $1.8 million at October 31, 2020.

Contingencies: From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of business activities. The Company accrues a liability for such matters when it is probable that future expenditures will be made and such expenditures can be reasonably estimated. There were no contingent liabilities requiring accrual at October 31, 2020.

As a result of the terms of grant income received in prior years, upon successful regulatory approval and following the first commercial sale of certain DME products, the Company will be required to pay royalty fees of up to $1.0 million within 90 days of the first commercial sale of the product subject to certain fee caps and follow on payments depending upon commercial success and type of product. Given the stage of development of the current pipeline of products it is not possible to predict with certainty the amount or timing of any such liability.

6. Leases

The Company has a lease agreement for approximately 2,700 square feet of space for its headquarters located in Cambridge, Massachusetts that commenced in September 2017 for a term of five years.

The Company has lease agreements for approximately 13,400 square feet of office and research laboratory space located in Porton Down, United Kingdom that run through April 2023, with an option to extend through April 2028.

The Company is also party to several operating leases for office and laboratory space as well as certain lab equipment. Total rent expense was $396,000 and $378,000 for the six months ended October 31, 2020 and 2019, respectively and is reflected in general and administrative expenses and research and development expenses as determined by the underlying activities.

The following table summarizes the maturity of undiscounted payments due under lease liabilities and the present value of those liabilities as of October 31, 2020 (in thousands):

Fiscal Years	Operating Leases
2021	$ 297
2022	390
2023	245
2024	149
2025	149
Thereafter	459
Total lease payments	1,689
Less: imputed interest	(335)
Total lease liabilities	1,354
Current lease liabilities	422
Long-term lease liabilities	$ 932

7. Subsequent Events

On November 20, 2020 the Company entered into an amendment to its lease agreement for its office space in Cambridge, Massachusetts. Under the terms of the amendment, the Company will lease an additional 5,600 square feet for a term of eight years. The average annual rent over the lease term shall be $0.6 million. In addition, the lease term of its existing space in Cambridge will be extended so that it will be coterminous with the add-on space.

The Company has a Sales Agreement with Cantor Fitzgerald & Co. to sell common stock from time to time at current market prices. Subsequent to October 31, 2020, the Company has issued 27,508 shares of common stock for cash proceeds of approximately $0.5 million.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our unaudited interim condensed financial statements and related notes included elsewhere in this report. This Quarterly Report on Form 10-Q contains forward-looking statements that involve risks and uncertainties. All statements other than statements of historical facts contained in this report are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "may," "could," "will," "would," "should," "expect," "plan," "anticipate," "believe," "estimate," "intend," "predict," "seek," "contemplate," "potential" or "continue" or the negative of these terms or other comparable terminology. These forward-looking statements, include, but are not limited to, the success, cost and timing of our product development activities and clinical trials as well as other activities we may undertake, the impact of the COVID-19 pandemic, business strategy, our ability to receive, maintain and recognize the benefits of certain designations received by product candidates and the receipt and timing of potential regulatory designations, approvals and commercialization of product candidates. Any forward-looking statements in this Quarterly Report on Form 10-Q reflect our current views with respect to future events or our future financial performance, are based on assumptions, and involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under "Risk Factors" in our Annual Report on Form 10-K or described elsewhere in this Quarterly Report on Form 10-Q. These forward-looking statements speak only as of the date hereof. Except as required by law, we assume no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future. Unless the context indicates otherwise, in this Quarterly Report on Form 10-Q, the terms "KalVista," "Company," "we," "us" and "our" refer to KalVista Pharmaceuticals, Inc. and, where appropriate, its consolidated subsidiaries.

Management Overview

We are a clinical stage pharmaceutical company focused on the discovery, development and commercialization of small molecule protease inhibitors for diseases with significant unmet need. We apply our insights into the chemistry and biology of proteases to develop orally delivered, small molecule inhibitors with high selectivity, potency and bioavailability that we believe will make them successful treatments for disease. We have used these capabilities to develop a proprietary portfolio of novel, small molecule plasma kallikrein inhibitors targeting hereditary angioedema ("HAE") and diabetic macular edema ("DME"). We also recently announced a novel, oral activated Factor XII ("Factor XIIa") program, which initially is being advanced to provide a next generation of HAE therapeutics and which also offers the opportunity for expansion into other high unmet need indications in the future.

In HAE, we intend to develop drug candidates for both on-demand and prophylactic use, with the goal of providing patients with a complete set of oral options to treat their disease. This strategy is based upon extensive patient, physician and payer research to identify the key needs in the market. According to our market research, oral therapy remains the highest unmet need, with 93% of patients surveyed by KalVista expressing a willingness to switch to oral therapy for both on-demand and prophylactic use. Importantly however, the survey data shows that patients are not prepared to accept significantly reduced efficacy or safety with a switch to oral therapy. We have used these and other results from this research to determine our business and development strategy in this indication. We believe that our strategy of offering a full set of oral therapy options for patients will be an important differentiator from other companies that are only able to address a portion of the HAE market.

Our most advanced program for HAE is KVD900, which is being developed as a potential oral, on-demand therapy for treatment of HAE attacks. KVD900 is currently in a Phase 2 placebo controlled clinical trial intended to evaluate the efficacy and safety of KVD900 in treating HAE attacks. We have achieved the study goal of completing 50 patients treating two eligible attacks and have finished final patient clinic visits. End of trial activities are underway to prepare the database and enable data analysis. KVD900 has received Fast Track designation from the U.S. Food and Drug Administration. A Pediatric Investigational Plan ("PIP") has also been approved by the European Medicines Agency ("EMA") for KVD900.

KVD824 is our oral product candidate being developed for prophylactic treatment of HAE. Our work to optimize the exposure profile of KVD824 has yielded a formulation that maintains the plasma concentrations we believe are required to deliver efficacy that will compete with approved injectable therapies. In this study, twice daily dosing of KVD824 up to 14 days has shown what we believe to be an encouraging safety and tolerability profile. We expect to submit an Investigational New Drug Application for a Phase 2 clinical trial of KVD824 as a potential prophylactic treatment for the prevention of HAE attacks in the first quarter of 2021.

We initially evaluated KVD824 in a three-part first-in-human study in which 84 subjects received at least one dose of KVD824. The study evaluated single doses up to 1,280 mg, multiple doses up to 640 mg, and the effect of food on KVD824 pharmacokinetics. We have also recently completed dosing a study assessing different formulations of KVD824. Six formulations of 600 to 900 mg were initially assessed in 16 healthy subjects in a crossover single dose phase. Selected formulations were then evaluated for 14 days, dosing twice-daily, up to 900 mg per dose in a multiple dose phase. Formulations of both 600 mg and 900 mg KVD824 administered twice-daily maintained concentrations we believe will deliver meaningful clinical efficacy.

To date, a total of 121 subjects have been exposed to treatment with KVD824 as single doses up to 1280 mg and up to 14 days of twice-daily dosing of 600 mg and 900 mg. In the first-in-human study adverse event rates were similar in placebo and active arms, no subjects withdrew from the study and no serious adverse events were reported. While treatment is still blinded in the formulation study, all reported adverse events have been mild and no subjects withdrew from the trial.

The planned Phase 2 clinical trial design and size will be guided by previous pivotal clinical trials of prophylactic treatments of HAE, considering the established pathway to approval for prophylactic treatment of HAE, and will be conducted in multiple territories including the United States and Europe.

Our recently announced oral Factor XIIa inhibitor program represents what we believe is a major breakthrough in development of a therapeutic against an important target. Factor XIIa is an enzyme that plays a key role in HAE as the most upstream mechanism in the biochemical pathway that initiates HAE attacks. For this reason, we believe that inhibition of Factor XIIa will block the underlying causes of HAE attacks, including the uncontrolled generation of both plasma kallikrein and bradykinin, which cause swelling and pain. Clinical studies of an injectible Factor XIIa-inhibitory antibody have demonstrated efficacy in preventing HAE attacks, and there are no known safety implications of long-term inhibition of this enzyme. We believe that our program has the potential to be the first orally delivered Factor XIIa inhibitor to enter clinical development, initially for HAE and over time for additional indications that are supported by scientific evidence.

Our internal research team has discovered multiple series of low nanomolar potency Factor XIIa inhibitors that we believe are selective and orally bioavailable. We are pursuing comprehensive intellectual property protection for this advanced medicinal chemistry program that is currently in lead optimization. We anticipate conducting IND-enabling studies for potential drug candidates in 2021.

In DME, our most advanced program is KVD001, an intravitreally delivered plasma kallikrein inhibitor which completed a Phase 2 trial in 2019. We also intend to develop oral therapies for DME, which we believe would represent a substantial enhancement to the therapeutic options with this disease. We are currently evaluating our development strategy in this indication and expect to provide further updates when appropriate.

