UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

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

For the fiscal year ended April 30, 2021

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 Number 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 901 East Cambridge, Massachusetts	**02142**
(Address of principal executive offices)	**(Zip Code)**

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

Title of Each Class	**Trading Symbol**	**Name of Exchange on Which Registered**
Common Stock, $0.001 par value per share	**KALV**	**The Nasdaq Stock Market LLC**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES ☐ NO ☒

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. YES ☐NO ☒

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, smaller reporting company, or an emerging growth company. See the definition 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

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

The aggregate market value of common stock held by non-affiliates of the registrant calculated based on the closing price of $17.21 of the registrant's common stock as reported on The NASDAQ Global Market on October 31, 2020, the last business day of the registrant's most recently completed second quarter, was $282,204,641.

The number of shares of Registrant's Common Stock outstanding as of July 2, 2021 was 24,436,492.

DOCUMENTS INCORPORATED BY REFERENCE

Information required in responses to Part III of Form 10-K is hereby incorporated by reference to portions of the Registrant's Proxy Statement for the Annual Meeting of Stockholders to be held in 2021. The Proxy Statement will be filed by the Registrant with the Securities and Exchange Commission no later than 120 days after the end of the Registrant's fiscal year ended April 30, 2021.

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PART I

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements. All statements other than statements of historical fact are "forward-looking statements" for purposes of this Annual Report on Form 10-K. These forward-looking statements may include, but are not limited to, statements regarding our current and future nonclinical, preclinical and clinical development activities, anticipated impacts of the COVID-19 pandemic, our future results of operations and financial position, business strategy, market size, potential growth opportunities, the efficacy and safety profile of our product candidates, expected timing and results of our clinical trials, and receipt and timing of potential regulatory designations, approval and commercialization of product candidates. In some cases, forward-looking statements may be identified by terminology such as "believe," "may," "will," "should," "predict," "goal," "strategy," "potentially," "estimate," "continue," "anticipate," "intend," "could," "would," "project," "plan," "expect," "seek" and similar expressions and variations thereof. We have based these forward-looking statements largely on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in the "Risk Factors" section and elsewhere in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment, and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this report may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this report to conform these statements to actual results or to changes in our expectations, except as required by law.

As used in this Annual Report on Form 10-K, the terms "KalVista," "the Company," "we," "us," and "our" refer to KalVista Pharmaceuticals, Inc. and, where appropriate, its consolidated subsidiaries, unless the context indicates otherwise.

Item 1. Business.

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 diseases. 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"). In late 2020, we also announced a novel, oral Factor XIIa ("Factor XIIa") inhibitor 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.

Our primary focus is currently on developing oral plasma kallikrein inhibitors for HAE, for which we have two drug program candidates in clinical trials. HAE is a rare and potentially life-threatening condition with symptoms that include episodes of debilitating and often painful swelling in the skin, gastrointestinal tract or airways. Despite having multiple therapies approved, we believe HAE patients are in need of alternatives that better meet their objectives for quality of life and ease of disease control. Other than one therapy recently approved for

prophylaxis, currently marketed therapies are all administered by injection, which patients can find challenging despite their efficacy because they can be painful, time consuming to deliver and difficult to store. We anticipate that there will be strong interest in safe and effective, orally delivered, small molecule treatments, and our strategy is to develop oral 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.

Our 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, and so we place a high degree of emphasis on advancing program candidates that we believe can compare favorably to existing approved therapies in both those dimensions.

We have advanced our candidate KVD900 into later stage clinical development as a potential oral, on-demand therapy for HAE attacks. In February 2021 we announced data from a Phase 2 efficacy trial in which KVD900 demonstrated statistically and clinically significant responses across all primary and secondary endpoints. KVD900-201 was a double blind, placebo-controlled, crossover trial investigating the safety and efficacy of a single dose of 600 mg KVD900 as an on-demand treatment for HAE attacks in patients with Type 1 or Type 2 HAE. Following an open label phase, in which pharmacokinetic samples were collected over four hours, all patients progressed into the randomized phase of the trial. In this “at home” part of the trial, patients treated two attacks, one with 600 mg KVD900 and one with placebo in a randomized sequence. Patients administered treatment for each attack within one hour of attack onset, following confirmation with their physician, and then recorded symptoms and, if needed, the time to use of rescue (the patient’s conventional attack treatment). The time to use of rescue treatment within 12 hours was the primary outcome of the trial. Secondary outcomes included assessment of attack severity using categorical (“PGI-S”) and visual analogue scale (“VAS”) measures and the patient’s global impression of change (“PGI-C”).

The trial planned to complete at least 50 patients and enrolled 68 patients of which 53 completed the trial by treating two attacks. One patient withdrew consent and 14 patients were discontinued due to completion of the trial. No patients withdrew due to adverse events.

The trial met its primary endpoint comparing the time to use of rescue treatment within 12 hours on KVD900 versus placebo ($p=0.001$) with rates of use at 12 hours of 15.1% following treatment with KVD900 versus 30.2% after placebo. The trial also met all secondary endpoints: reduced worsening of attacks ($p<0.0001$; based on PGI-S or use of rescue) and reduced time to onset of symptom relief measured using both PGI-C ($p<0.0001$) and VAS ($p<0.0001$). The trial included 126 administrations of KVD900 and 55 of placebo. During the uncontrolled, open label phase, 5 of 68 patients dosed reported 8 adverse events suspected to be related to treatment. During the randomized, placebo-controlled phase, 5 patients reported adverse events suspected to be treatment-related (3 of 58 dosed with KVD900 and 2 of 55 dosed with placebo). We have scheduled an end-of-phase 2 meeting with the FDA to confirm our plans for the Phase 3 program, following which we are prepared to commence the trial rapidly in the US. We also intend for this trial to be conducted in a number of other countries, with commencement in those locations to follow approval by their respective regulatory authorities. KVD900 has received Fast Track designation from the FDA. 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 potential 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. Twice-daily dosing of this formulation of KVD824 up to 14 days has shown what we believe to be an encouraging safety and tolerability profile.

In April 2021 we announced that the FDA has placed a clinical hold our Investigational New Drug Application (“IND”) for a Phase 2 clinical trial of KVD824. The FDA letter request further information and analysis related to certain preclinical studies of KVD824 submitted to support the planned Phase 2 trial. Refinements were also proposed to the intended KVD824 Phase 2 study protocol. No new studies were requested nor was it suggested that new data be generated to initiate the Phase 2 trial. We are currently working to provide the additional

information and analysis requested by the FDA while also progressing regulatory filings for other countries where we also plan to initiate sites for the Phase 2. We currently intend to submit our response to the FDA in the third calendar quarter of 2021.

We initially evaluated KVD824 in a three-part first-in-human study in which 84 healthy male, adult 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 completed a study in healthy adult subjects assessing different formulations of KVD824 and believe that twice-daily dosing maintains concentrations sufficient to deliver meaningful clinical efficacy.

To date, a total of 121 subjects have been exposed to treatment with KVD824 as single doses up to 1,280 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. All reported adverse events have been mild and no subjects withdrew from the trial.

Our 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 injectable Factor XIIa-inhibitory antibody have demonstrated a high degree of 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 are both 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 initiating IND-enabling studies for potential drug candidates in 2021.

