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 July 31, 2025

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.)**
200 Crossing Boulevard Framingham, Massachusetts	**01702**
(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 August 29, 2025, the registrant had 50,523,274 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)

	July 31, 2025 (Unaudited)	April 30, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 124,304	$ 131,615
Marketable securities	67,161	89,002
Accounts receivable, net	1,926	-
Research and development tax credit receivable	561	1,383
Prepaid expenses and other current assets	11,944	19,690
Total current assets	205,896	241,690
Property and equipment, net of accumulated depreciation of $4,925 and $4,747	2,067	1,988
Right of use assets	5,165	5,544
Other assets	2,377	1,548
Total assets	$ 215,505	$ 250,770
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 5,869	$ 4,883
Accrued expenses	18,971	27,307
Lease liability - current portion	2,122	1,977
Deferred revenue	11,413	11,000
Total current liabilities	38,375	45,167
Long-term liabilities:		
Lease liability - net of current portion	4,019	4,330
Royalty obligation	132,321	105,882
Total long-term liabilities	136,340	110,212
Stockholders' equity		
Common stock, $0.001 par value, 100,000,000 authorized		
Shares issued and outstanding: 50,339,823 at July 31, 2025 and 49,762,048 at April 30, 2025	50	50
Additional paid-in capital	760,393	753,725
Accumulated deficit	(713,266)	(653,170)
Accumulated other comprehensive loss	(6,387)	(5,214)
Total stockholders' equity	40,790	95,391
Total liabilities and stockholders' equity	$ 215,505	$ 250,770

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 July 31,	
	2025	**2024**
Product revenue, net	$ 1,426	$ -
Operating expenses:		
Cost of revenue	590	-
Research and development	15,162	26,614
Selling, general and administrative	44,683	17,601
Total operating expenses	60,435	44,215
Operating loss	(59,009)	(44,215)
Other income:		
Interest income	1,849	1,692
Interest expense	(3,522)	-
Foreign currency exchange gain	1,925	514
Other income, net	818	1,566
Total other income	1,070	3,772
Loss before income taxes	(57,939)	(40,443)
Income tax expense	2,157	-
Net loss	$ (60,096)	$ (40,443)
Other comprehensive (loss) income:		
Foreign currency translation loss	(604)	(128)
Unrealized holding gain on marketable securities	18	1,064
Reclassification adjustment for realized gain on marketable securities included in net loss	(587)	(317)
Total other comprehensive (loss) income	$ (1,173)	$ 619
Comprehensive loss	$ (61,269)	$ (39,824)
Net loss per share, basic and diluted	$ (1.12)	$ (0.87)
Weighted average common shares outstanding, basic and diluted	53,497,128	46,232,977

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)

	Three Months Ended July 31, 2025					
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at May 1, 2025	49,762,048	$ 50	$ 753,725	$ (653,170)	$ (5,214)	$ 95,391
Issuance of common stock from equity incentive plans	61,823	—	595	—	—	595
Issuance of stock under the employee stock purchase plan	92,127	—	694	—	—	694
Release of restricted stock units	423,825	—	—	—	—	—
Stock-based compensation expense	—	—	5,379	—	—	5,379
Net loss	—	—	—	(60,096)	—	(60,096)
Foreign currency translation loss	—	—	—	—	(604)	(604)
Unrealized holding gain from marketable securities	—	—	—	—	18	18
Reclassification adjustment for realized gain on available for sale securities included in net loss	—	—	—	—	(587)	(587)
Balance at July 31, 2025	50,339,823	$ 50	$ 760,393	$ (713,266)	$ (6,387)	$ 40,790

	Three Months Ended July 31, 2024					
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at May 1, 2024	42,521,975	$ 42	$ 679,754	$ (469,726)	$ (3,488)	$ 206,582
Issuance of common stock from equity incentive plans	385,234	1	3,000	—	—	3,001
Release of restricted stock units	174,713	—	—	—	—	—
Stock-based compensation expense	—	—	3,040	—	—	3,040
Net loss	—	—	—	(40,443)	—	(40,443)
Foreign currency translation loss	—	—	—	—	(128)	(128)
Unrealized holding gain from marketable securities	—	—	—	—	1,064	1,064
Reclassification adjustment for realized gain on available for sale securities included in net loss	—	—	—	—	(317)	(317)
Balance at July 31, 2024	43,081,922	$ 43	$ 685,794	$ (510,169)	$ (2,869)	$ 172,799

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

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

	Three Months Ended July 31,	
	2025	2024
Cash flows from operating activities		
Net loss	$ (60,096)	$ (40,443)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	252	224
Stock-based compensation expense	5,379	3,040
Realized gain from sale of marketable securities	(587)	(317)
Non-cash operating lease expense (benefit)	218	(5)
Amortization of premium on marketable securities	(7)	5
Foreign currency exchange loss (gain)	485	(414)
Non-cash interest expense and amortization of issuance costs	3,453	—
Fair value adjustment to derivative liability	1,100	—
Changes in operating assets and liabilities:		
Research and development tax credit receivable	826	(1,253)
Accounts receivable, net	(1,926)	—
Prepaid expenses and other assets	1,597	(783)
Accounts payable	2,510	1,502
Accrued expenses	(8,199)	(1,776)
Deferred revenue	493	—
Net cash used in operating activities	(54,502)	(40,220)
Cash flows from investing activities		
Purchases of marketable securities	(19,979)	(983)
Sales and maturities of marketable securities	41,677	38,230
Acquisition of property and equipment	(290)	(21)
Capitalized website development costs	(147)	(64)
Net cash provided by investing activities	21,261	37,162
Cash flows from financing activities		
Proceeds from the royalty agreement	21,921	—
Issuance of common stock from equity incentive plans	595	3,000
Issuance of common stock from employee stock purchase plan	694	—
Net cash provided by financing activities	23,210	3,000
Effect of exchange rate changes on cash and cash equivalents	2,723	117
Net (decrease) increase in cash, cash equivalents and restricted cash	(7,308)	59
Cash, cash equivalents and restricted cash at beginning of period	132,272	31,789
Cash, cash equivalents and restricted cash at end of period	$ 124,964	$ 31,848
Supplemental disclosures of non-cash activities:		
Right of use assets obtained in exchange for operating lease liabilities	$ 725	$ —
Reconciliation of cash, cash equivalents and restricted cash:		
Cash and cash equivalents	$ 124,304	$ 31,848
Restricted cash, long-term	660	—
Total cash, cash equivalents and restricted cash	$ 124,964	$ 31,848