We have devoted substantially all our efforts to research and development, including clinical trials of our product candidates. We have not completed the development of any product candidates. Pharmaceutical drug product candidates, like those being developed by us, require approvals from the FDA or foreign regulatory agencies prior to commercial sales. There can be no assurance that any product candidates will receive the necessary approvals and any failure to receive approval or delay in approval may have a material adverse impact on our business and financial results. We are subject to a number of risks and uncertainties similar to those of other life science companies developing new products, including, among others, the risks related to the necessity to obtain adequate additional financing, to successfully develop product candidates, to obtain regulatory approval of product candidates, to comply with government regulations, to successfully commercialize our potential products, to the protection of proprietary technology and to our dependence on key individuals.

The extent of the impact of the novel strain of coronavirus, SARS-CoV-2 (“COVID-19”) on our operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on our preclinical and clinical trials, employee or industry events, effect on our suppliers and manufacturers, and impact on the healthcare systems, all of which are uncertain and cannot be predicted. The COVID-19 pandemic and its adverse effects continue to affect the locations where we, our manufacturers, suppliers or third-party business partners conduct business. Although we have continued our operations and clinical trials to date, we have experienced, and if there are renewed or continued closures of business in the European Union, the United States or the United Kingdom, or other impacted areas, we may continue to experience, further delays in our preclinical studies or planned clinical trials, which could materially adversely impact our business, results of operations and overall financial performance in future periods. In addition, we may experience impact from changes in how we and companies worldwide conduct business due to the COVID-19 pandemic, including but not limited to continued restrictions on travel and in-person meetings, delays in future site activations and future enrollment of clinical trials, prioritization of hospital resources toward the COVID-19 pandemic effort, delays in review by the FDA and comparable foreign regulatory agencies, and disruptions in our supply chain for our product candidates. As of the filing date of this Form 10-Q, the extent to which COVID-19 may impact our financial condition, results of

operations or guidance is uncertain. See "*Risk Factors*" included in our Annual Report on Form 10-K for the year ended April 30, 2020, for further information of the possible impact of the COVID-19 pandemic on our business.

Financial Overview

Revenue

We have not generated any revenue in the current fiscal year. Our revenue recognized in the same period of the prior fiscal year consists of upfront fees from the option agreement with Merck Sharpe & Dohme Corp. entered into in 2017 (the "Merck Option Agreement"). There will be no future revenue from the Merck Option Agreement as a result of its expiration in February 2020.

Research and Development Expenses

Research and development expenses primarily consist of costs associated with our research activities, including the preclinical and clinical development of product candidates. We contract with clinical research organizations to manage our clinical trials under agreed upon budgets for each study, with oversight by our clinical program managers. All research and development costs are expensed as incurred.

Costs for certain research and development activities, such as manufacturing development activities and clinical studies are recognized based on the contracted amounts, as adjusted for the percentage of work completed to date. Payments for these activities are based on the terms of the contractual arrangements, which may differ from the pattern of costs incurred, and are reflected on the consolidated balance sheets as prepaid or accrued expenses. We defer and capitalize non-refundable advance payments made for research and development activities until the related goods are delivered or the related services are performed.

We expect to continue to incur substantial expenses related to development activities for the foreseeable future as we conduct clinical development, manufacturing and toxicology studies. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later stage clinical trials, additional drug manufacturing requirements, and later stage toxicology studies such as carcinogenicity studies. The process of conducting preclinical studies and clinical trials necessary to obtain regulatory approval is costly and time consuming. The probability of success for each product candidate is affected by numerous factors, including preclinical data, clinical data, competition, manufacturing capability and commercial viability. Accordingly, we may never succeed in achieving marketing approval for any of our product candidates.

Completion dates and costs for clinical development programs as well as our research program can vary significantly for each current and future product candidate and are difficult to predict. As a result, we cannot estimate with any degree of certainty the costs associated with development of our product candidates at this point in time. We anticipate making determinations as to which programs and product candidates to pursue and how much funding to direct to each program and product candidate on an ongoing basis in response to the scientific success of early research programs, results of ongoing and future clinical trials, our ability to enter into collaborative agreements with respect to programs or potential product candidates, as well as ongoing assessments as to the commercial potential of each current or future product candidate.

General and Administrative Expenses

General and administrative expenses consist primarily of the costs associated with general management, obtaining and maintaining our patent portfolio, professional fees for accounting, auditing, consulting and legal services, and general overhead expenses.

We expect ongoing general and administrative expenses to increase in the future as we expand our operating activities, maintain and expand the patent portfolio and incur additional costs associated with the management of a public company and maintain compliance with exchange listing and SEC requirements. These potential increases will likely include management costs, legal fees, accounting fees, directors' and officers' liability insurance premiums, and expenses associated with investor relations, among others.

Other Income

Other income consists of interest income earned on bank interest and marketable securities, research and development tax credits from the United Kingdom government's tax incentive programs set up to encourage research and development in the United Kingdom, realized gains from the sale of marketable securities and realized and unrealized exchange rate gains/losses on cash held in foreign currencies and transactions settled in foreign currencies.

Income Taxes

We historically have incurred net losses and had no corporation tax liabilities. We file U.S. Federal tax returns, as well as certain state returns. We also file returns in the United Kingdom. Under the U.K. government's research and development tax incentive scheme, we have incurred qualifying research and development expenses and filed claims for research and development tax credits in accordance with the relevant tax legislation. The research and development tax credits are paid out to us in cash and reported as other income. Because of the operating losses and the full valuation allowance provided on all deferred tax assets, including the net operating losses, no tax provision has been recognized in the three months ended October 31, 2020.

Results of Operations

Comparison of the three months ended October 31, 2020 and 2019

The following table sets forth the key components of our results of operations for the three months ended October 31, 2020 and 2019 (in thousands):

	Three Months Ended October 31,		Increase (decrease)
	2020	2019	
Revenue	$ —	$ 3,920	$ (3,920)
Operating expenses			
Research and development expenses	9,148	9,789	(641)
General and administrative expenses	3,633	3,420	213
Other income			
Interest, exchange rate gain and other income	2,355	3,386	(1,031)

Revenue. No revenue was recognized in the three months ended October 31, 2020 compared to $3.9 million recognized in the same period of the prior fiscal year. The $3.9 million of revenue in the prior year period was attributable to the recognition of the up-front payment over time and the decrease in the current year was due to the expiration of the Merck Option Agreement in February 2020. No future revenue remains under the Merck Option Agreement.

Research and Development Expenses. Research and development expenses decreased $0.6 million in the three months ended October 31, 2020 due to a decrease in spending on KVD001 of $1.3 million, a decrease in spending on KVD900 of $0.2 million and a decrease in spending on preclinical activities of $0.7 million, primarily offset by an increase in spending on KVD824 of $1.6 million compared to the same period in the prior fiscal year. The impact of exchange rates on research and development expenses resulted in a decrease to expenses of $0.4 million in the three months ended October 31, 2020 compared to the same period in the prior fiscal year, which is reflected in the figures above.

Research and development expenses by major programs or categories were as follows (in thousands):

	Three Months Ended October 31,	
	2020	2019
KVD001	$ 58	$ 1,385
KVD900	2,757	2,914
KVD824	2,381	818
Preclinical activities	3,952	4,672
Total	**$ 9,148**	**$ 9,789**

Expenses for the KVD001 program decreased due to the completion of the KVD001 Phase 2 clinical trial. We anticipate that expenses for the KVD001 program will remain at a low rate as we determine next steps for the KVD001 program.

Expenses for the KVD900 program decreased primarily due to a decrease in manufacturing expenses as the ongoing Phase 2 clinical trial approaches completion. However, we anticipate that these expenses will increase above current levels as we complete the Phase 2 trial and continue to prepare for later stage development of KVD900.

Expenses for the KVD824 program increased primarily due to an increase in clinical trial expenses. We anticipate that these expenses will increase above current levels as we conduct further activities to support later stage development of KVD824 and initiate additional clinical trials.

Expenses for preclinical activities decreased primarily due to a decrease in manufacturing expenses. We anticipate that expenses will increase from current levels as we continue to advance our oral Factor XIIa program towards clinical stage.

General and Administrative Expenses. General and administrative expenses increased $0.2 million in the three months ended October 31, 2020 compared to the same period in the prior fiscal year. The increase is primarily due to increases in employee related expenses of $0.3 million and professional fees of $0.3 million, somewhat offset by decreases in commercial development expenses of $0.2 million and travel expenses of $0.1 million. We anticipate that expenses will continue at or above current levels as we continue to expand to support the growth of the Company.

Other Income. Other income decreased $1.0 million in the three months ended October 31, 2020 due to a decrease of $0.6 million in foreign currency exchange rate gains from transactions denominated in foreign currencies in our U.K. subsidiary, a decrease of $0.3 million in interest income and a decrease of $0.1 million in income from research and development tax credits, as compared to the same period in the prior fiscal year.