The second indication we are pursuing is DME. DME is the leading cause of moderate vision loss in most developed countries and diabetes, the underlying cause of DME, is the leading cause of blindness among American adults according to the Center for Disease Control and Prevention. Our DME program to date has been focused on the development of an intravitreally administered small molecule plasma kallikrein inhibitor, KVD001, which completed a Phase 2 trial. We believe intravitreal plasma kallikrein inhibitors may be an effective alternative therapy to vascular endothelial growth factor (“VEGF”) inhibitors and further improve visual acuity and decrease macular thickening. 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.

Strategy

Key elements of our strategy include:

- *Apply our deep scientific expertise in the area of serine proteases to develop novel oral therapies for indications with high unmet need.* Our core scientific team has decades of experience working on protease inhibitors and developing compounds with high potency, selectivity and bioavailability. We have assembled a team of chemists and biologists who have demonstrated the ability to design and formulate multiple drug candidate programs from a broad variety of chemical classes, as indicated by our extensive intellectual property portfolio. Our initial focus is specifically on development of plasma kallikrein inhibitors for HAE and DME; however, we believe our scientific capabilities also can be applied to other proteases to develop therapies for diseases with high unmet need and orphan indications.
- *Develop multiple HAE product candidates to provide a full set of therapeutic options for patients.* We intend to develop best-in-class oral therapies for HAE and, to accomplish that goal, we plan to develop drug candidates for both on-demand and prophylactic use to provide patients with a complete set of oral

options to treat their disease. Our most advanced program for HAE is KVD900, which is being developed as a potential oral, on-demand therapy for treatment of HAE attacks. In February 2021 we announced data from a Phase 2 efficacy trial in which KVD900 demonstrated statistically and clinically significant responses across all primary and secondary endpoints, and we are currently preparing for an FDA meeting following which we intend to commence a Phase 3 trial. KVD824 is our next oral candidate to be developed as a potential oral prophylactic treatment for HAE. In April 2021 we announced that the FDA placed a clinical hold on our IND for a Phase 2 clinical trial of KVD824. We are currently working to provide the additional information and analysis requested by the FDA and intend to commence the planned Phase 2 study once such clearance is provided. With our recently announced Factor XIIa inhibitor program, we believe we may be able to offer patients a next generation of HAE therapies that may further enhance their options.

- *Continue to advance our DME programs, including developing an oral therapy.* KVD001, our first product candidate to treat DME, completed a Phase 2 clinical trial in 2019. We also intend to develop an oral therapy for this indication, which we believe could dramatically improve the standard of care for patients, since all current therapies are delivered by injection into the eye.
- *Grow our capabilities internally as well as through strategic partnerships.* We intend to retain ownership and control of our pipeline programs to key milestones and in certain markets. For certain indications, such as HAE, that can be addressed by a focused organization, we intend to keep all program rights and develop internal sales and marketing capabilities. For programs that address larger markets or require greater infrastructure or resources, we may seek a partner that can provide those capabilities. Decisions on whether, and when, to engage in partnerships or collaborations will be based upon our evaluations of the relative risks and rewards of those collaborations at each point in the development cycle.

Plasma Kallikrein in HAE and DME

Plasma kallikrein is a serine protease enzyme that is a key early mediator of inflammation and edema. The body modulates the inflammatory effects of plasma kallikrein through a circulating inhibitor protein called C1-esterase inhibitor (“C1-INH”). Most patients with HAE have genetic mutations that lead to C1-INH deficiency, which results in an inability to control activated plasma kallikrein in affected tissues. This excessive activation leads to inflammation, edema, and pain.

Published laboratory work has shown that the vitreous fluid of the eye is also a site of increased plasma kallikrein in DME. In diabetic patients, the retina is one of a few tissues in which edema develops. Under normal circumstances the eye is protected from the diffusion of plasma proteins by an effective blood vessel barrier. In diabetes this barrier becomes less effective and allows plasma proteins such as plasma kallikrein to enter the retina and vitreous. While C1-INH can also to enter by the same route, animal models of DME have shown that the concentration of C1-INH in the vitreous fluid is insufficient to fully suppress the effects of plasma kallikrein on retinal edema. Over time, this edema leads to retinal damage that causes blindness.

Hereditary Angioedema

Disease Overview

HAE is a rare and potentially life-threatening genetic condition that occurs in about 1 in 10,000 to 1 in 50,000 people, according to published information from an HAE patient advocacy group. Excessive plasma kallikrein activation that is not sufficiently controlled by C1-INH leads to HAE attacks, which can vary with regard to the affected tissue or organ and severity. HAE attacks include episodes of intense swelling usually in the skin, gastrointestinal tract or airways. They often lead to temporary disfiguration of various body parts including the hands, feet, face, body trunk, and genitals. In addition, patients often have bouts of excruciating abdominal pain, nausea and vomiting that is caused by swelling in the intestinal wall. Airway swelling is particularly dangerous and can lead to death by asphyxiation.

Attacks can occur spontaneously although they often are associated with anxiety, stress, minor trauma, surgery, or illnesses. Commonly patients are alerted to an impending attack by prodromal symptoms which include

rash, fatigue, and muscle aches. Trauma to the oral cavity caused by dental procedures makes HAE patients particularly vulnerable to airway attacks. The frequency of HAE attacks is highly variable, with some patients having attacks several times per week and others very infrequently. Population studies have shown that the median number of attacks per month for patients is approximately one, and approximately 90% of patients have two or fewer attacks per month. Although life-threatening airway swelling is rare, at least half of HAE patients have experienced at least one such attack and airway attacks remain a major cause of mortality in HAE patients. The severity of attacks is unpredictable and not related to their underlying frequency. A patient with only one attack per year can nevertheless be at risk of suffering a laryngeal attack.

HAE is an autosomal dominant disease, meaning that a defect in only one copy of the gene leads to symptoms and that it occurs at similar rates in both males and females. The most common cause of HAE is a defect or mutation in the gene responsible for the production of C1-INH. While HAE most often results from the inheritance of a defective gene from a parent, it is estimated that up to 25% of cases also arise from spontaneous mutations. Patients with C1-INH-related disease are classified as Type 1 or Type 2; Type 1 is the most common form and results in low levels of circulating C1-INH and Type 2 results in production of a low function protein. An additional form of HAE, sometimes called normal C1-INH HAE, can occur in patients with normal levels of C1-INH for a variety of reasons including mutations in genes for Factor 12, plasminogen or angiopoetin. Moreover, bradykinin-induced acute attacks of angioedema can occur idiopathically in individuals for which a hereditary cause has not yet been identified. Excessive formation of bradykinin can also be caused by increased circulation of estrogens, reduced elimination of bradykinin, or through use of drugs such as ACE inhibitors.

C1-INH is a natural plasma-borne protein that is an inhibitor of multiple serine proteases in both the complement and kallikrein kinin systems. C1-INH is the predominant physiological inhibitor of plasma kallikrein, and thereby suppresses the generation of bradykinin, a potent hormone produced by plasma kallikrein, that activates its receptors on blood vessels to increase vascular leakage. Uncontrolled plasma kallikrein activity leads to the edema that is the hallmark of HAE. Selective plasma kallikrein inhibitors and a bradykinin receptor antagonist are approved therapies for HAE. As such, plasma kallikrein is a clinically validated target for HAE and previous studies have demonstrated that plasma kallikrein inhibition can both treat and prevent HAE attacks.