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

Notes to the Condensed Consolidated Financial Statements (unaudited)

1. The Company

Company Background

KalVista Pharmaceuticals, Inc. ("KalVista" or the "Company") is a global biopharmaceutical company dedicated to developing and delivering life-changing oral therapies for individuals affected by rare diseases with significant unmet need. The Company has used its capabilities to develop sebetralstat, a novel, orally delivered, small molecule plasma kallikrein inhibitor targeting the disease hereditary angioedema ("HAE").

On July 3, 2025, the U.S. Food and Drug Administration (the "FDA") approved EKTERLY® (sebetralstat) for the treatment of acute attacks of HAE in adult and pediatric patients aged 12 years and older. The FDA approval was based on data from the phase 3 KONFIDENT clinical trial, published in the New England Journal of Medicine. Prior to the approval of EKTERLY, all on-demand treatment options approved in the U.S. required intravenous or subcutaneous administration, which carries a significant treatment burden. Even with the use of long-term prophylaxis, most people living with HAE continue to have unpredictable attacks and require ready access to on-demand medication.

The Company's headquarters is located in Framingham, Massachusetts, with additional offices and research activities located in Cambridge, Massachusetts; Porton Down, United Kingdom; Salt Lake City, Utah; Zug, Switzerland; Tokyo, Japan; Berlin, Germany and Dublin, Ireland.

Liquidity

The Company has incurred operating losses since its inception. As of July 31, 2025, the Company had an accumulated deficit of $713.3 million and $191.5 million of cash, cash equivalents and marketable securities. The three months ended July 31, 2025 is the first period in which the Company generated revenue from product sales, following the FDA approval of EKTERLY. Previously, the Company funded its operations primarily through the issuance of capital stock, pre-funded warrants, and royalty financing.

In July 2025, the Company entered into a sales agreement with TD Securities (USA) LLC ("TD Cowen") pursuant to which the Company is able to offer and sell, from time to time at its sole discretion, shares of its common stock with an aggregate offering price of up to $100.0 million (the "ATM Shares") under the prospectus supplement, dated July 10, 2025, to the registration statement on Form S-3 (the "Registration Statement") filed with the U.S. Securities and Exchange Commission (the "SEC") on July 19, 2024. During the three months ended July 31, 2025, the Company did not offer or sell any ATM Shares pursuant to the Registration Statement.

The Company anticipates that it will continue to incur losses for the foreseeable future, and it expects those losses to increase as it begins to commercialize EKTERLY, continues to complete any post-approval regulatory obligations, and continues the development of potential additional product candidates. The Company may continue to incur substantial operating losses even as it continues to generate revenue from EKTERLY or its other products. The Company may seek to finance future cash needs through equity offerings, debt financing, corporate partnerships and product sales. The Company is subject to risks and uncertainties common to companies in the pharmaceutical industry with development and commercial operations, 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.

Change in fiscal year

On March 13, 2025, the Company's Board of Directors approved a change to the Company's fiscal year end from April 30 to December 31, effective December 31, 2025, resulting in an eight-month transition period from May 1, 2025 to December 31, 2025. During the transition period, the Company has elected to file this Quarterly Report on Form 10-Q for the quarter ending July 31, 2025, and then will file quarterly reports based on the new fiscal year beginning with the quarter ending September 30, 2025, pursuant to Rule 15d-10(e)(2) of the Exchange Act.

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 indicative of any 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 fiscal year ended April 30, 2025 in the Company's Annual Report on Form 10-K filed with the SEC on July 10, 2025.

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.

Use of Estimates: The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of expenses during the reporting period. Accounting estimates and management judgments reflected in the consolidated financial statements include: the accrual of research and development expenses, stock-based compensation, operating lease liabilities, product revenue reserve, interest expense on the Company's royalty obligation, and assumptions used to value the embedded derivative in its royalty obligation. Although these estimates are based on the Company's knowledge of current events and actions it may undertake in the future, actual results may materially differ from these estimates and assumptions.

Recent Accounting Pronouncements: In November 2023, the FASB issued ASU No. 2023-07, Segment Reporting – Improvements to Reportable Segment Disclosures, which provides updates to qualitative and quantitative reportable segment disclosure requirements, including enhanced disclosures about significant segment expenses and increased interim disclosure requirements, among others. The new guidance was effective for the Company as of May 1, 2024. The adoption of ASU 2023-07 resulted in additional disclosures but did not have a material impact on the Company's consolidated financial statements. The Company adopted the reporting requirements in its 2025 Annual Report on Form 10-K for the fiscal year ended April 30, 2025 and began providing the interim reporting requirements in its Quarterly Report on Form 10-Q for the first quarter of 2026. Refer to Note 12, *Segment Information*, for further details on the Company's segment information.

The Company does not expect any recently issued accounting standards other than those included in its Annual Report on Form 10-K for the fiscal year ended April 30, 2025 to have a material impact to its financial results.

The Company has included its accounting policies for accounts receivable, inventories, revenue recognition related to product sales, net, and cost of revenue as a result of the launch of EKTERLY in the U.S.

Accounts receivable, net: The Company's trade accounts receivable arise from product sales and represent amounts due from specialty distributors and specialty pharmacy providers. The Company monitors the financial performance and creditworthiness of its customers so that it can properly assess and respond to changes in its customers' credit profile. The Company reserves against these receivables for estimated losses that may arise from a customer's inability to pay. Amounts determined to be uncollectible are charged or written-off against the reserve.