Comparison of the six months ended October 31, 2020 and 2019

The following table sets forth the key components of our results of operations for the six months ended October 31, 2020 and 2019 (in thousands):

	Six Months Ended October 31,		Increase (decrease)
	2020	2019	
Revenue	$ —	$ 7,289	$ (7,289)
Operating expenses			
Research and development expenses	20,313	19,476	837
General and administrative expenses	6,912	6,665	247
Other income			
Interest, exchange rate gain and other income	5,984	5,611	373

Revenue. No revenue was recognized in the six months ended October 31, 2020 compared to $7.3 million recognized in the same period of the prior fiscal year. The $7.3 million of revenue in the prior year period was attributable to the recognition of the up-front payment over time and the decrease in the current year was due to the expiration of the Merck Option Agreement in February 2020. No future revenue remains under the Merck Option Agreement.

Research and Development Expenses. Research and development expenses increased $0.8 million in the six months ended October 31, 2020 due to an increase in spending on KVD900 of $2.8 million and an increase in spending on KVD824 of $2.3 million, primarily offset by a decrease in spending on KVD001 of $3.1 million and a decrease in spending on preclinical activities of $1.1 million compared to the same period in the prior fiscal year. The impact of exchange rates on research and development expenses resulted in a decrease to expenses of $0.3 million in the six months ended October 31, 2020 compared to the same period in the prior fiscal year, which is reflected in the figures above.

Research and development expenses by major programs or categories were as follows (in thousands):

	Six Months Ended October 31,	
	2020	2019
KVD001	$ 144	$ 3,268
KVD900	7,209	4,448
KVD824	4,669	2,324
Preclinical activities	8,291	9,436
Total	**$ 20,313**	**$ 19,476**

Expenses for the KVD001 program decreased primarily due to the completion of the KVD001 Phase 2 clinical trial. We anticipate that expenses for KVD001 will remain at a low rate as we determine next steps for the KVD001 program.

Expenses for the KVD900 program increased primarily due to an increase in manufacturing expenses incurred in preparation for later stage development. We anticipate that these expenses will increase above current levels as we complete the Phase 2 trial and continue to prepare for later stage development of KVD900.

Expenses for the KVD824 program increased primarily due to an increase in manufacturing expenses. We anticipate that these expenses will increase above current levels as we conduct further activities to support later stage development of KVD824 and initiate additional clinical trials.

Expenses for preclinical activities decreased primarily due to a decrease in manufacturing expenses. We anticipate that expenses will increase over current levels as we continue to advance our oral Factor XIIa program towards clinical stage.

General and Administrative Expenses. General and administrative expenses increased $0.2 million in the six months ended October 31, 2020 compared to the same period in the prior fiscal year. The increase is primarily due to increases in employee related expenses of $0.4 million and professional fees of $0.3 million. The increases were offset by decreases in commercial development expenses of $0.3 million and travel and other administrative expenses of $0.2 million. We anticipate that expenses will continue at or above current levels as we continue to expand to support the growth of the Company.

Other Income. Other income increased $0.4 million in the six months ended October 31, 2020 primarily due to an increase of $0.7 million in income from research and development tax credits and an increase of $0.3 million in foreign currency exchange rate gains from transactions denominated in foreign currencies in our U.K. subsidiary, offset by a decrease of $0.6 million in interest income compared to the same period in the prior fiscal year.

Liquidity and Capital Resources

We have funded operations primarily through the issuance of capital stock and the Merck Option Agreement. We anticipate continuing to fund our operations primarily through the issuance of capital stock, including funds from the sale of our common stock under our Sales Agreement with Cantor Fitzgerald & Co. Our working capital, primarily cash and marketable securities, is anticipated to fund our operations for at least the next twelve months from the date these unaudited interim condensed consolidated financial statements are issued, subject to the potential impact of COVID-19.

Cash Flows

The following table shows a summary of the net cash flow activity for the six months ended October 31, 2020 and 2019 (in thousands):

	Six Months Ended October 31,	
	2020	2019
Cash flows used in operating activities	$ (11,540)	$ (19,089)
Cash flows provided by (used in) investing activities	11,884	(3,044)
Cash flows provided by financing activities	106	11,538
Effect of exchange rate changes on cash and cash equivalents	(65)	308
Net increase (decrease) in cash and cash equivalents	**$ 385**	**$ (10,287)**

Net cash used in operating activities

Net cash used in operating activities was $11.5 million for the six months ended October 31, 2020 and primarily consisted of a net loss of $21.2 million adjusted for stock-based compensation expense of $2.4 million, and cash flow favorable increases from the research and development tax credit receivable of $2.3 million, prepaid expenses and other current assets of $3.0 million, accrued expenses of $1.3 million and $0.7 million from other changes in net working capital. The cash flows from the research and development tax credit increased due to the timing of the receipt of prior year tax credits offset by new tax credit deferrals compared to the same period in the prior year. Net cash used in operating activities was $19.1 million for the six months ended October 31, 2019 and primarily consisted of a net loss of $13.2 million adjusted for stock-based compensation expense of $2.2 million, an increase in the research and development tax credit receivable of $0.6 million, a decrease in deferred revenue of $7.3 million, and other changes in net working capital.

Net cash provided by (used in) investing activities

Net cash provided by investing activities for the six months ended October 31, 2020 was $11.9 million and primarily consisted of the purchases of marketable securities of $19.3 million offset by sales and maturities of marketable securities of $31.3 million, compared to $3.0 million used in investing activities during the same period in the prior year primarily due to purchases of marketable securities of $42.6 million offset by sales and maturities of marketable securities of $39.7 million.

Net cash provided by financing activities

Net cash provided by financing activities during the six months ended October 31, 2020 was $0.1 million and consisted of the issuance of common stock from equity incentive plans, compared to $11.5 million in the same period in the prior year, which primarily consisted of the sale of common stock pursuant to a stock sales agreement.

Operating Capital Requirements

To date, we have not generated any revenues from the sale of products, and we do not have any products that have been approved for commercialization. We do not expect to generate product revenue unless and until we obtain regulatory approval for, and commercialize, one of our current or future product candidates. We anticipate that we will continue to incur losses for the foreseeable future, and we expect the losses to increase as we continue the development of, and seek regulatory approvals for, product candidates, including KVD900 and KVD824, begin to commercialize any approved products, and further investigate and develop our pipeline, including our oral Factor XIIa program. We are subject to all of the risks inherent in the development of new therapeutic products, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. We currently anticipate that, based upon our operating plans and existing capital resources, we have sufficient funding to operate for at least the next 12 months. The amount and timing of our future funding requirements will depend on many factors, including the pace and results of our preclinical and clinical development efforts, including any potential impacts of the COVID-19 pandemic on our clinical product development efforts.

Until such time, if ever, as we can generate substantial revenues, we expect to finance our cash needs through a combination of equity and debt financings, collaborations, strategic partnerships and licensing arrangements. To the extent that additional capital is raised through the sale of stock or convertible debt securities, the ownership interest of existing stockholders will be diluted, and the terms of these newly issued securities may include liquidation or other preferences that adversely affect the rights of common stockholders. Debt financing, if available, may involve agreements that include increased fixed payment obligations and covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, declaring dividends, selling or licensing intellectual property rights and other operating restrictions that could adversely impact our ability to conduct business. Additional fundraising through collaborations, strategic partnerships or licensing arrangements with third parties may require us to relinquish valuable rights to product candidates, including our other technologies, future revenue streams or research programs, or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds when needed, we may be required to delay, limit, reduce or terminate product development or future commercialization efforts or grant rights to develop and commercialize other product candidates even if we would otherwise prefer to develop and commercialize such product candidates internally.

Contractual Obligations and Commitments

There were no material changes in our contractual obligations and commitments during the three months ended October 31, 2020 from the contractual obligations and commitments disclosed in our Annual Report on Form 10-K for the fiscal year ended April 30, 2020, filed with the SEC on July 1, 2020. See Note 5 to the unaudited interim condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding contractual obligations and commitments.

Off-Balance Sheet Arrangements

At October 31, 2020 we were not a party to any off-balance sheet arrangements as defined in the rules and regulations of the SEC.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which we have prepared in accordance with U.S. GAAP. The preparation of our financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of our financial statements and the reported revenue and expenses during the reported periods. We evaluate these estimates and judgments on an ongoing basis. We base our estimates on historical experience, known trends and events, contractual milestones and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. See Note 2 to the unaudited interim condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report on Form 10-Q for a description of our significant accounting policies and assumptions used in applying those policies. The accounting policies and estimates that we deem to be critical are discussed in more detail in our Annual Report on Form 10-K for the fiscal year ended April 30, 2020, filed with the SEC on July 1, 2020.