Current Treatments and Market Opportunities

There are a number of marketed and development stage therapeutics for HAE which provide evidence that inhibition of plasma kallikrein activity will give therapeutic benefit in HAE. Takyzyro® is a monoclonal antibody against plasma kallikrein indicated for prophylaxis to prevent attacks of HAE. The prescribing information recommends subcutaneous administration every two weeks, though dosing at more extended intervals may be considered in some patients. Ecallantide (Kalbitor®) is a small protein inhibitor of plasma kallikrein that is approved for treatment of acute attacks of HAE. While effective, ecallantide has been associated with cases of anaphylaxis and its approval by the FDA includes a black box warning limiting its administration to healthcare professionals. Other therapies provide C1-INH replacement to control plasma kallikrein levels. Marketed C1-INH replacement therapies include Cinryze® and Haegarda® for prophylaxis, and Berinert® for treatment of acute attacks, all of which are purified from human plasma, and Ruconest® which is a recombinant product also for treatment of acute attacks. Icatibant (Firazyr®) is a synthetic peptide-based antagonist that blocks the activity of bradykinin and is indicated for treatment of acute attacks. All of these products are administered by injection, which is typically less convenient for patients and has the potential to reduce compliance. Berotralstat (ORLADEYO™) is a newly approved oral prophylactic treatment which in clinical trials had inferior efficacy when compared to injectables. As a result of the lifelong nature of HAE and the challenges related to taking many of the injected therapies, patient surveys consistently indicate an overwhelming desire of patients for an oral therapy. We believe that a safe and effective oral agent has the potential to transform treatment for this disease. We also believe that opportunities exist for both acute and prophylactic treatments, and 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.

We believe a further future market opportunity may exist in treatment of normal C1-INH HAE. Estimates of the size of this patient population vary widely, but we believe that the nature of normal C1-INH HAE disease may make prophylaxis less attractive for these patients than a safe and rapidly effective on-demand plasma kallikrein inhibitor therapy.

Our Portfolio of HAE Programs

Our strategy is to evaluate and develop multiple oral molecules in pursuit of best-in-class therapies for HAE patients, with an initial focus on treatment of Type 1 and Type 2 HAE. The first of these product candidates being evaluated in later stage clinical trials is KVD900. A positive Phase 2 clinical trial for KVD900 as a potential on-demand treatment for HAE attacks was completed in February 2021. Our second oral treatment in development for potential prophylactic treatment for HAE is KVD824.

KVD900

The first clinical study of KVD900 was a multi-part trial consisting of a single ascending dose phase, a formulation cross-over phase, and investigation of food effect in 84 healthy, male volunteers. Doses up to 600 mg were tested in this study using both capsule and tablet formulation, with the tablet as the intended formulation for future development. Data from the single ascending dose phase of the study showed that KVD900 tablets were rapidly absorbed into the bloodstream and achieved blood levels that we believe are sufficient for efficacy within as little as 10 minutes at the higher dose levels, and essentially complete inhibition of plasma kallikrein was observed within 30 minutes. Food effect studies showed little impact of fed state on the pharmacodynamic profile of KVD900 tablets, delivering 95% inhibition within 30 minutes. There were no severe adverse events ("SAE") reported and single doses of KVD900 up to 600 mg were generally well-tolerated in this study.

Evidence from studies using therapies approved for the treatment of acute HAE attacks shows that earlier treatment has a powerful impact on the efficacy outcomes. Despite clear evidence that early treatment markedly reduces attack duration, treatment is often delayed. In one outcome study of 207 HAE attacks, attack duration was 2.75-fold shorter when treatment was administered within 1 hour of attack onset (6.1 hours versus 16.8 hours (p<0.001)), yet treatment was administered more than 1 hour after attack onset in nearly 60% of attacks, and for 30% of attacks treatment was administered more than five hours after attack onset. We believe this delay in administration is due to many factors including the inconvenience of preparation and administration as well as the discomfort of injectable therapies. An oral therapy has the potential to overcome these and lower the barrier for treatment for patients. The combination of the rapid uptake of KVD900 to very high blood levels and the likelihood of earlier dosing by patients, could lead to much better disease management and prevention of attacks reaching the critical stage of significant swelling and discomfort. We therefore believe that a safe, oral on-demand treatment has the potential to become a preferred alternative for patients currently using injectable treatments, including both acute and prophylactic therapies.

In 2020 we completed a multiple dose study of KVD900 that was designed to explore the safety and pharmacokinetics of repeat dosing over differing timeframes. A total of 42 healthy male and female subjects were included in the study, consisting of 30 active and 12 placebo. Study subjects received a total dose of 1800 mg KVD900 given as 3x600 mg doses at intervals of 8 hours (6 active, 2 placebo), 4 hours (6 active, 2 placebo) or 2 hours (18 active and 8 placebo).

The study showed that dosing every two hours achieved maximum concentrations of KVD900 approximately three times the maximum concentration of a single 600 mg dose. All reported AEs were mild and resolved without intervention. The incidence of adverse events was similar between KVD900-treated and placebo-treated cohorts. The protocol also included continuous cardiac monitoring of subjects. There was no clinically significant effect of KVD900 treatment on any electrocardiogram parameters.

In February 2021 we announced data from a Phase 2 efficacy trial in which KVD900 demonstrated statistical and clinically significant responses across all primary and secondary endpoints. KVD900-201 was a double blind, placebo-controlled, crossover trial investigating the safety and efficacy of a single dose of 600 mg KVD900 as an on-demand treatment for HAE attacks in patients with Type 1 or Type 2 HAE. Following an open label phase, in which pharmacokinetic samples were collected over four hours, all patients progressed into the randomized phase of the trial. In this "at home" part of the trial, patients treated two attacks, one with 600 mg KVD900 and one with placebo in a randomized sequence. Patients administered treatment for each attack within one hour of attack onset, following confirmation with their physician, and then recorded symptoms and, if needed, the time to use of rescue (the patient's conventional attack treatment). The time to rescue treatment within 12 hours was the primary outcome

of the trial. Secondary outcomes included assessment of attack severity using categorical (PGI-S) and visual analogue scale (VAS) measures and the patient's global impression of change (PGI-C).

The trial planned to complete at least 50 patients and enrolled 68 patients of which 53 completed the trial by treating two attacks. One patient withdrew consent and 14 patients were discontinued due to completion of the trial. No patients withdrew due to adverse events.

The trial met its primary endpoint comparing the time to use of rescue treatment within 12 hours on KVD900 versus placebo ($p=0.001$) with rates of use at 12 hours of 15.1% following treatment with KVD900 versus 30.2% after placebo. The trial also met all secondary endpoints: reduced worsening of attacks ($p<0.0001$; PGI-S or use of rescue) and reduced time to onset of symptom relief measured using both PGI-C ($p<0.0001$) and VAS ($p<0.0001$). The trial included 126 administrations of KVD900 and 55 of placebo. During the uncontrolled, open label phase, 5 of 68 patients dosed reported 8 adverse events suspected to be related to treatment. During the randomized, placebo-controlled phase, 5 patients reported adverse events suspected to be treatment-related (3 of 58 dosed with KVD900 and 2 of 55 dosed with placebo). We have scheduled an end-of-phase 2 meeting with the U.S. Food and Drug Administration ("FDA") to confirm our plans for the Phase 3 program, following which we are prepared to commence the trial rapidly in the US. We also intend for this trial to be conducted in a number of other countries, with commencement in those locations to follow approval by their respective regulatory authorities. KVD900 has received Fast Track designation from the FDA. A Pediatric Investigational Plan ("PIP") has also been approved by the European Medicines Agency ("EMA") for KVD900.