Inventory: The Company values inventory at the lower of cost or estimated net realizable value with cost determined on a first-in, first-out basis. Raw materials and work-in-process include all inventory costs prior to packaging and labeling, including raw material, active product ingredient, and the drug product. Finished goods include packaged and labeled products. At each reporting date, the Company evaluates the carrying value of inventory and provides valuation reserves for any estimated excess, obsolete, short-dated or unmarketable inventory. The Company's inventory is subject to strict quality control and monitoring that is performed throughout the manufacturing process, including release of work-in-process to finished goods. In the event that certain batches or units of product do not meet quality specifications, the Company will record a write-down of any potential unmarketable inventory to its estimated net realizable value and record the expense as cost of revenue in the Consolidated Statements of Operations and Comprehensive Loss. Prior to obtaining initial regulatory approval for an investigational product candidate, costs relating to production of pre-launch inventory are expensed as research and development expense in the period incurred. After regulatory approval has been received inventory costs are capitalized.

Revenue recognition: The Company recognizes revenue from product sales when the customer obtains control of the Company's product. The transaction price is the amount that reflects the consideration which the Company expects to receive. The Company estimates reserves for variable consideration related to applicable discounts, rebates, chargebacks and other allowances included in its agreements with customers, payors and other third parties. The Company includes the amount of variable consideration in the transaction price to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in a future period. If actual results vary significantly from the Company's estimates, the Company adjusts its estimates in the period that the Company becomes aware of such variances.

Cost of revenue: The Company's cost of revenue is comprised of costs related to its commercial revenue, including manufacturing costs and indirect costs associated with the manufacturing and distribution of its products. The Company also may include certain period costs related to manufacturing services and inventory adjustments in cost of revenue. Cost of revenue for EKTERLY does not currently

include the full cost of manufacturing until the Company manufactures and sells additional inventory after exhausting its pre-launch supply. Such pre-launch supply has previously been recorded as research and development expense.

The Company's other significant accounting policies have not changed substantially from those included in the Company's Annual Report on Form 10-K for the fiscal year ended April 30, 2025.

3. Fair Value Measurements

The following tables present information about financial assets and liability that have been measured at fair value and indicate the fair value hierarchy of the valuation inputs utilized to determine such fair value as of July 31, 2025 and April 30, 2025 (in thousands):

	Level 1	Level 2	Level 3	Balance at July 31, 2025
Assets:				
Cash equivalents	$ 86,586	$ —	$ —	$ 86,586
Marketable securities:				
Corporate debt securities	—	56,660	—	56,660
U.S. government agency securities	—	10,501	—	10,501
Total financial assets	$ 86,586	$ 67,161	$ —	$ 153,747
Liability:				
Derivative liability	$ —	$ —	$ 9,410	$ 9,410

	Level 1	Level 2	Level 3	Balance at April 30, 2025
Assets:				
Cash equivalents	$ 98,644	$ —	$ —	$ 98,644
Marketable securities:				
Corporate debt securities	—	75,243	—	75,243
U.S. government agency securities	—	13,759	—	13,759
Total financial assets	$ 98,644	$ 89,002	$ —	$ 187,646
Liability:				
Derivative liability	$ —	$ —	$ 6,440	$ 6,440

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 material 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 estimated fair value of the derivative liability as of July 31, 2025 relates to the Purchase and Sale Agreement that the Company, as guarantor, and KalVista Pharmaceuticals Limited, a wholly owned subsidiary of the Company (the "Subsidiary"), entered into with DRI Healthcare Acquisitions LP, an affiliate of DRI Healthcare Trust ("DRI") in November 2024 (the "PSA") and was determined using Level 3 inputs. Refer to Note 7, *Purchase and Sale Agreement,* for a description of the PSA. The fair value measurement of the derivative liability is sensitive to changes in the unobservable inputs used to value the financial instrument. Changes in the inputs could result in changes to the fair value of each financial instrument.

The embedded derivative liability associated with the royalty obligation contained in the PSA, as discussed further in Note 7, *Purchase and Sale Agreement*, is measured at fair value using an option pricing Monte Carlo simulation model and is included as a component of the royalty obligation on the consolidated balance sheet. The embedded derivative liability is subject to remeasurement at the end of each reporting period, with changes in fair value recognized as a component of other income, net. The assumptions used in the option pricing Monte Carlo simulation model incorporates certain Level 3 inputs including: (1) the risk-adjusted discount rate and (2) the probability of a change in control occurring during the term of the instrument.

The Company recorded $4.4 million for the initial fair value of the derivative liability upon the closing of the PSA and subsequently recorded an incremental $2.0 million when the $22.0 million drawdown was recorded by Company. The initial fair value allocated to the derivative liability was recorded against the royalty obligation as a debt discount, which is being amortized in interest expense on the condensed consolidated statement of operations over the expected term using the effective interest method. The embedded derivative is subsequently remeasured at fair value each reporting period, with the change in fair value being recorded as a component of other income, net on the condensed consolidated statement of operations. For the three months ended July 31, 2025 and July 31, 2024, the Company recognized $1.1 million as a component of other income, net as the change in fair value for the $9.4 million embedded derivative liability, recorded as a component of the royalty obligation on the consolidated balance sheet as of July 31, 2025. Refer to Note 7, *Purchase and Sale Agreement,* for details regarding the valuation methodology related to the embedded derivative and its related inputs.