Recently Issued Accounting Pronouncements

Not applicable.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information under this item.

Item 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our management, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of October 31, 2020. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute assurance of achieving the desired objectives. Also, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of October 31, 2020.

Changes in Internal Controls over Financial Reporting

There have been no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended October 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, even though most of our employees are working remotely due to the COVID-19 pandemic. We are continually monitoring and assessing the COVID-19 pandemic on our internal controls to minimize the impact on the operating effectiveness.

PART II

OTHER INFORMATION

Item 1.LEGAL PROCEEDINGS

From time to time, we may become involved in various lawsuits and legal proceedings which arise in the ordinary course of business. We are currently not aware of any such legal proceedings or claims that we believe will have a material adverse effect on our business, financial condition or operating results.

Item 1A.RISK FACTORS

There have been no material changes to the risk factors described in the section captioned “Part I, Item 1A, Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended April 30, 2020.

In addition to the other information set forth in this report, you should carefully consider the factors discussed in the section captioned “Part I, Item 1A, Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended April 30, 2020 filed with the SEC on July 1, 2020, which may materially affect our business, financial condition, or future results. The risks described in our Annual Report on Form 10-K and in our Quarterly Reports on Form 10-Q are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may have a material adverse effect on our business, financial condition, or operating results.

Item 2.UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Not applicable.

Item 3.DEFAULTS UPON SENIOR SECURITIES

Not applicable.

Item 4.MINE SAFETY DISCLOSURES

Not applicable.

Item 5.OTHER INFORMATION

Not applicable.

Item 6.EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.1	First Amendment of Lease, dated November 20, 2020, to the Office Lease Agreement by and between the Registrant and 55 Cambridge Parkway, LLC, dated May 19, 2017					X
31.1	Certification of Principal Executive Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1#	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	XBRL Instance Document					
101.SCH	XBRL Taxonomy Extension Schema Document					
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document					
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document					
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document					

This certification is deemed not filed for purpose of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KALVISTA PHARMACEUTICALS, INC.

Date: December 10, 2020

By: /s/ T. Andrew Crockett
T. Andrew Crockett
Chief Executive Officer
(Principal Executive Officer)

Date: December 10, 2020

By: /s/ Benjamin L. Palleiko
Benjamin L. Palleiko
Chief Business Officer and Chief Financial Officer
(Principal Financial and Accounting Officer)

FIRST AMENDMENT OF LEASE

This FIRST AMENDMENT OF LEASE (this "Amendment") is made as of the 20th day of November, 2020 (the "Effective Date"), between 55 CAMBRIDGE PARKWAY, LLC, a Delaware limited liability company, having an address c/o Invesco Real Estate, 225 Liberty Street – 12th floor, New York, New York 10281, as landlord ("Landlord"), and KALVISTA PHARMACEUTICALS, INC., a Delaware corporation, having an address at 55 Cambridge Parkway, Cambridge, Massachusetts 02142, as tenant ("Tenant").

BACKGROUND

Landlord and Tenant are the current holders of the landlord's and tenant's interests, respectively, under that certain Office Lease Agreement dated as of May 19, 2017, for certain premises consisting of approximately 2,762 rentable square feet of space on the ninth (9th) floor of the East Wing (the "Existing Premises") of the building located at 55 Cambridge Parkway, Cambridge, Massachusetts (the "Building").

The parties desire to (a) add approximately 5,644 rentable square feet of space on the ninth (9th) floor of the East Wing of the Building to the Existing Premises on the terms and provisions of this Amendment, and (b) amend the Lease in certain other respects, all as hereinafter set forth. Capitalized terms not defined herein shall have the same meaning ascribed to them in the Lease.

W I T N E S S E T H:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Inclusion of Expansion Premises. There shall be added to the Premises under the Lease the space on the ninth (9th) floor of the East Wing of the Building shown as the "Expansion Premises" on Schedule A-1 attached hereto, which space consists of approximately 5,644 rentable square feet of space (the "Expansion Premises"), effective as of the later of (a) the date that Landlord delivers to Tenant the Expansion Premises, free of all tenants and other occupants, with the Delivery Condition Work (as defined in Exhibit "B" attached hereto) substantially complete, which date is estimated to occur on March 1, 2021, as extended for any Tenant Delays and any Force Majeure Delays (as such terms are defined in Exhibit "B" attached hereto) (the "Estimated Expansion Premises Delivery Date"), and (b) January 1, 2021 (such later date, the "Expansion Premises Commencement Date"). The "Expansion Premises Rent Commencement Date" shall mean the date that is two (2) months after the Expansion Premises Commencement Date.

2. Term for Expansion Premises and Extension of Term for Existing Premises. With respect to the Expansion Premises only, the Term of the Lease shall mean the period commencing on the Expansion Premises Commencement Date and ending on September 30, 2028 (the "New Expiration Date").

Notwithstanding anything to the contrary in the Lease, the Term of the Lease with respect to the Existing Premises shall be extended to be coterminous with the Term for the Expansion Premises. Accordingly, the Term of the Lease with respect to the Existing Premises is hereby extended beyond the scheduled expiration date of September 30, 2022, for the period commencing

on October 1, 2022 and ending on the New Expiration Date (the "Extended Existing Premises Term"). All terms and provisions of the Lease, as amended hereby, shall apply to Tenant's leasing of the Existing Premises for and during the Extended Existing Premises Term, except to the extent expressly provided herein.

3. Delivery of Expansion Premises. Landlord shall, at Landlord's sole cost and expense, perform the Delivery Condition Work in accordance with Exhibit "B" attached hereto, using new or like-new materials that meet the Building standard for materials, finishes and quantities, on or before the Expansion Premises Commencement Date. Except for the Delivery Condition Work, Landlord shall deliver the Expansion Premises to Tenant on the Expansion Premises Commencement Date in its then "AS-IS," "WHERE-IS" condition, without any additional obligation on the part of Landlord to perform any construction therein or to prepare the same for Tenant's occupancy or otherwise; *provided however*, notwithstanding the foregoing, the Expansion Premises shall be delivered to Tenant in "broom clean" condition, free of all tenants and other occupants and free of all personal property and equipment, except for such existing furniture of PA Consulting (as defined below) as Tenant has agreed to acquire from PA Consulting pursuant to a separate agreement between Tenant and PA Consulting (the "Existing Furniture"), provided that Tenant has delivered written notice to Landlord identifying such Existing Furniture at least thirty (30) days prior to the Expansion Premises Commencement Date.

The Delivery Condition Work includes removing the demising wall between the Existing Premises and the Expansion Premises, and may include certain other work that impacts the Existing Premises. Landlord shall have reasonable access to the Existing Premises for the purposes of planning and performing the Delivery Condition Work. If necessary, Tenant shall be responsible for (a) moving all personal property and for any other preparatory work as is necessary to permit Landlord to perform and complete the Delivery Condition Work in a timely fashion, and (b) ensuring that Tenant's employees are not in any area affected by such Delivery Condition Work while the same is being conducted. Tenant hereby acknowledges and agrees that Landlord's performance of the Delivery Condition Work shall not constitute a constructive eviction of Tenant under the Lease.

4. Amendments to Article 1 of the Lease As of Expansion Premises Commencement Date. Effective as of the Expansion Premises Commencement Date, Article 1 of the Lease shall be amended as follows:

(a) The provisions setting forth the "Address of Landlord for Notices" are hereby modified to reflect Landlord's current addresses for notices as follows:

55 Cambridge Parkway, LLC
c/o Lincoln Property Company
55 Cambridge Parkway

Cambridge, MA 02142
Attention: Baron Hartley
Telephone: [***]

With a copy to:

Invesco Real Estate
225 Liberty Street – 12th floor
New York, NY 10281
Attention: Asset Manager
55 Cambridge Parkway
Cambridge, MA 02142

(b) The definition of "Premises" shall be amended by deleting the current definition in its entirety and substituting the following definition therefor:

"Approximately 8,406 rentable square feet, consisting of (i) approximately 2,762 rentable square feet (the "Rentable Square Footage of the Existing Premises") on the ninth (9th) floor of the East Wing of the Building, as shown on **Exhibit "A"** hereto as the "Existing Premises", and (ii) approximately 5,644 rentable square feet (the "Rentable Square Footage of the Expansion Premises") on the ninth (9th) floor of the East Wing of the Building, as shown on **Exhibit "A"** hereto as the "Expansion Premises" (collectively, the "**Premises**")."

(c) The definition of "Lease Term" shall be amended by deleting the current definition in its entirety and substituting the following definition therefor:

"(i) For the Existing Premises only, the period commencing on September 15, 2017 and expiring on the New Expiration Date (as defined below).