KVD824

KVD824 is our oral product candidate which is being developed for potential 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. Twice-daily dosing of this formulation of KVD824 up to 14 days has shown what we believe to be an encouraging safety and tolerability profile.

We initially evaluated KVD824 in a three-part first-in-human study in which 84 healthy male, adult 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 completed a study in healthy adult subjects assessing different formulations of KVD824 and believe that twice-daily dosing maintains concentrations sufficient to deliver meaningful clinical efficacy.

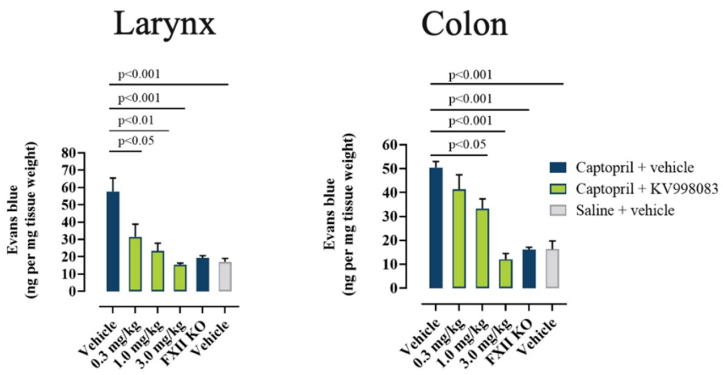
To date, a total of 121 subjects have been exposed to treatment with KVD824 as single doses up to 1,280 mg and up to 14 days of twice-daily dosing of 600 mg and 900 mg. In the first-in-human study adverse event rates were similar in placebo and active arms, no subjects withdrew from the study and no serious adverse events were reported. All reported adverse events have been mild and no subjects withdrew from the trial.

All of our initial clinical development related to KVD824 was conducted in the U.K. To conduct our planned Phase 2 clinical trial in the US, we filed our first US IND for KVD824 in early 2021. In April 2021 we announced that the FDA placed a clinical hold on our IND. The FDA letter request further information and analysis related to certain preclinical studies of KVD824 submitted to support the planned Phase 2 trial. Refinements were also proposed to the intended KVD824 Phase 2 study protocol. No new studies were requested nor was it suggested that new data be generated to initiate the Phase 2 trial. We are currently working to provide the additional information and analysis requested by the FDA while also continuing to make regulatory filings in other countries where we plan to initiate sites for the Phase 2. We currently intend to submit our response to the FDA in the third calendar quarter of 2021.

Factor XIIa

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 injectable 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 are selective and orally bioavailable. We are currently in the lead optimization phase of compounds that display pharmacokinetic profiles consistent with our target for once-daily oral dosing that we believe can lead to clinical candidates. In parallel with advancing medicinal chemistry for our Factor XIIa inhibitors, we are characterizing the PK/PD properties of certain of our compounds in preclinical models of angioedema. ACE inhibitor captopril-induced vascular leakage of Evans blue dye is a well-characterized model of bradykinin-mediated angioedema in mice. Captopril increases vascular leakage in the larynx (3.4 fold) and colon (3.1 fold) in mice compared with controls receiving saline. Factor XII knockout mice are fully protected from captopril-induced vascular leakage, demonstrating that Factor XII is required for vascular permeability in this model. We show that treatment of mice with our selective small molecule Factor XIIa inhibitor KV998083 at 0.3, 1 or 3 mg/kg reduced captopril induced leakage in larynx by 65% (p=0.013), 84% (p=0.001) and 104% (p<0.001), compared to captopril alone. In the colon, this dosing regimen reduced captopril induced leakage by 27% (n.s), 50% (p=0.027) and 112% (p<0.001). These results demonstrate that Factor XIIa inhibition with KV998083 protects against bradykinin-mediated angioedema an established preclinical model.



Factor XIIa inhibitor KV998083 protects against captopril-induced edema in mice

We have not yet determined whether KV998083 will be advanced as a program candidate, as we have multiple preclinical compounds under evaluation and we have established a strict set of criteria for candidate selection. We anticipate initiating IND-enabling studies for one or more of those potential Factor XIIa inhibitor program candidates in 2021.

Diabetic Macular Edema

Disease Overview

DME occurs as a complication of diabetes and is caused by the breakdown of the endothelial barrier function in the retina, resulting in the accumulation of fluid in the macula. This leads to edematous thickening of the macula region of the retina and loss of visual acuity, potentially leading to blindness. DME is a major complication associated with diabetes, affecting an estimated 26% of type 1 diabetic patients after 14 years of the disease, and an estimated 29% over their lifetime; 17% of type 1 diabetic patients were estimated to develop clinically significant macular edema over their lifetime. Approximately 900,000 patients in the United States have active DME and are at serious risk of vision loss, according to a study published in 2015.

The current standard of care for DME in the United States is therapy directed against VEGF, a hypoxia-induced protein that stimulates the growth of blood vessels in the retina. FDA approved anti-VEGF therapies for DME are ranibizumab (Lucentis®) and aflibercept (Eylea®). Both of these products are administered via intravitreal injection at roughly monthly intervals. In addition to treatment by these two products, a large fraction of patients is treated with bevacizumab (Avastin®), another therapy that works through the same mechanism of binding to VEGF but has not been approved for ophthalmic use. Bevacizumab is priced based on its application in oncology and off-label use by retinal specialists typically results in treatment at a fraction of the cost seen with both ranibizumab and aflibercept. Patients are also treated with laser therapy in some circumstances, as well as a number of other drug therapies including corticosteroid anti-inflammatories.

In a recent large, multi-center clinical trial in DME patients, anti-VEGF therapy led to approximately 20% of patients improving their visual acuity by 15 letters or more after a median of 9 or 10 intravitreal injections, leaving a significant portion of the patients with inadequate control of their disease. Further, in one study conducted for an approved anti-VEGF, 40% of patients displayed minimal improvement in visual acuity following anti-VEGF therapy after months of treatment. Certain corticosteroid treatments have led to 15-letter improvements in visual acuity in approximately 20-30% of patients. However, corticosteroid treatments are associated with a dramatic increase in cataract formation and a rise in intraocular pressure, reducing the attractiveness of these agents as potential therapies in many patients.

Research into the biology underlying DME by our scientific team has identified plasma kallikrein as a potential novel target for this indication. KalVista scientists were the first to identify increased concentrations of plasma kallikrein in vitreous fluid samples obtained from individuals with diabetic retinopathy and DME and have pioneered the development of plasma kallikrein inhibitors for the treatment of this disease. Our group has established preclinical models to investigate the role of plasma kallikrein in both VEGF-independent and VEGF-mediated DME as well as for underlying pathologies associated with diabetic retinopathy. We have used this in-depth knowledge of the plasma kallikrein system, diabetic retinopathy, and clinical ophthalmology to evaluate the effects of orally available plasma kallikrein inhibitors for the treatment of DME. Using a pharmacology platform, originally developed and validated using plasma kallikrein knockout mice at the Joslin Diabetes Center and Harvard Medical School, we have screened and characterized the pharmacodynamic effects of KalVista's oral plasma kallikrein inhibitors. We were the first to demonstrate that plasma kallikrein inhibition and gene knockout are protective against VEGF-induced retinal edema.