Marketable Securities

The following tables summarize the fair values of the Company's marketable securities by type as of July 31, 2025 and April 30, 2025 (in thousands):

	July 31, 2025			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Corporate debt securities	$ 55,984	$ 678	$ (2)	$ 56,660
Obligations of the U.S. Government and its agencies	10,430	72	(1)	10,501
Total	$ 66,414	$ 750	$ (3)	$ 67,161

	April 30, 2025			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Corporate debt securities	$ 74,150	$ 1,093	$ -	$ 75,243
Obligations of the U.S. Government and its agencies	13,594	165	—	13,759
Total investments	$ 87,744	$ 1,258	$ -	$ 89,002

The following table summarizes the scheduled maturity for the Company's marketable securities at July 31, 2025 (in thousands):

	July 31, 2025
Maturing in one year or less	$ 35,107
Maturing after one year through two years	28,658
Maturing after two years through four years	3,396
Total	$ 67,161

4. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following as of July 31, 2025 and April 30, 2025 (in thousands):

	July 31, 2025	April 30, 2025
Kaken receivable (Note 8)	$ —	$ 11,000
Other prepaid expenses	6,478	5,125
Interest and other receivables	3,244	1,826
VAT receivable	767	932
Prepaid clinical activities	1,455	807
Total prepaid expenses and other current assets	$ 11,944	$ 19,690

5. Accrued Expenses

Accrued expenses consisted of the following as of July 31, 2025 and April 30, 2025 (in thousands):

	July 31, 2025	April 30, 2025
Accrued compensation	$ 8,546	$ 16,123
Accrued research expense	4,881	6,063
Accrued professional fees	4,863	4,315
Other accrued expenses	681	806
Total accrued expenses	$ 18,971	$ 27,307

6. Leases

The Company maintains leases for office space and research laboratory space, and as of July 31, 2025, all leases were classified as operating leases. These leases have remaining lease terms ranging from 1 to 10 years, some of which include options to extend or terminate the leases.

Location	Function	Square footage	Initial Lease Term End Date	Lease Extension Options
Framingham, MA	Corporate Headquarters	32,110	2035	None
Cambridge, MA	Office Space	8,300	2028	None
Salt Lake City, UT	Office Space	6,200	2032	None
Cambridge, MA	Laboratory facility	500	2028	Option to renew annually
Porton Down, UK	Laboratory and office space facility	13,400	2028	None
Dublin, Ireland	Office Space	1,100	2028	None
Tokyo, Japan	Office Space	237	2026	None
Zug, Switzerland	Office Space	7,200	2025	Option to renew annually
Berlin, Germany	Office Space	215	2026	None

Pursuant to the headquarter lease in Framingham that was signed in July 2024, but had not commenced as of July 31, 2025, the Company provided a security deposit in the form of a letter of credit in the amount of $0.7 million which is classified in other assets on its condensed consolidated balance sheet. The office space at 200 Crossing Boulevard, Framingham, Massachusetts became the Company's corporate headquarters in September 2025. The Company continues to utilize the Cambridge office for the manufacture, sale or distribution of prescription drugs.

Total rent expense was approximately $0.8 million and $0.6 million for the three months ended July 31, 2025 and 2024, respectively, and is reflected in selling, 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 July 31, 2025 (in thousands):

Years ending April 30,		Operating Leases
2026	$	1,413
2027		1,780
2028		1,725
2029		769
2030		234
Thereafter		430
Total minimum lease payments		6,351
Less amounts representing interest		210
Present value of minimum payments		6,141
Current portion		2,122
Long-term portion	$	4,019

Total lease payments in the table above excludes approximately $11.2 million of legally binding minimum lease payments for the headquarters lease in Framingham, MA that was signed in July 2024 but had not commenced as of July 31, 2025.

7. Purchase and Sale Agreement

Royalty Liability

In November 2024, the Company entered into the PSA pursuant to which it is potentially eligible to receive payments from DRI up to $179 million. Under the terms of the synthetic royalty financing agreement, the Subsidiary received an upfront payment of $100.0 million in exchange for tiered royalty payments on worldwide net sales of sebetralstat, as follows: 5.00% on annual net sales up to and including $500.0 million (the “First Tier Royalty Rate”); 1.10% on annual net sales above $500.0 million and up to and including $750.0 million; and 0.25% on annual net sales above $750.0 million.

Beginning in calendar year 2031, the First Tier Royalty Rate for any calendar year will be determined based on annual net sales of sebetralstat for the prior calendar year: 5.00% if the prior year’s annual net sales are at or above $500.0 million or 5.65% if the prior year’s annual net sales are below $500.0 million. Additionally, if sebetralstat achieves annual net sales of at least $550.0 million in any calendar year ending before January 1, 2031, the Subsidiary will earn a sales-based milestone payment of $50.0 million.

As sebetralstat was approved prior to October 1, 2025, the Subsidiary elected to receive the one-time cash payment of $22.0 million in July 2025. As a result, the First Tier Royalty Rate on net sales up to and including $500.0 million increased from 5.00% to 6.00% and the sales-based milestone increased from $50.0 million to $57.0 million. Additionally, beginning in calendar year 2031, the First Tier Royalty Rate will increase from 5.00% to 6.00% if the prior year's annual net sales are at or above $500.0 million and from 5.65% to 6.75% if the prior year's annual net sales are below $500.0 million.

On receipt of the $100.0 million payment from DRI, the Company recorded a royalty obligation of $93.6 million, net of the initial fair value of the bifurcated embedded derivative liability upon execution of the PSA, and debt issuance costs incurred. With the additional $22.0 million payment from DRI obtained in July 2025, the Company recorded a royalty obligation of $122.9 million, net of the fair value of the bifurcated embedded derivative liability. See the Sources of Liquidity in Item 2 of this Quarterly Report on Form 10-Q for further discussion of the DRI agreement.

The PSA is considered a sale of future revenues and is accounted for as long-term debt recorded at amortized cost using the effective interest rate method. The effective interest rate is calculated based on the rate that would enable the debt to be repaid in full over the anticipated life of the arrangement. During the three months ended July 31, 2025, the Company recorded $3.5 million of interest expense related to this arrangement on the condensed consolidated statement of operations. The interest rate on this liability may vary during the term of the agreement depending on a number of factors, including the level of forecasted net sales. The Company evaluates the interest rate quarterly based on its current net sales forecasts utilizing the prospective method. A significant increase or decrease in actual or forecasted net sales may materially impact the revenue interest liability, interest expense, other income, and the time period for repayment. The royalty obligation, net of the bifurcated embedded derivative liability had a net carrying amount of $122.9 million as of July 31, 2025.