(ii) For the Expansion Premises only, the period commencing on the Expansion Premises Commencement Date (as defined in the First Amendment of Lease between Landlord and Tenant (the "First Amendment")) and expiring on September 30, 2028 (the "New Expiration Date")."

(d) The definition of "Minimum Annual Rent" with respect to the Existing Premises shall be amended by adding the following at the end of the rent chart set forth in Section 1.1(h) of the Lease:

"(vi) For the period commencing October 1, 2022 and ending on the New Expiration Date: A per annum amount equal to 2,762 rentable square feet of space multiplied by the then per square foot per annum Minimum Annual Rent rate in effect for the Expansion Premises for such period (including any increases in such rate as provided in Section 1.1(h) of the Lease)."

(e) The definition of "Minimum Annual Rent" shall be further amended by adding the following at the end of Section 1.1(h) of the Lease:

"Minimum Annual Rent for the Expansion Premises shall be payable at the following amounts:

Expansion Lease Year	RSF Rate	Annual Amount	Monthly Amount
Expansion Lease Year 1	$92.00/RSF	$519,248.00	$43,270.67
Expansion Lease Year 2	$94.30/RSF	$532,229.20	$44,352.43
Expansion Lease Year 3	$96.66/RSF	$545,534.93	$45,461.24
Expansion Lease Year 4	$99.07/RSF	$559,173.30	$46,597.78
Expansion Lease Year 5	$101.55/RSF	$573,152.64	$47,762.72
Expansion Lease Year 6	$104.09/RSF	$587,481.45	$48,956.79
Expansion Lease Year 7	$106.69 /RSF	$602,168.49	$50,180.71
Expansion Lease Year 8	$109.36/RSF	$617,222.70	$51,435.23

As used above, the term "Expansion Lease Year" shall mean the one-year period beginning on the Expansion Premises Rent Commencement Date (as defined in the First Amendment) and each consecutive one-year period thereafter, except that (A) if the Expansion Premises Rent Commencement Date shall not occur on the first day of a calendar month, then Expansion Lease Year 1 shall also include the partial calendar month during which the first (1st) anniversary occurs (*i.e.,* the period of such calendar month after such first anniversary), and (B) Expansion Lease Year 8 shall mean the partial year period beginning on the day after the expiration of Expansion Lease Year 7 and ending on the New Expiration Date.

(f) The definition of "Expense Stop" shall be amended by deleting the current definition in its entirety and substituting the following definition therefor:

"(i) For the Existing Premises only, an amount equal to the Operating Costs for the calendar year ending December 31, 2019 divided by the Rentable Square Footage of the Building.

(ii) For the Expansion Premises only, an amount equal to the Operating Costs for the calendar year ending December 31, 2019 divided by the Rentable Square Footage of the Building."

(g) The definition of "Tax Stop" shall be amended by deleting the current definition in its entirety and substituting the following definition therefor:

"(i) For the Existing Premises only, an amount equal to the Taxes for the tax fiscal year ending June 30, 2021 divided by the Rentable Square Footage of the Building.

(ii) For the Expansion Premises only, an amount equal to the Taxes for the tax fiscal year ending June 30, 2021 divided by the Rentable Square Footage of the Building."

5. Replacement of Exhibit "A" To Lease (Outline of Premises) As of Expansion Premises Commencement Date. Effective as of the Expansion Premises Commencement Date, Exhibit "A" to the Lease shall be amended by deleting it in its entirety and substituting Exhibit "A" attached hereto therefor.

6. Amendments to Article 5 of Lease (Additional Rent) As of Expansion Premises Rent Commencement Date. Effective as of the Expansion Premises Rent Commencement Date, Article 5 of the Lease shall be amended as follows:

(a) Article 5 of the Lease shall be amended by deleting the first two (2) sentences of the first paragraph thereof in their entirety and substituting the following therefor:

"Tenant shall pay as additional rent each year the amount if any, by which the Tenant's Share of Operating Costs, with respect to both the Existing Premises and the Expansion Premises, during each Operating Year of the Lease Term (or portion thereof) exceeds the applicable Base Operating Share. For purposes of this Lease, (i) "Base Operating Share" means (A) for the Existing Premises, an amount equal to the product of the Rentable Square Footage of the Existing Premises multiplied by the Expense Stop for the Existing Premises and (B) for the Expansion Premises, an amount equal to the product of the Rentable Square Footage of the Expansion Premises multiplied by the Expense Stop for the Expansion Premises, and (ii) "Tenant's Share of Operating Costs" means (y) for the Existing Premises, an amount equal to the product of the Rentable Square Footage of the Existing Premises multiplied by the actual per square foot Operating Costs for the Project during the applicable Operating Year of the Lease Term, and (z) for the Expansion Premises, an amount equal to the product of the Rentable Square Footage of the Expansion Premises multiplied by the actual per square foot Operating Costs for the Project during the applicable Operating Year of the Lease Term."

(b) Article 5 of the Lease shall be further amended by deleting the first two (2) sentences of the second paragraph in their entirety and substituting the following therefor:

"Tenant shall also pay as additional rent each year the amount if any, by which the Tenant's Share of Taxes, with respect to both the Existing Premises and the Expansion Premises, during each Operating Year of the Lease Term (or portion thereof) exceeds the applicable Base Tax Share. For purposes of this Lease, (i) "Base Tax Share" means (A) for the Existing Premises, an amount equal to the product of the Rentable Square Footage of the Existing Premises multiplied by the Tax Stop for the Existing

Premises and (B) for the Expansion Premises, an amount equal to the product of the Rentable Square Footage of the Expansion Premises multiplied by the Tax Stop for the Expansion Premises, and (ii) "Tenant's Share of Taxes" means (y) for the Existing Premises, an amount equal to the product of the Rentable Square Footage of the Existing Premises multiplied by the actual per square foot Taxes during the applicable Operating Year of the Lease Term, and (z) for the Expansion Premises, an amount equal to the product of the Rentable Square Footage of the Expansion Premises multiplied by the actual per square foot Taxes during the applicable Operating Year of the Lease Term."

7. Deletion of Exhibit "D" to Lease (Work Letter) As of Effective Date. Effective as of the Effective Date, Exhibit "D" to the Lease is hereby deleted and of no further force or effect.

8. Parking Rights For And During The Term for Expansion Premises. In connection with the leasing of the Expansion Premises hereunder, so long as Tenant shall not be in default under the Lease beyond the expiration of applicable notice and cure periods, Tenant shall have the right to use up to seven (7) parking spaces in the Automobile Parking Areas, on an unreserved, unassigned basis, in common with other tenants of the Building. During the Lease Term for the Expansion Premises, Tenant shall pay to Landlord each month with the payment of Minimum Annual Rent the then monthly parking charge (currently $425 per unreserved space per month) set by Landlord, regardless of whether Tenant or any invitees, employees or contractors of Tenant actually use such spaces, for each of the seven (7) parking spaces (the "Expansion Premises Parking Charges"), but subject to the next sentence. At any time during the Term, Tenant may reduce the total number of parking spaces it is using hereunder by delivering thirty (30) days' advance written notice to Landlord (a "Parking Space Relinquishment Notice"), whereupon Tenant's right to use the relinquished parking space, and Tenant's obligation to pay the monthly parking charge for such relinquished parking space for future monthly periods, shall terminate as of the date that is thirty (30) days after the date of the Parking Space Relinquishment Notice; *provided however*, once Tenant relinquishes the right to use any such parking spaces it shall have no further right to reacquire the right to use such relinquished parking spaces. Such rate shall be subject to change by Landlord during the Lease Term for the Expansion Premises upon reasonable prior written notice to Tenant. Tenant shall be responsible for causing its visitors to park only in spaces or areas marked "Visitor parking" and Tenant and its employees shall not park in spaces or areas marked "Visitor-Parking" or "No parking". Landlord reserves the right to tow any cars parked in "Visitor Parking" or "No Parking" areas at the sole expense of the owner of the improperly parked car. Landlord reserves the right to designate reserved parking spaces for the Building's tenants. Nothing contained herein shall be deemed to create liability upon Landlord for any damage to motor vehicles of Tenant's permittees, or from loss of property from within such motor vehicles while parked in the Automobile Parking Areas. Landlord has the right to enforce against all users of the Automobile Parking Areas the parking rules and regulations set forth on Exhibit "C" to the Lease, as the same may be amended by Landlord from time to time.

9. Signage For Expansion Premises. To the extent any updates are required to reflect the inclusion of the Expansion Premises, Landlord shall provide, at Landlord's sole cost and expense, Building standard signage for Tenant in the elevator lobby of the ninth (9th) floor of the Building and on the main directory in the Building lobby.

10. Applicability of Lease to Expansion Premises. Effective as of the Expansion Premises Commencement Date, except to the extent otherwise expressly provided in this Amendment or except to the extent inconsistent with the terms of this Amendment, all terms and provisions of the Lease shall be applicable to Tenant's leasing of the Expansion Premises.