Using subcutaneously implanted osmotic pumps we have quantified the dose-dependent pharmacodynamic effect of plasma kallikrein inhibitors on VEGF-induced retinal edema and have correlated these effects with both plasma and retinal drug concentrations. Moreover, using gavage we have characterized the pharmacokinetic and pharmacodynamics effects of orally administered plasma kallikrein inhibitors on retinal edema. These models and protocols have enabled detailed characterization and comparison of the effects of multiple oral plasma kallikrein inhibitors on retinal edema.

KVD001

Our first potential DME therapy is KVD001. KVD001 is a potent inhibitor of human plasma kallikrein with a Ki of approximately 10 nM and a high degree of selectivity against a broad range of other proteases. We have developed KVD001 for intravitreal injection because we believe that trials using this delivery modality will provide a relatively early and direct proof-of-concept since the molecule is delivered directly to the site of edema. Since other products such as anti-VEGF therapies are also delivered intravitreally, we believe this will be accepted by both physicians and patients and will not lead to any competitive disadvantages. Another inherent advantage of intravitreal administration is that there is very limited systemic exposure, thus reducing potential systemic safety concerns.

In December 2019 we announced data from a Phase 2 trial for KVD001. This study evaluated the safety and efficacy of two dose levels (3µg and 6µg) of KVD001 compared to a sham control in 129 DME patients who had previously been treated with anti-VEGF therapy, and still had significant edema and reduced visual acuity. The primary efficacy endpoint of change in best corrected visual acuity ("BCVA") at 16 weeks compared to sham was not met. No significant differences were observed in the secondary endpoints of central subfield thickness or the diabetic retinopathy severity scale. KVD001 was generally safe and well tolerated with no drug-related serious adverse events. In the overall study population, KVD001 demonstrated a protection against vision loss. In the sham treated group 54.5% of patients experienced a reduction in vision compared to 32.5% in the 6µg dose (p=0.042). The study also included a pre-specified subgroup analysis investigating the impact of baseline visual acuity on response. After excluding those patients with the most severe vision loss (visual acuity of <55 letters at baseline), the remaining 70% of the total patient population showed a difference in BCVA compared to sham of 4.9 letters (p=0.056) at the 6µg dose.

We continue to believe that the results of the KVD001 Phase 2 study suggest a patient population in which plasma kallikrein inhibition may yield vision benefits, and we intend to explore further development opportunities for this and oral DME programs over time.

Potential for Oral DME Therapies

In parallel with the clinical development of our intravitreal product candidate KVD001, we intend to identify and advance plasma kallikrein inhibitors as oral therapies for DME. We believe that a safe and effective oral therapy has the potential to transform the treatment of DME which to date has been dominated by drug therapies that must be injected intravitreally. Future trials in DME with oral plasma kallikrein inhibitors may focus on the treatment of earlier stage disease, a stage at which intravitreal injections are not a desirable solution due to their inherently invasive nature and consequent risk of adverse reactions.

Competition

In treating HAE, we expect to face competition from several FDA-approved therapeutics, including Takhzyro and Cinryze, marketed by Takeda Pharmaceuticals Company Limited ("Takeda") in the United States and Europe for the prevention of angioedema attacks in adults and adolescents; Firazyr, marketed by Takeda in the United States, Europe and certain other geographic territories for the treatment of acute angioedema attacks in adult patients; Kalbitor, an injectable plasma kallikrein inhibitor marketed by Takeda for the resolution of acute attacks in adolescent and adult HAE patients; Berinert, marketed by CSL Behring for treatment of acute abdominal, facial or laryngeal attacks of HAE in adults and adolescents, and Haegarda, also marketed by CSL Behring, for prophylaxis; Ruconest, marketed by Pharming Group for the treatment of acute angioedema attacks in adult patients; and Orladeyo, an oral prophylactic treatment marketed by BioCryst Pharmaceuticals, Inc. We are also aware of other companies that are engaged in the clinical development of other HAE treatments, including Pharvaris GmbH, Intellia Therapeutics, Inc. and Ionis Pharmaceuticals, Inc. We are aware of several other companies in preclinical development of potential HAE therapies.

In treating DME, we expect to face competition from several FDA-approved therapeutics, including anti-VEGF therapies Lucentis, marketed by Roche Holding AG ("Roche") and Novartis International AG ("Novartis"), Eylea, marketed by Regeneron Pharmaceuticals ("Regeneron"), and off-label use of Avastin from Roche. We also face competition from various corticoid steroids including extended release formulations Iluvien, marketed by

Alimera Sciences, Inc., and Ozurdex, marketed by Allergan plc. We further expect to compete with generic corticosteroids such as fluocinolone acetonide, and dexamethasone and we are aware of a number of other companies that have product candidates in clinical trials, including Novartis, GlaxoSmithKline plc, Boehringer Ingelheim, Roche, Regeneron, Ohr Pharmaceutical, Inc., Aerpio Therapeutics, Oxurion NV and Allegro Ophthalmics, LLC.

Intellectual Property

Our success substantially depends on our ability to obtain and maintain patents and other forms of intellectual property rights for our product candidates, methods used to manufacture our product candidates and methods for treating patients using our product candidates, as well as our ability to preserve our trade secrets, to prevent third parties from infringing upon our proprietary rights and to operate without infringing upon the proprietary rights of others. Our patent portfolio includes patents and patent applications covering plasma kallikrein inhibitors ("the plasma kallikrein portfolio), and patent applications covering factor XIIa (FXIIa) inhibitors ("the FXIIa portfolio").

In the plasma kallikrein portfolio, as of April 30, 2021, we are the owner of fifteen U.S. patents expiring between 2023 and 2037, absent any extensions, as well as eleven pending U.S. patent applications and five pending US provisional applications. Any patents issuing from the foregoing U.S. patent applications are expected to expire in between 2034 and 2038, absent any adjustments or extensions. In the plasma kallikrein portfolio, as of April 30, 2021, we owned a total of 198 pending foreign applications and 332 patents in foreign jurisdictions. Any issued patents, or those issuing from these foreign patent applications, are expected to expire between 2023 and 2041, absent any adjustments or extensions. In the plasma kallikrein portfolio, as of April 30, 2021, we also controlled five pending international applications that, if issued, are expected to expire between 2039 and 2040, absent any adjustments or extensions.

KVD001, an intravitreally administered plasma kallikrein inhibitor, is covered by U.S. patents and U.S. patent applications covering composition of matter, methods of treatment, solid form and clinical formulations. The anticipated expiration dates of these patents, or patents arising from applications, range from 2032 to 2040, absent any adjustments or extensions. KVD001 is also covered by European patents with the European Patent Office ("EPO") and European patent applications, covering composition of matter, medical use, solid form and clinical formulations. The anticipated expiration dates of these European patents, or European patents arising from applications, range from 2032 to 2040 absent any extensions.