The PSA is denominated in US Dollars and was executed with the Company's wholly owned U.K. Subsidiary, whose functional currency is the British Pound. As such, the Company will remeasure the liability each reporting period at current exchange rates and recognize unrealized gains and loss in other income.

Embedded Derivative Liability

Under the PSA, the Subsidiary has the option (the "Buy-Back Option") to repurchase future Revenue Participation Rights at any time until December 31, 2026 either (i) in the event of a change of control of the Subsidiary or (ii) in the event that confirmation that payment of the Revenue Participation Rights will not receive certain tax treatment has not been obtained. Additionally, the Purchaser has an option (the "Put Option") to require the Subsidiary to repurchase future Revenue Participation Rights in the event of a change of control of the Subsidiary exercisable until December 31, 2026. If the Put Option or the Buy-Back Option is exercised terminating the PSA, the required repurchase price is an amount equal to (a) 1.5 multiplied by (b) the Investment Amount, net of the sum of any payments received by the Purchaser prior to such Put Option or Buy-Back Option repurchase date, as applicable.

The Buy-Back and Put Options are considered embedded derivatives requiring bifurcation as a single compound derivative instrument. The Company estimated the fair value of the derivative liability using a "with-and-without" method. The with-and-without methodology involves valuing the whole instrument on an as-is basis and then valuing the instrument without the individual embedded derivative. The difference between the entire instrument with the embedded derivative compared to the instrument without the embedded derivative is the fair value of the derivative liability.

The Company recorded $4.4 million for the initial fair value of the derivative liability upon the closing of the PSA and subsequently recorded an incremental $2.0 million when the $22.0 million drawdown was recorded by Company. The initial fair value allocated to the derivative liability was recorded against the royalty obligation as a debt discount, which is being amortized in interest expense on the condensed consolidated statement of operations over the expected term using the effective interest method. The embedded derivative is subsequently remeasured at fair value each reporting period, with the change in fair value being recorded as a component of other income, net on the condensed consolidated statement of operations. For the three months ended July 31, 2025, the Company recognized $1.1 million as a component of other income, net as the change in fair value for the embedded derivative liability as of July 31, 2025. Bifurcated embedded derivatives are classified with the related host contract in the Company's balance sheet. Of the $132.3 million royalty obligation as of July 31, 2025, the embedded derivative had a fair value of $9.4 million.

The estimated probability and timing of underlying events triggering the exercisability of the Buy-Back and Put Options contained in the PSA, forecasted cash flows and the discount rate are significant unobservable inputs used to determine the estimated fair value of the entire instrument with the embedded derivative. Management concluded the buy-back option probability was in the lower quarter tile of possible outcomes. As of inception, the estimated market yield used for the valuation of the derivative liability was 9.15%. As of July 31, 2025, the estimated market yield used for valuation of the derivative liability was 12.0%.

8. License, Supply and Distribution Agreement

Kaken Pharmaceutical Co., Ltd. ("Kaken")

In April 2025, the Company entered into a License, Supply and Distribution Agreement (the "Kaken Agreement") with Kaken Pharmaceutical Co., Ltd. ("Kaken") pursuant to which the Company licensed exclusive commercialization rights in Japan to Kaken for the Licensed Product (as defined under the Kaken Agreement) in exchange for a non-refundable upfront payment of $11.0 million, potential regulatory and sales milestone payments totaling approximately $13.0 million, and effective royalty payments in the mid-twenties that shall be payable for each unit of revenue of Licensed Product that the Company supplies, which reflect a percentage of the Japanese National Health Insurance price of the Licensed Product. The Kaken Agreement has a 10 year initial term.

Per the terms of the Kaken Agreement, the Company is responsible for obtaining and maintaining all regulatory approvals, performing regulatory submissions for the Licensed Product in Japan and supplying the Licensed Product to Kaken. Kaken received an exclusive license to commercialize the Licensed Product in Japan, including the right to ship, store, and distribute the Licensed Product for such commercialization during the term of the Kaken Agreement. The Company retains manufacturing rights for the Licensed Product and is responsible for the Company's own costs associated with the performance of activities under the Kaken Agreement.

Under the terms of the Kaken Agreement, Kaken paid the Company a non-refundable upfront payment of $11.0 million on June 20, 2025. The obligations have not been met as of July 31, 2025, and as such, the $11.0 million non-refundable upfront payment has been recorded as deferred revenue.

The potential regulatory and sales milestone payments that the Company is eligible to receive will be recorded if and when they become probable.

Any future potential revenue from units sold to Kaken will be recorded in accordance with ASC 606, *Revenue from Contracts with Customers*.

9. Product Revenues and Accounts Receivable, net

The Company's product revenue, net of sales discounts, allowances and reserves for the three months ended July 31, 2025 and 2024 were $1.4 million and $0 million, respectively.

The Company had product sales to certain customers that each accounted for more than 10% of total gross product sales for the three months ended July 31, 2025. Sales for each of these customers as a percentage of the Company's total gross product revenue are as follows:

	Three Months Ended July 31, 2025
Customer A	40%
Customer B	35%
Customer C	15%

As of July 31, 2025, the Company's accounts receivable, net were $1.9 million, which was related to product sales, net of $0.1 million of discounts and allowances. As of April 30, 2025, the Company's accounts receivable, net related to product sales was $0. The Company does not have a reserve related to credit losses against its accounts receivable and expects to collect accounts receivable in the ordinary course of business.

10. 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 outstanding options, unvested restricted stock units, unvested performance stock units, and shares committed to be purchased under the employee stock purchase plan.

Potential dilutive common share equivalents consist of:

	July 31,	
	2025	2024
Stock options and awards	6,727,073	5,796,122

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.