11. Expansion Premises Security Deposit. Landlord is currently holding a letter of credit in the amount of $92,066.65 for the Security Deposit (the "Letter of Credit") under the Lease. Landlord shall continue to hold the Letter of Credit through the Lease Term (as extended hereby), subject to the terms and conditions of Article 9 of the Lease, except that, effective as of the Effective Date, said Article 9 is hereby amended by deleting the last two paragraphs therefrom and replacing them with the following:

"Provided that (a) Tenant's Total Stockholder's equity shown on its then most recent 10- Q filing shall be at least $34,849,000.00 on the effective date of such reduction and (b) there has been no Event of Default under the Lease through the effective date of such reduction, Tenant may reduce the Letter of Credit, effective as of the first day of the thirty-sixth (36th) full calendar month after the Expansion Premises Rent Commencement Date (as defined in the First Amendment), to $73,365.32 by providing to Landlord an amendment to the Letter of Credit or a replacement Letter of Credit meeting the provisions of this Article 9 and reflecting such $73,365.32 amount on or before the first day of the thirty-eighth (38th) full calendar month after the Expansion Premises Rent Commencement Date.

Provided that (a) the Letter of Credit shall have been previously reduced under the prior paragraph, (b) Total Stockholder's equity shown on its then most 10-Q filing shall be at least $34,849,000.00 on the effective date of such reduction and (c) there has been no Event of Default under the Lease through the effective date of such reduction, Tenant may reduce the Letter of Credit, effective as of the first day of the fifty-fourth (54th) full calendar month after the Expansion Premises Rent Commencement Date, to $55,239.99 by providing to Landlord an amendment to the Letter of Credit or a replacement Letter of Credit meeting the provisions of this Article 9 and reflecting such $55,239.99 amount on or before the first day of the fifty-sixth (56th) full calendar month of the Lease Term."

12. Brokerage. Landlord and Tenant hereby represent and warrant to each other that, other than Lincoln Property Company and Newmark Knight Frank (collectively, the "Brokers"), neither has dealt with any real estate broker or agent in connection with the procurement of this Amendment. Other than for the Brokers, whose commissions shall be payable by Landlord pursuant to a separate agreement, Tenant shall indemnify and hold Landlord harmless from any costs, expense or liability (including costs of suit and reasonable attorneys' fees) for any compensation, commission or fees claimed by any real estate broker or agent in connection with the procurement of this Amendment because of any act or statement by Tenant.

13. Ratification of Lease Provisions. Except as otherwise expressly amended, modified and provided for in this Amendment, Tenant hereby ratifies all of the provisions, covenants and conditions of the Lease, and such provisions, covenants and conditions shall be deemed to be incorporated herein and made a part hereof and shall continue in full force and effect.

14. Entire Amendment. This Amendment contains all the agreements of the parties with respect to the subject matter hereof and supersedes all prior dealings between the parties with respect to such subject matter.

15. Binding Amendment. This Amendment shall be binding upon, and shall inure to the benefit of the parties hereto, and their respective successors and assigns.

16. Governing Law. This Amendment shall be governed by the laws of the Commonwealth of Massachusetts without regard to conflict of laws principles.

17. Authority. Landlord and Tenant each warrant to the other that the person or persons executing this Amendment on its behalf has or have authority to do so and that such execution has fully obligated and bound such party to all terms and provisions of this Amendment.

18. No Reservation. Submission of this Amendment for examination or signature is without prejudice and does not constitute a reservation, option or offer, and this Amendment shall not be effective until execution and delivery by each of the parties hereto.

19. Counterparts; Electronic Signatures. This Amendment may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. An electronic mail or facsimile version of an executed original of this Agreement shall be deemed an original, and each of the parties hereto intends to be bound by an electronic mail or facsimile version of a fully-executed original hereof or of an electronic mail or facsimile version of executed counterpart originals hereof. This Amendment may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, in addition to electronically produced signatures, "electronic signature" shall include electronically scanned and transmitted versions (e.g., via PDF and/or DocuSign) of an original signature.

20. Amendment Subject to Execution and Delivery of PA Consulting Termination Agreement. Notwithstanding anything to the contrary, Tenant acknowledges and agrees that (i) all or a portion of the Expansion Premises are currently occupied by PA Consulting Group, Inc. ("PA Consulting"), and (ii) the effectiveness of this Amendment is expressly contingent upon the full execution and delivery of a lease termination agreement providing for the early termination of PA Consulting's lease effective prior to the Expansion Premises Commencement Date, in form satisfactory to Landlord in Landlord's sole discretion (the "PA Consulting Termination Condition"). Upon the full satisfaction of the PA Consulting Termination Condition (the "Contingency"), Landlord shall give Tenant written notice thereof (the "Contingency Satisfaction Notice") and the Contingency shall be deemed satisfied as of the date of such notice. In the event, however, that the Contingency is not satisfied on or before 5:00 p.m. EST on November 30, 2020, then this Amendment shall terminate automatically and any and all of the terms and provisions herein shall become null and void.

[SIGNATURES ON FOLLOWING PAGE]

WITNESS the execution hereof as of the date first above written.

LANDLORD:

55 CAMBRIDGE PARKWAY, LLC, a Delaware limited liability company

By: Invesco ICRE Massachusetts REIT Holdings, LLC, its sole member

By: /s/ Perry Chudnoff

Name: Perry Chudnoff

Title: Vice President and Assistant Secretary

TENANT:

KALVISTA PHARMACEUTICALS, INC., a Delaware corporation

By: /s/ Ben Palleiko

Name: Ben Palleiko
Title: CBO & CFO

Schedule A

Outline Plan of Expansion Premises

Schedule A is intended only to show the general outline of the Expansion Premises as of the Expansion Premises Commencement Date. The depiction of interior windows, cubicles, modules, furniture and equipment in this Exhibit is for illustrative purposes only, but does not mean that such items exist. Landlord is not required to provide, install or construct any such items. It does not in any way supersede any of Landlord's rights set forth in the Lease (as amended) with respect to arrangements and/or locations of public parts of the Building and changes in such arrangements and/or locations. It is not to be scaled; any measurements or distances shown should be taken as approximate. The inclusion of elevators, stairways electrical and mechanical closets, and other similar facilities for the benefit of occupants of the Building does not mean such items are part of the Premises.