Our portfolio of oral plasma kallikrein inhibitors, including KVD900 and KVD824, is covered by U.S. patents, U.S. patent applications and U.S. provisional applications, and pending international applications covering composition of matter, methods of treatment, solid form and clinical formulations and the anticipated expiration dates of these patents, patents arising from those applications, or patents arising from applications claiming priority from provisional applications range from 2035 to 2042, absent any adjustments or extensions. Our portfolio of oral plasma kallikrein inhibitors, including KVD900 and KVD824, is also covered by EPO patents, European patent applications, and expected European patent applications claiming priority from U.S. provisional applications, covering composition of matter, medical use, solid form and clinical formulations. The anticipated expiration dates of these European patents, or European patents arising from applications, range from 2035 to 2042 absent any extensions.

In the FXIIa portfolio, as of April 30, 2021, we are the owner of four pending U.S. provisional applications, six pending international applications, and sixteen pending foreign applications in multiple jurisdictions. Any patents issuing from the foregoing applications in the FXIIa portfolio are expected to expire in between 2039 and 2041, absent any adjustments or extensions.

Patents extend for varying periods according to the date of patent filing or grant and the legal term of patents in various countries where patent protection is obtained. The actual protection afforded by a patent, which can vary from country to country, depends on the type of patent, the scope of its coverage and the availability of legal remedies in the country.

We also use other forms of protection, such as trademark, copyright and trade secret protection for our intellectual property, particularly where we do not believe patent protection is appropriate or obtainable. We require

our employees, consultants, contractors and other advisors to execute nondisclosure and assignment of invention agreements upon commencement of their respective employment or engagement. In addition, we also require confidentiality or service agreements from third parties that receive confidential information or materials.

Government Regulation and Product Approval

Government authorities in the United States, at the federal, state and local level, and in other countries and jurisdictions, including the United Kingdom and European Union, extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, marketing, post-approval monitoring and reporting, and import and export of pharmaceutical products. The processes for obtaining regulatory approvals in the United States and in foreign countries and jurisdictions, along with subsequent compliance with applicable statutes and regulations and other regulatory authorities, require the expenditure of substantial time and financial resources.

FDA approval process

In the United States, pharmaceutical products are subject to extensive regulation by the FDA. The Federal Food, Drug, and Cosmetic Act, and other federal and state statutes and regulations, govern, among other things, the research, development, testing, manufacture, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring and reporting, sampling, and import and export of pharmaceutical products. Failure to comply with applicable U.S. requirements may subject a company to a variety of administrative or judicial sanctions, such as clinical hold, FDA refusal to approve pending new drug applications ("NDA"), warning or untitled letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, civil penalties, and criminal prosecution.

Pharmaceutical product development for a new product or certain changes to an approved product in the United States typically involves preclinical laboratory and animal tests, the submission to the FDA of an Investigational New Drug ("IND") application, which must become effective before clinical testing may commence in the United States, and adequate and well-controlled clinical trials to establish the safety and effectiveness of the drug for each indication for which FDA approval is sought. Satisfaction of FDA approval requirements prior to marketing a pharmaceutical product typically takes many years and the actual time required may vary substantially based upon the type, complexity, and novelty of the product or disease.

Preclinical tests include laboratory evaluation of product chemistry, formulation and manufacturing process, as well as toxicity studies in animals to assess the characteristics and potential safety and efficacy of the product. The conduct of the preclinical tests must comply with federal regulations and requirements, including good laboratory practices and good manufacturing practice ("cGMP"). The results of preclinical testing are submitted to the FDA as part of an IND along with the information on product chemistry, manufacturing and controls, and a proposed clinical trial protocol. For the initial IND submission, a 30-day waiting period after the submission of the IND is required prior to the commencement of the clinical trial in humans. If the FDA has neither commented on nor questioned the IND within this 30-day period, the clinical trial proposed in the IND may begin. For subsequent clinical trial protocols submitted to the IND, there is no mandated review time for FDA. Longer duration pre-clinical studies, for example animal tests of reproductive toxicology and carcinogenicity, if required, will be conducted and submitted to the IND throughout the development of the product until sufficient data is available to support submission of an NDA. Clinical trials involve the administration of the investigational drug to healthy volunteers or patients under the supervision of a qualified investigator. Clinical trials must be conducted: (i) in compliance with federal regulations; (ii) in compliance with good clinical practice ("GCP"), an international standard designed to protect the rights, safety and well-being of trial subjects and to define the roles of clinical trial sponsors, administrators and monitors; as well as (iii) under protocols detailing the objectives of the trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. Each protocol involving testing on U.S. patients and subsequent protocol amendments must be submitted to the FDA as part of the IND.

The FDA may order the temporary, or permanent, discontinuation of a clinical trial at any time, or impose other sanctions if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial patients. The trial protocol and informed consent information for patients in clinical trials must also be submitted to an institutional review board ("IRB"), for

approval prior to the start of the clinical trial. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB's requirements, or may impose other conditions.

Clinical trials to support NDAs for marketing approval are typically conducted in three sequential phases, but the phases may overlap. In Phase 1, the initial introduction of the drug into healthy human subjects or patients, the product is tested to assess metabolism, pharmacokinetics, pharmacological actions, side effects associated with increasing doses, and, if possible, early evidence on effectiveness. Phase 2 usually involves trials in a limited patient population to determine the effectiveness of the drug for a particular indication, dosage tolerance and optimum dose, and to identify common adverse effects and safety risks. If a compound demonstrates evidence of effectiveness and an acceptable safety profile in Phase 2 evaluations, Phase 3 trials are undertaken to obtain the additional information about clinical efficacy and safety in a larger number of patients, typically at geographically dispersed clinical trial sites, to permit the FDA to evaluate the overall benefit risk relationship of the drug and to provide adequate information for the labeling of the product. In most cases, the FDA requires two adequate and well-controlled Phase 3 clinical trials to demonstrate the efficacy of the drug. A single Phase 3 trial may be sufficient in rare instances, including (1) where the trial is a large multicenter trial demonstrating internal consistency and a statistically persuasive finding of a clinically meaningful effect on mortality, irreversible morbidity or prevention of a disease with a potentially serious or life-threatening outcome and confirmation of the result in a second trial would be practically or ethically impossible or (2) when in conjunction with other confirmatory evidence.

The manufacturer of an investigational drug in a Phase 2 or 3 clinical trial for a serious or life- threatening disease is required to make available, such as by posting on its website, its policy on evaluating and responding to requests for expanded access to such investigational drug.

After completion of the required clinical testing, an NDA is prepared and submitted to the FDA. FDA approval of the NDA is required before marketing of the product may begin in the United States. The NDA must include the results of all preclinical and clinical data, including pharmacology and toxicology results, and the results of other testing and a compilation of data relating to the product's chemistry, manufacture and controls. The cost of preparing and submitting an NDA is substantial. The submission of most NDAs is additionally subject to an application user fee, and once approved, the NDA is also subject to annual product and establishment user fees. These fees are typically increased annually. The FDA has 60 days from its receipt of an NDA to determine whether the application will be filed based on the agency's threshold determination that it is sufficiently complete to permit substantive review. Once the submission is filed, the FDA begins an in-depth review. The FDA has agreed to certain performance goals in the review of NDAs. Most such applications for standard review drug products are reviewed within ten months of the date the FDA files the NDA; most applications for priority review drugs are reviewed within six months of the date the FDA files the NDA. Priority review can be applied to a drug that the FDA determines has the potential to treat a serious or life-threatening condition and, if approved, would be a significant improvement in safety or effectiveness compared to available therapies. The review process for both standard and priority review may be extended by the FDA for three additional months to consider certain late-submitted information, or information intended to clarify information already provided in the submission.