11. Segment Information

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision-maker ("CODM") in deciding how to allocate resources and assess performance. The Company operates in one business segment. The Company's CODM is its Chief Executive Officer, who reviews financial information presented on a consolidated basis. The CODM's financial review is focused on the consolidated financial results of the Company which is used as the basis for financial performance assessment and allocation of resources.

The following table presents selected financial information with respect to the Company's single operating segment for the three months ended July 31, 2025 and 2024 (in thousands):

	Three Months Ended July 31,	
	2025	2024
Product revenue, net	$ 1,426	$ —
Operating expenses:		
Cost of revenue	590	—
Clinical development	7,791	14,449
Research	10,329	10,560
Regulatory & QA	2,196	1,605
Pre-commercial planning	27,088	10,651
Other SG&A	12,441	6,950
Total operating expenses	60,435	44,215
(Loss) income from operations	(59,009)	(44,215)
Other income	1,070	3,772
(Loss) income before income taxes	$ (57,939)	$ (40,443)
Provision for (benefit from) for income taxes	2,157	—
Net loss	$ (60,096)	$ (40,443)

12. Income Taxes

The provision for income taxes for the three months ended July 31, 2025 was $2.2 million, compared to $0 for the prior-year period. The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes*. These standards establish financial accounting and reporting standards for the effects of income taxes that result from an enterprise's activities during the current and preceding years. The Company takes an asset and liability approach for financial accounting and reporting of income taxes. The Company pays income taxes in the UK based on the profits realized, which can be significantly impacted by terms of intercompany transactions between the Company and its UK affiliate. Deferred tax assets and liabilities are created in this process. The Company has netted these deferred tax assets and deferred tax liabilities by jurisdiction. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be ultimately realized.

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, statements regarding the success, cost and timing of our product development activities and clinical trials as well as other activities we may undertake, macroeconomic conditions, including rising inflation and changing interest rates, labor shortages, supply chain issues, and global conflicts such as the war in Ukraine and conflicts in the Middle East, our 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 global biopharmaceutical company dedicated to developing and delivering life-changing oral therapies for individuals affected by rare diseases with significant unmet needs. Our product, EKTERLY® (sebetralstat), is a novel, orally delivered, small molecule plasma kallikrein inhibitor for the treatment of acute attacks of hereditary angioedema ("HAE") in adult and pediatric patients aged 12 years and older. EKTERLY (sebetralstat) is the first and only oral, on-demand therapy for HAE.

The efficacy and safety of EKTERLY (sebetralstat) was established by the results from the phase 3 KONFIDENT clinical trial, published in the New England Journal of Medicine in May 2024. The clinical trial met all primary and key secondary endpoints and demonstrated a favorable safety profile. HAE attacks treated with 600 mg of sebetralstat achieved the primary endpoint of beginning of symptom relief significantly faster than placebo (p=0.0013) with a median time to beginning of symptom relief of 1.79 hours (CI 1.33, 2.27) as compared to 6.72 hours with placebo (CI 2.33, >12). Consistent with previous studies, sebetralstat was well-tolerated, with a safety profile similar to placebo. There were no patient withdrawals due to any adverse event and no treatment-related serious adverse events (SAEs) were observed. Treatment-related adverse event rates were 2.2% for 600 mg sebetralstat as compared to 4.8% for placebo. Primary and key secondary endpoints were analyzed in a fixed, hierarchical sequence and adjusted for multiplicity. Key secondary endpoints showed:

- Attacks treated with 600mg of sebetralstat achieved a significantly faster time to a reduction in attack severity from baseline, compared to placebo (p=0.0032); and
- Attacks treated with 600mg sebetralstat demonstrated a significantly faster time to complete attack resolution as compared to placebo (p<0.0001).

Prior to the approval of EKTERLY, all on-demand treatment options approved in the U.S. for HAE required intravenous or subcutaneous administration, which carries a significant treatment burden. Even with the use of long-term prophylaxis as a preventative therapy, most people living with HAE continue to have unpredictable attacks and require ready access to on-demand medication. We believe that EKTERLY has the potential to fundamentally shift the manner in which HAE is managed, based upon extensive and continuing research conducted with patients, physicians and payers. Sebetralstat is currently under review with regulatory authorities in the EU, Japan, Switzerland and other territories.

Key Updates

On July 3, 2025, the U.S. Food and Drug Administration (the "FDA") approved our NDA for EKTERLY, a novel, orally delivered, small molecule plasma kallikrein inhibitor, for the treatment of acute attacks of HAE in adult and pediatric patients aged 12 years and older. EKTERLY is the first and only oral, on-demand therapy for HAE.

In July 2025, the Medicines and Healthcare products Regulatory Agency (MHRA) of the United Kingdom (UK) granted marketing authorization for EKTERLY (sebetralstat). EKTERLY (sebetralstat) also met the requirements of the MHRA Orphan Designation criteria and will be added to the Orphan Register held by the MHRA, allowing it to benefit from up to 10 years of market exclusivity.

Also in July, the Committee for Medicinal Products for Human Use (CHMP) of the European Medicines Agency (EMA) adopted a positive opinion recommending market authorization for sebetralstat. The European Commission (EC) final decision is expected in October 2025.

Additionally, the Committee for Orphan Medicinal Products (COMP) of the European Medicines Agency (EMA) confirmed maintenance of orphan designation for sebetralstat. The decision to maintain orphan designation was based on a finding of comparable efficacy of sebetralstat to injectable on-demand treatments while offering a major contribution to patient care by reducing the morbidity of HAE attacks. Maintenance of orphan designation provides several important regulatory and financial benefits, including 10 years of market exclusivity in the EU following approval. Sebetralstat is now one of only two HAE medicines to have maintained orphan designation in the EU, highlighting its distinctive position within the HAE treatment landscape.

In June 2025, KalVista Pharmaceuticals Limited granted Pendopharm, a division of Pharmascience Inc., the exclusive rights to manage the regulatory approval process and commercialization of sebetralstat in Canada. Financial terms of the agreement were not disclosed.