[See Attached Plan**]**

Expansion Premises

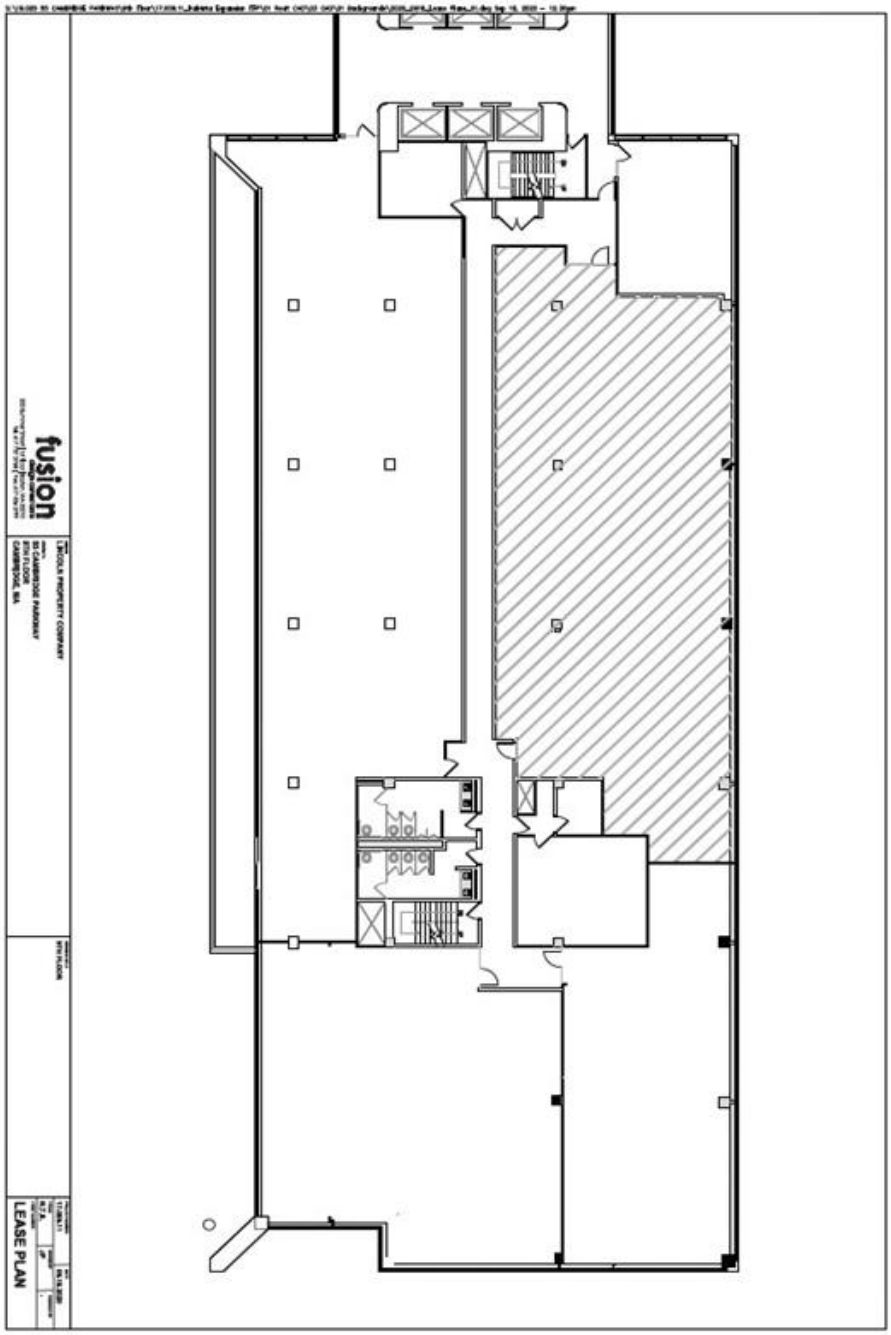


EXHIBIT "A"

Outline Plan of Premises

Exhibit A is intended only to show the general outline of the Existing Premises and the Expansion Premises as of the Expansion Premises Commencement Date. The depiction of interior windows, cubicles, modules, furniture and equipment in this Exhibit is for illustrative purposes only, but does not mean that such items exist. Landlord is not required to provide, install or construct any such items. It does not in any way supersede any of Landlord's rights set forth in the Lease (as amended) with respect to arrangements and/or locations of public parts of the Building and changes in such arrangements and/or locations. It is not to be scaled; any measurements or distances shown should be taken as approximate. The inclusion of elevators, stairways electrical and mechanical closets, and other similar facilities for the benefit of occupants of the Building does not mean such items are part of the Premises.

[See Attached Plan]

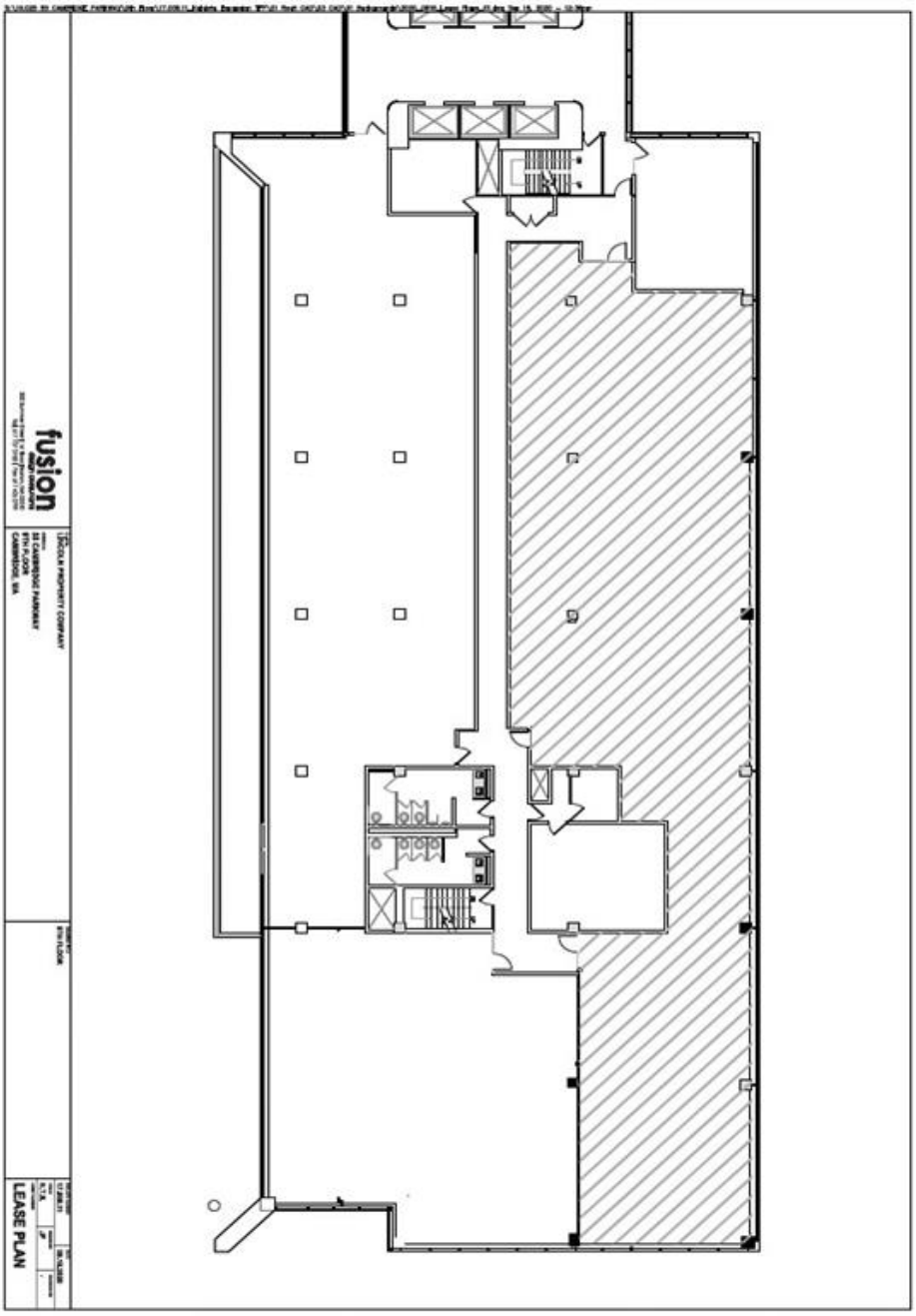

fusion
LEASE PLAN

EXHIBIT "B"

Delivery Condition Work

B.1 Existing Conditions. Subject only to Landlord's obligation to perform the Delivery Condition Work as provided below and as expressly provided in the First Amendment of Lease, Tenant has inspected, and is satisfied with, the existing, "as-is" condition of the Premises, including any existing improvements and base building elements now located therein.

B.2 Delivery Condition Work. Landlord shall remove the demising wall between the Existing Premises and the Expansion Premises, and perform the initial leasehold improvements to the Expansion Premises (the "Delivery Condition Work") depicted and described on the space plan attached hereto as Schedule B (the "Space Plan"), using new or like-new materials that conform to the Building standard, quantities and finishes, which Delivery Condition Work includes the following work to the existing office walls and existing meeting room walls that are not full height up to the deck: extend such existing walls up to the deck, insulate such walls, and seal any penetrations in such walls. The Delivery Condition Work shall be constructed by Landlord in accordance with, and subject to, the provisions of this Exhibit "B" and all applicable law. Landlord shall use commercially reasonable efforts to "substantially complete" (as hereinafter defined) the Delivery Condition Work on or before the Estimated Expansion Premises Delivery Date. The time for completion of the Delivery Condition Work shall be extended by (i) any delays caused by Tenant or Tenant's agents, contractors or employees ("Tenant Delay"), and (ii) any delays due to a cause or causes beyond Landlord's reasonable control, which shall include, without limitation, all labor disputes, civil commotion, shelter in place orders from any governmental authority, public health emergencies, epidemics, pandemics, widespread disease or other public health and safety concerns (including, without limitation, COVID-19), acts of war, war – like operations, invasion, rebellion, hostilities, military or usurped power, sabotage, terrorism, governmental regulations or controls, governmental mandates or moratorium, fire, earthquake, tornado, flood or other casualty, inability to obtain any labor or material, or through acts of God ("Force Majeure Delay"). For purposes hereof, "substantially complete" and "substantial completion" shall mean that the Delivery Condition Work has been completed in compliance with this Exhibit "B" (which shall include, if and as required, any necessary certificate of occupancy covering the Expansion Premises to be issued by the City of Cambridge, or if not applicable, the equivalent municipal sign-offs for the Delivery Condition Work), other than punchlist-type items, the completion of which will not unreasonably delay or interfere with Tenant's occupancy of the Expansion Premises for the regular conduct of business; provided, however, that the Delivery Condition Work shall be deemed substantially complete, and the Expansion Premises Commencement Date shall be deemed to occur, on the date on which construction of the same would have been substantially completed but for Tenant Delays, including without limitation, delays due to Change Orders, lack of timely cooperation by Tenant, or any other actions or inactions by Tenant that may delay performance of the Delivery Condition Work. If Landlord is unable to tender possession of the Expansion Premises in such condition to Tenant by the Estimated Expansion Premises Delivery Date, then: (a) the validity of this Lease (as amended) shall not be affected or impaired thereby; (b) Landlord shall not be in default hereunder or be liable for damages therefor; and (c) Tenant shall accept possession of the Expansion Premises when Landlord tenders possession thereof to Tenant.