After the FDA evaluates the NDA and the compliance of manufacturing facilities with GMP, it issues either an approval letter or a complete response letter. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing, or information, in order for the FDA to reconsider the application. If, or when, those deficiencies have been addressed to the FDA's satisfaction, the FDA will issue an approval letter. The FDA has committed to reviewing such additional data in two or six months depending on the type of information included. An approval letter authorizes commercial marketing of the drug with specific prescribing information for the indication being supported. As a condition of NDA approval, the FDA may require a risk evaluation and mitigation strategy ("REMS") if it is considered that additional measures are needed to ensure that the benefits of the drug outweigh the potential risks. REMS can include the use of medication guides and communication plans for healthcare professionals, and elements to assure safe use ("ETASU"). ETASU can include, but are not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring, and the use of patient registries. The requirement for a REMS can materially affect the potential market and profitability of the product. Moreover, product approval may require substantial post-approval testing and surveillance to monitor the product's safety or efficacy.

Once granted, product approvals may be withdrawn if compliance with regulatory standards is not maintained or problems are identified following initial marketing. Changes to some of the conditions established in an approved application, including changes in indications, labeling, or manufacturing processes or facilities, require submission and FDA approval of a new NDA or NDA supplement before the change can be implemented. An NDA supplement for a new indication typically requires clinical data similar to that in the original application, and the FDA uses the same procedures and actions in reviewing NDA supplements as it does in reviewing NDAs.

Foreign clinical studies to support an NDA

The FDA will accept as support for marketing approval of a product (NDA) well-designed, well-conducted, clinical studies conducted outside of the United States if the studies have been conducted in accordance with the exact same standards of GCP, as required in the United States, and the protocol was submitted to the IND. FDA may validate the data from the study through an onsite inspection, if necessary. Clinical studies conducted outside the United States are subject to the same rigorous regulatory controls as the United States (see "— Europe / rest of world government regulation" below).

A sponsor or applicant who wishes to rely on a non-IND foreign clinical study to support an IND must submit documentation to the FDA to demonstrate compliance with GCP. The FDA may also request to inspect a foreign clinical study site to confirm compliance.

Orphan drug designation

Under the Orphan Drug Act, the FDA may grant orphan drug designation if a compound has the potential to treat a rare disease or condition, generally a disease or condition that affects fewer than 200,000 individuals in the United States, or if it affects more than 200,000 individuals in the United States, if there is no reasonable expectation that the cost of developing and making a product available in the United States for such disease or condition will be recovered from sales of the product.

Orphan drug designation must be requested prior to submitting an NDA. After the FDA grants orphan drug designation, the generic identity of the compound and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process of an NDA. The first NDA applicant to receive FDA approval for a drug product containing a compound that has FDA orphan drug designation is entitled to a seven-year exclusive marketing period in the United States for that drug product for that orphan indication. During the seven-year exclusivity period, the FDA may not approve any other applications to market a drug product containing the same active moiety for the same disease, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. A product is clinically superior if it is safer, more effective or makes a major contribution to patient care. Orphan drug exclusivity does not prevent the FDA from approving a drug product containing a different active moiety for the same disease or condition, or the same drug product for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the NDA user fee.

Fast Track Designation and Priority Review

The FDA is required to facilitate the development, and expedite the review, of drugs that are intended for the treatment of a serious or life-threatening disease or condition for which there is no effective treatment and which demonstrate the potential to address unmet medical needs for the condition. Fast track designation may be granted for products that are intended to treat a serious or life-threatening disease or condition for which there is no effective treatment and preclinical or clinical data demonstrate the potential to address unmet medical needs for the condition. Fast track designation applies to both the product and the specific indication for which it is being studied. Any product submitted to FDA for marketing, including under a fast track program, may be eligible for other types of FDA programs intended to expedite development and review, such as priority review.

Priority review may be granted for products that are intended to treat a serious or life-threatening condition and, if approved, would provide a significant improvement in safety and effectiveness compared to available therapies. FDA will attempt to direct additional resources to the evaluation of an application designated for priority review in an effort to facilitate the review.

Disclosure of clinical trial information

Sponsors of clinical trials of FDA-regulated products, including drugs, are required to register and disclose certain clinical trial information on the website www.clinicaltrials.gov. Information related to the product, patient population, phase of investigation, trial sites and investigators, and other aspects of the clinical trial is then made public as part of the registration. Sponsors are also obligated to discuss the results of their clinical trials after completion. Disclosure of the results of these trials can be delayed in certain circumstances for up to two years after the date of completion of the trial. Competitors may use this publicly available information to gain knowledge regarding the progress of clinical development programs as well as clinical trial design.

Pediatric information

Under the Pediatric Research Equity Act ("PREA") NDAs or supplements to NDAs must contain data to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the drug product is safe and effective. The FDA may grant full or partial waivers, or deferrals, for submission of data. Unless otherwise required by regulation, PREA does not apply to any drug product for an indication for which orphan designation has been granted.

Post-approval requirements

Once an NDA is approved, a product will be subject to certain post-approval requirements. For instance, the FDA closely regulates the post-approval marketing and promotion of drugs, including standards and regulations for direct-to-consumer advertising, off-label promotion, industry-sponsored scientific and educational activities and promotional activities involving the internet. Drugs may be marketed only for the approved indications and in accordance with the provisions of the approved labeling.

Adverse event reporting and submission of periodic reports is required following FDA approval of an NDA. The FDA also may require post-marketing testing, known as Phase 4 testing, REMS, and surveillance to monitor the effects of an approved product, or the FDA may place conditions on an approval that could restrict the distribution or use of the product. In addition, quality control, drug product manufacture, packaging, and labeling procedures must continue to conform to cGMPs after approval. Drug manufacturers and certain of their subcontractors are required to register their establishments with the FDA and certain state agencies. Registration with the FDA subjects entities to periodic unannounced inspections by the FDA, during which the agency inspects manufacturing facilities to assess compliance with cGMPs. Accordingly, manufacturers must continue to expend time, money, and effort in the areas of production and quality-control to maintain compliance with cGMPs. Regulatory authorities may withdraw product approvals or request product recalls if a company fails to comply with regulatory standards, if it encounters problems following initial marketing, or if previously unrecognized problems are subsequently discovered.

Other U.S. healthcare laws and compliance requirements

In the United States, our activities are potentially subject to regulation by various federal, state and local authorities in addition to the FDA, including but not limited to, the Centers for Medicare and Medicaid Services ("CMS"), other divisions of the U.S. Department of Health and Human Services (such as the Office of Inspector General), the U.S. Department of Justice ("DOJ"), and individual U.S. Attorney offices within the DOJ, and state and local governments. For example, sales, marketing and scientific/educational grant programs may have to comply with the anti-fraud and abuse provisions of the Social Security Act, the federal false claims laws, the privacy and security provisions of the Health Insurance Portability and Accountability Act ("HIPAA"), and similar state laws, each as amended, as applicable.