Upon FDA approval of EKTERLY, KalVista Pharmaceuticals notified DRI Healthcare Acquisitions LP, an affiliate of DRI Healthcare Trust ("DRI") that it elected to receive an optional payment of $22.0 million as part of the November 2024 royalty transaction. As a result of receiving this one-time payment from DRI, the royalty rate on the first sales tranche steps up from 5.00% to 6.00% on net sales up to and including $500.0 million and the sales-based milestone amount increases from $50.0 million to $57.0 million if annual worldwide net sales of EKTERLY meet or exceed $550.0 million in any calendar year before January 1, 2031.

Results of Operations

Refer to Note 2, *Summary of Significant Accounting Policies*, for a description of our significant accounting policies related to product revenue recognition and cost of revenue,

Comparison of the three months ended July 31, 2025 and 2024

The following table sets forth the key components of our results of operations for the three months ended July 31, 2025 and 2024 (in thousands):

	Three Months Ended July 31,		Increase (Decrease)
	2025	2024	
Product revenue, net	$ 1,426	$ -	$ 1,426
Operating expenses:			
Cost of revenue	590	-	590
Research and development expense	15,162	26,614	(11,452)
Selling, general and administrative expense	44,683	17,601	27,082
Other income:			
Interest, exchange rate gain and other income	1,070	3,772	(2,702)

Product revenue, net. Product revenue, net was $1.4 million for the three months ended July 31, 2025 compared to zero for the three months ended July 31, 2024, as a result of our commercial launch of EKTERLY in the United States in July 2025, following the FDA approval of EKTERLY on July 3, 2025.

Cost of revenue. Cost of revenue was $0.6 million for the three months ended July 31, 2025, compared to zero for the three months ended July 31, 2024, and primarily consisted of costs related to commercial revenue, including manufacturing costs and indirect costs associated with the manufacturing and distribution of EKTERLY following the FDA approval.

Research and Development Expenses. Research and development expenses decreased $11.5 million to $15.2 million for the three months ended July 31, 2025 compared to $26.6 million in the same period in the prior fiscal year due to decreases in spending on EKTERLY of $6.5 million, personnel costs of $1.1 million, and other R&D activities of $3.9 million. The impact of exchange rates on research and development expenses was immaterial for the three months ended July 31, 2025 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 July 31,		Increase (Decrease)	Percent Change
	2025	2024		
EKTERLY	$ 5,481	$ 11,980	$ (6,499)	-54%
Personnel	8,077	9,142	(1,065)	-12%
Other R&D	1,604	5,492	(3,888)	-71%
Total	$ 15,162	$ 26,614	$ (11,452)	-43%

Other R&D costs decreased primarily due to recognizing expense associated with sebetralstat pre-commercial awareness within *Selling, general and administrative expenses*. We anticipate these expenses will remain approximately at current levels as the KONFIDENT-S and KONFIDENT-KID trials are ongoing and we continue preclinical research including the oral Factor XIIa inhibitor program.

Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by $27.1 million primarily due to increases in personnel costs of $14.7 million, commercial expenses of $3.7 million, professional fees of $3.1 million, sebetralstat awareness of $1.8 million, and other administrative expenses of $3.8 million. We anticipate these expenses will continue at or above current levels to support the commercialization of EKTERLY.

Other Income. Other income decreased $2.7 million primarily due to an increase in interest expense and change in fair value of the derivative liability of $3.5 million and $1.1 million, respectively offset by the change foreign currency exchange rate gains of $1.4 million.

Liquidity and Capital Resources

The three months ended July 31, 2025 is the first period in which we have generated revenue from product sales, following the FDA approval of EKTERLY on July 3, 2025. Previously, we have funded operations primarily through the issuance of capital stock, pre-funded warrants, and royalty financing. 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.

Sources of Liquidity

In February 2024, we entered into an underwriting agreement with Jefferies LLC, Leerink Partners LLC, Stifel, Nicolaus & Company, Incorporated, and Cantor Fitzgerald & Co., as the representatives of several underwriters to sell an aggregate of 7,016,312 shares of our common stock at a price of $15.25 per share and pre-funded warrants to purchase up to 3,483,688 shares of our common stock at a price of $15.249 per pre-funded warrant. The net proceeds from the offering, after deducting expenses, were approximately $150.1 million. As of July 31, 2025, no pre-funded warrants from the offering have been exercised.

In July 2024, we filed a registration statement on Form S-3 (the "Registration Statement") with the U.S. Securities and Exchange Commission (the "SEC"), pursuant to which we may offer and sell securities having an aggregate public offering price of up to $300 million.

In November 2024, we entered into an underwriting agreement with Jefferies LLC, BofA Securities, Inc., TD Securities (USA) LLC and Stifel Nicolaus & Company, Incorporated, as the representatives of several underwriters to sell an aggregate of 5,500,000 shares of our common stock at an offering price of $10.00 per share (the "November 2024 Offering") pursuant to the Registration Statement. The net proceeds from the November 2024 Offering, after deducting expenses, were approximately $51.3 million.

Also in November 2024, we entered into a securities purchase agreement with DRI to sell an aggregate of 500,000 shares of our common stock at a price of $10.00 per share in a private placement. The net proceeds from the private placement, after deducting placement agent fees and other expenses, were approximately $4.7 million.

Also, in November 2024, we entered into a royalty purchase agreement with DRI to monetize a portion of our future sebetralstat worldwide net sales. Under the terms of the agreement, we received an upfront payment of $100.0 million in exchange for tiered royalty payments on worldwide net sales of sebetralstat, which is recorded as the Royalty Liability on our Consolidated Balance Sheet. In July 2025, we received the one-time cash payment of $22.0 million as a result of obtaining FDA approval of sebetralstat before October 1, 2025.