Landlord may require that the Space Plan or any Change Order be revised if, in Landlord's reasonable judgment, (i) the requested work would delay completion of the Delivery Condition Work beyond the Estimated Expansion Premises Delivery Date (unless Tenant acknowledges that such delay shall constitute a Tenant Delay), (ii) would increase the cost of operating the Building or performing any other work in the Building (unless Tenant pays such additional costs), (iii) are incompatible with the design, quality, equipment or systems of the Building, (iv) would require unusual expense to readapt the Expansion Premises to general purpose office use, or (v) otherwise do not comply with the provisions of the Lease (as amended). Tenant assumes full responsibility to ensure that the Delivery Condition Work is adequate to fully meet the needs and requirements of Tenant's business operations within the Expansion Premises and Tenant's use of the Expansion Premises. Neither the approval by Landlord of the Space Plan, or of any other plans, specifications, drawings or other items associated with the Delivery Condition Work nor Landlord's performance, supervision or monitoring of the Delivery Condition Work shall constitute any warranty or covenant by Landlord to Tenant that the Space Plan or Delivery Condition Work are adequate for any use or comply with any law.

B.3 Cost of the Delivery Condition Work. Landlord shall perform the Delivery Condition Work described on Schedule B at Landlord's sole expense, subject to the terms hereof. Any change or addition to the Delivery Condition Work shown on Schedule B, including any specifications for non-building standard materials, quantities or finishes, shall constitute a Change Order under Paragraph B.4 below, and Tenant shall be responsible for all of the net incremental additional costs arising from any such Change Order and all costs of delay due to any Change Order (collectively, "Excess Tenant Work Costs"). Landlord may from time to time require Tenant to pay the estimated Excess Tenant Work Costs to Landlord before performing the Delivery Condition Work (as affected by any Change Order) or otherwise within thirty (30) days following receipt of each of Landlord's invoices therefor.

B.4 Change Orders. Tenant may, from time to time, by written order to Landlord on a form specified by Landlord (each, a "Change Order"), request a change in the Delivery Condition Work shown on the Space Plan. Landlord shall cause the Delivery Condition Work to be performed in accordance with such Change Order after approval thereof by Landlord. The Space Plan shall not be modified in any material respect except with Landlord's prior written approval; and all modifications thereto, whether material or not, shall be made only by Change Order submitted to and approved by Landlord. Tenant shall be responsible for all of the net incremental additional costs arising from any Change Order and all costs of delays due to any Change Order, as provided in Paragraph B.3 above and shall pay such Excess Tenant Work Costs to Landlord as provided in Paragraph B.3 above. Any delay in the completion of the Delivery Condition Work due to a Change Order shall constitute a Tenant Delay.

B.5 Construction Management. Landlord or its affiliate or agent shall supervise the Delivery Condition Work, make disbursements required to be made to the contractor, and act as a liaison between the contractor and Tenant and coordinate the relationship between the Delivery Condition Work, the Building and the Building's systems.

B.7 Construction Representatives. Landlord's and Tenant's representatives for coordination of construction and approval of Change Orders will be as follows, provided that either party may change its representative upon written notice to the other:

Landlord's Representative:	Denis Lynch Lincoln Property Company
Tenant's Representative:	

SCHEDULE B

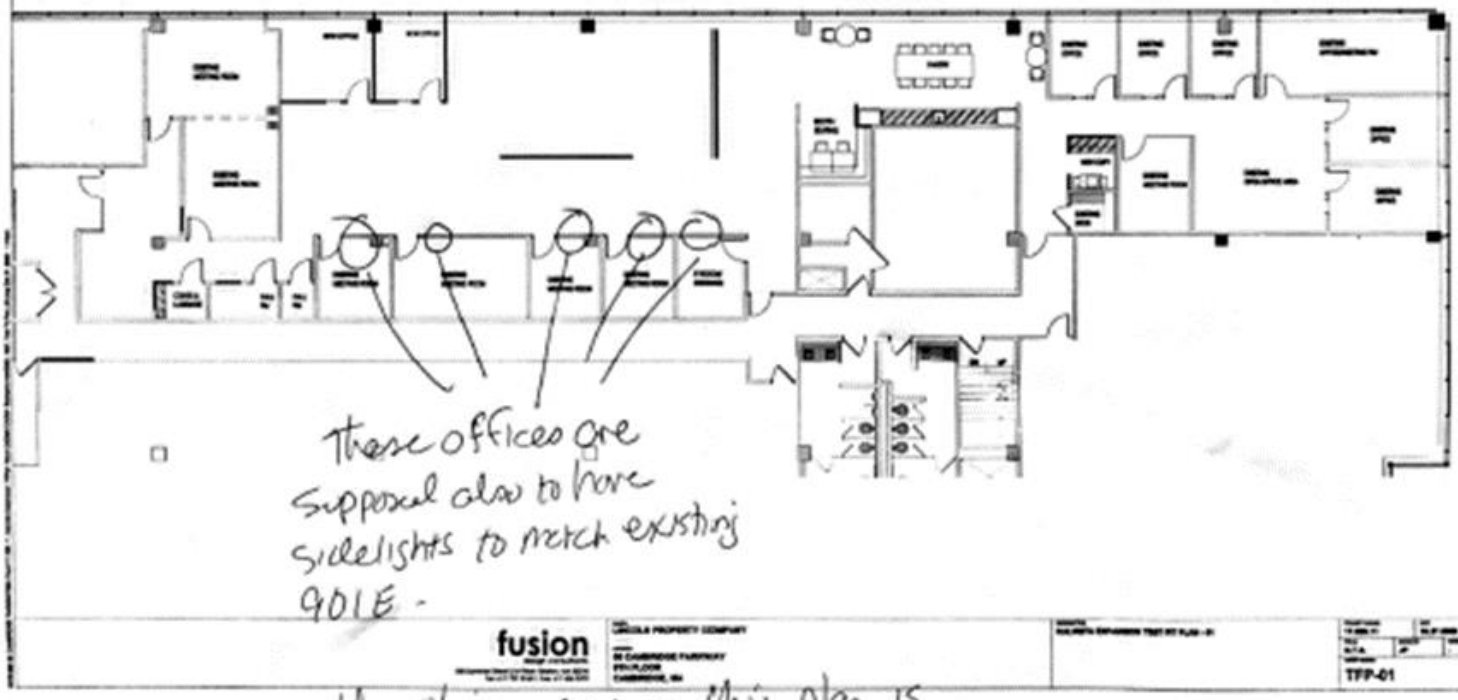
Space Plan

[See Attached]

SCOPE OF WORK:

1. RELOCATE DOOR TO EXISTING MEETING ROOM AT RECEPTION
2. CONSTRUCT TWO NEW PERIMETER OFFICES (DOORS & SIDELIGHTS TO MATCH EXISTING)
3. DEMOLISH EXISTING STORAGE ROOM, COPY AREA, PANTRY AND DEMISING PARTITION TO CREATE ONE SUITE.
4. CONSTRUCT NEW PANTRY WITH SINK AND MILLWORK
5. CONSTRUCT NEW COPU AREA WITH MILLWORK ON EAST SIDE OF PLAN

6. Sidelights in existing office spaces to match (spaces currently marked as meeting rooms/storage).



These offices are supposed also to have sidelights to match existing SOLE.

fusion

TFP-01

With this addition, this plan is acceptable to KalVista. Ben

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, T. Andrew Crockett, certify that:

1. I have reviewed this quarterly report on Form 10-Q of KalVista Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 10, 2020

/s/ T. Andrew Crockett
T. Andrew Crockett
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) OR 15d-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Benjamin L. Palleiko, certify that:

1. I have reviewed this quarterly report on Form 10-Q of KalVista Pharmaceuticals, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 10, 2020

/s/ Benjamin L. Palleiko
Benjamin L Palleiko
Chief Business Officer and Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF
THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report of KalVista Pharmaceuticals Inc. (the "Company") on Form 10-Q for the fiscal quarter ended October 31, 2020 (the "Report"), I, T. Andrew Crockett, as Chief Executive Officer of the Company, and Benjamin L. Palleiko, as Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: December 10, 2020

/s/ T. Andrew Crockett
T. Andrew Crockett
Chief Executive Officer
(Principal Executive Officer)

Date: December 10, 2020

/s/ Benjamin L. Palleiko
Benjamin L. Palleiko
Chief Business Officer and Chief Financial Officer
(Principal Financial and Accounting Officer)