In April 2025, we entered into a License, Supply and Distribution Agreement (the "Kaken Agreement") with Kaken Pharmaceutical Co., Ltd. ("Kaken") pursuant to which we have licensed exclusive commercialization rights in Japan to Kaken for the Licensed Product (as defined under the Kaken Agreement) in exchange for a non-refundable upfront payment of $11.0 million, potential regulatory and sales milestone payments totaling approximately $13.0 million and effective royalty payments in the mid-twenties that shall be payable for each unit of revenue of Licensed Product (as defined in the Kaken Agreement) that we supply, which reflect a percentage of the Japanese National Health Insurance price of the Licensed Product. On June 20, 2025, we received the upfront payment of $11.0 million.

In July 2025, we entered into a sales agreement with TD Securities (USA) LLC ("TD Cowen") pursuant to which we may offer and sell, from time to time at our sole discretion, shares of our common stock having an aggregate offering price of up to $100.0 million (the "ATM Shares"), under the prospectus supplement, dated July 10, 2025, to the Registration Statement, through TD Cowen as sales agent. During the three months ended July 31, 2025, we did not offer or sell any ATM Shares pursuant to the Registration Statement.

Cash Flows

The following table shows a summary of the net cash flow activity for the three months ended July 31, 2025 and 2024 (in thousands):

	Three Months Ended July 31,	
	2025	2024
Cash used in operating activities	$ (54,502)	$ (40,220)
Cash provided by investing activities	21,261	37,162
Cash provided by financing activities	23,210	3,000
Effect of exchange rate changes on cash and cash equivalents	2,723	117
Net (decrease) increase in cash, cash equivalents and restricted cash	**$ (7,308)**	**$ 59**

Net cash used in operating activities

Net cash used in operating activities was $54.5 million for the three months ended July 31, 2025 and primarily consisted of a net loss of $60.0 million adjusted for stock-based compensation of $5.4 million, interest expense and issuance cost amortization associated with the sale of future royalties of $3.5 million, realized gains from available for sale securities of $0.6 million, and other changes in net working capital. Net cash used in operating activities was $40.2 million for the three months ended July 31, 2024 and primarily consisted of a net loss of $40.4 million adjusted for stock-based compensation of $3.0 million, an increase in the research and development tax credit receivable of $1.3 million, an increase in prepaid expenses and other assets of $0.8 million, and other changes in net working capital.

Net cash provided by investing activities

Net cash provided by investing activities for the three months ended July 31, 2025 was $21.3 million and primarily consisted of the sales and maturities of marketable securities of $41.6 million offset by purchases of marketable securities of $20.0 million, as compared to $37.2 million provided by investing activities during the same period in the prior year primarily due to sales and maturities of marketable securities of $38.2 million offset by purchases of marketable securities of $1.0 million.

Net cash provided by financing activities

Net cash provided by financing activities during the three months ended July 31, 2025 was $23.2 million and primarily consisted of the increase of the royalty liability of $22.0 million related to our drawdown of the milestone payment from DRI after FDA approval of EKTERLY. Net cash provided by financing activities during the same period in the prior year was $3.0 million which consisted of the issuance of common stock from equity incentive plans.

Contractual Obligations and Commitments

We enter into contracts in the normal course of business with contract research organizations and clinical trial sites for the conduct of clinical trials, preclinical and clinical studies, professional consultants and other vendors for clinical supply manufacturing or other services. These contracts generally provide for termination on notice, and therefore are cancelable contracts and not included in the table of contractual obligations and commitments in our Annual Report on Form 10-K for the fiscal year ended April 30, 2025, filed with the SEC on July 10, 2025. We are party to several operating leases for office and laboratory space as of July 31, 2025.

Critical Accounting 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 accounting principles generally accepted in the United States of America ("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, 2025, filed with the SEC on July 10, 2025. There have been no material changes to our critical accounting estimates in the three months ended July 31, 2025.

Recently Issued Accounting Pronouncements

See Note 2 in the Interim Financial Statements for a description of recent accounting pronouncements, including the expected dates of adoption and expected effects on results of operations and financial condition, if known.

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 July 31, 2025. 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 has concluded that our disclosure controls and procedures were effective as of July 31, 2025.

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 July 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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, 2025.

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, 2025 filed with the SEC on July 10, 2025, 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

Sales of Unregistered Securities

Not applicable.

Use of Proceeds

None.

Issuer Purchases of Equity Securities

Not applicable.

Item 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

Item 4. MINE SAFETY DISCLOSURES

Not applicable.

Item 5. OTHER INFORMATION

(c) Insider Trading Arrangements and Policies

In the first quarter of fiscal year 2026, no trading plans were adopted, modified or terminated by a director or officer of the Company.

Item 6. EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
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	Inline XBRL Instance Document - the instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.					
101.SCH	Inline XBRL Taxonomy Extension Schema Document					
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					

† Registrant has omitted portions of the exhibit as permitted under Item 601(b)(10) of Regulation S-K.

^ Registrant has omitted schedules and exhibits pursuant to Item 601(a)(5) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of the omitted schedules and exhibits to the SEC upon request.

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: September 11, 2025

By: /s/ Benjamin L. Palleiko
Benjamin L. Palleiko
Chief Executive Officer
(Principal Executive Officer)

Date: September 11, 2025

By: /s/ Brian Piekos
Brian Piekos
Chief Financial Officer
(Principal Financial and Accounting Officer)

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, 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: September 11, 2025

/s/ Benjamin L. Palleiko
Benjamin L. Palleiko
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, Brian Piekos, 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: September 11, 2025

/s/ Brian Piekos
Brian Piekos
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 July 31, 2025 (the "Report"), I, Benjamin L. Palleiko, as Chief Executive Officer and Principal Executive Officer of the Company, and Brian Piekos, as Chief Financial Officer and Principal Accounting 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: September 11, 2025

/s/ Benjamin L. Palleiko
Benjamin L. Palleiko
Chief Executive Officer
(Principal Executive Officer)

Date: September 11, 2025

/s/ Brian Piekos
Brian Piekos
Chief Financial Officer
(Principal Financial and Accounting Officer)