The federal Anti-Kickback Statute prohibits, among other things, any person or entity, from knowingly and willfully offering, paying, soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce or in return for purchasing, leasing, ordering, recommending or arranging for the purchase, lease or order of any item or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The term remuneration has been interpreted broadly to include anything of value. The Anti-Kickback Statute has

been interpreted to apply to arrangements between pharmaceutical manufacturers on one hand and prescribers, purchasers, and/or formulary managers on the other. There are a number of statutory exceptions and regulatory safe harbors protecting certain common activities from prosecution or other regulatory sanctions. The exceptions and safe harbors are drawn narrowly and practices that involve remuneration that may be alleged to be intended to induce prescribing, purchasing or recommending may be subject to scrutiny if they do not qualify for an exception or safe harbor. Failure to meet all of the requirements of a particular applicable statutory exception or regulatory safe harbor does not make the conduct per se illegal under the Anti-Kickback Statute. Instead, the legality of the arrangement will be evaluated on a case-by-case basis based on a cumulative review of all of its facts and circumstances. Practices may not in all cases meet all of the criteria for protection under a statutory exception or regulatory safe harbor. In addition, the statutory exceptions and regulatory safe harbors are subject to change.

Additionally, the intent standard under the Anti-Kickback Statute was amended by the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act (collectively, the "ACA") to a stricter standard such that a person or entity no longer needs to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. In addition, the ACA codified case law that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act (discussed below).

The civil monetary penalties statute imposes penalties against any person or entity who, among other things, is determined to have presented or caused to be presented a claim to a federal health program that the person knows or should know is for an item or service that was not provided as claimed or is false or fraudulent.

Federal false claims laws, including the federal civil False Claims Act, prohibit, among other things, any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to, or approval by, the federal government or knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes "any request or demand" for money or property presented to the U.S. government. In addition, manufacturers can be held liable under the civil False Claims Act even when they do not submit claims directly to government payors if they are deemed to "cause" the submission of false or fraudulent claims. Pharmaceutical and other healthcare companies have been prosecuted under these laws for, among other things, allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. Other companies have been prosecuted for causing false claims to be submitted because of the companies' marketing of the product for unapproved, and thus generally non-reimbursable, uses and purportedly concealing price concessions in the pricing information submitted to the government for government price reporting purposes.

HIPAA created additional federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud or to obtain, by means of false or fraudulent pretenses, representations or promises, any money or property owned by, or under the control or custody of, any healthcare benefit program, including private third-party payors and knowingly and willfully falsifying, concealing or covering up by trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statement in connection with the delivery of or payment for healthcare benefits, items or services. Similar to the Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation.

Also, many states have similar fraud and abuse statutes or regulations that apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor.

Data privacy and security regulations by both the federal government and the states in which business is conducted may also be applicable. HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and its implementing regulations, imposes requirements relating to the privacy, security and transmission of individually identifiable health information. HIPAA requires covered entities to limit the use and transmission of individually identifiable health information. HIPAA requires covered entities to limit the use and disclosure of protected health information to specifically authorized situations and requires covered entities to implement security measures to protect health information that they maintain in electronic form. Among other things, HITECH made HIPAA's security standards directly applicable to business associates, independent contractors or agents of covered entities that receive or obtain protected health information in connection with providing a service on behalf of a covered entity. HITECH also created four new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions. In addition, state laws govern the privacy and security of health information in specified circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

Additionally, the federal Physician Payments Sunshine Act within the ACA, and its implementing regulations, require that certain manufacturers of drugs, devices, biological and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) report annually to CMS information related to certain payments or other transfers of value made or distributed to physicians and teaching hospitals, or to entities or individuals at the request of, or designated on behalf of, the physicians and teaching hospitals and to report annually certain ownership and investment interests held by physicians and their immediate family members. Moreover, the Drug Supply Chain Security Act imposes new obligations on manufacturers of pharmaceutical products related to product tracking and tracing. Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products.

In order to distribute products commercially, we must comply with state laws that require the registration of manufacturers and wholesale distributors of drug products in a state, including, in certain states, manufacturers and distributors who ship products into the state even if such manufacturers or distributors have no place of business within the state. Some states also impose requirements on manufacturers and distributors to establish the pedigree of product in the chain of distribution, including some states that require manufacturers and others to adopt new technology capable of tracking and tracing product as it moves through the distribution chain. Several states have enacted legislation requiring pharmaceutical and biotechnology companies to establish marketing compliance programs, file periodic reports with the state, make periodic public disclosures on sales, marketing, pricing, clinical trials and other activities, and/or register their sales representatives, as well as to prohibit pharmacies and other healthcare entities from providing certain physician prescribing data to pharmaceutical and biotechnology companies for use in sales and marketing, and to prohibit certain other sales and marketing practices. Certain local jurisdictions also require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures. Sales and marketing activities are also potentially subject to federal and state consumer protection and unfair competition laws.

If our operations are found to be in violation of any of the federal and state healthcare laws described above or any other governmental regulations that apply to us, we may be subject to penalties, including without limitation, significant civil, criminal and/or administrative penalties, damages, fines, disgorgement, exclusion from participation in government programs, such as Medicare and Medicaid, imprisonment, injunctions, private "qui tam" actions brought by individual whistleblowers in the name of the government, or refusal to allow us to enter into government contracts, contractual damages, reputational harm, administrative burdens, diminished profits and future earnings, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

Coverage, pricing and reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any product candidates for which we obtain regulatory approval. In the United States and markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend, in part, on the extent to which third party payors

provide coverage, and establish adequate reimbursement levels for such products. In the United States, third party payors include federal and state healthcare programs, private managed care providers, health insurers and other organizations. The process for determining whether a third party payor will provide coverage for a product may be separate from the process for setting the price of a product or for establishing the reimbursement rate that such a payor will pay for the product. Third party payors may limit coverage to specific products on an approved list, also known as a formulary, which might not include all of the FDA-approved products for a particular indication. Third party payors are increasingly challenging the price, examining the medical necessity and reviewing the cost-effectiveness of medical products, therapies and services, in addition to questioning their safety and efficacy. We may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of its products, in addition to the costs required to obtain the FDA approvals. Our product candidates may not be considered medically necessary or cost-effective. A payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage for the product. Adequate third party reimbursement may not be available to enable us to maintain price levels sufficient to realize an appropriate return on its investment in product development.

Different pricing and reimbursement schemes exist in other countries. In the EU, governments influence the price of pharmaceutical products through their pricing and reimbursement rules and control of national health care systems that fund a large part of the cost of those products to consumers. Some jurisdictions operate positive and negative list systems under which products may only be marketed once a reimbursement price has been agreed. To obtain reimbursement or pricing approval, some of these countries may require the completion of clinical trials that compare the cost effectiveness of a particular product candidate to currently available therapies. Other member states allow companies to fix their own prices for medicines but monitor and control company profits. The downward pressure on health care costs has become intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert a commercial pressure on pricing within a country.

The marketability of any product candidates for which we receive regulatory approval for commercial sale may suffer if the government and third party payors fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on healthcare pricing. Coverage policies and third party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which we receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

U.S. Healthcare reform

In the United States there have been, and continue to be, proposals by the federal government, state governments, regulators and third-party payors to control or manage the increased costs of health care and, more generally, to reform the U.S. healthcare system. For example, in March 2010, the presidential administration signed into law the ACA, which substantially changed healthcare financing and delivery by both governmental and private insurers, and significantly impacted the pharmaceutical and biotechnology industry.

Among the ACA provisions of importance to the pharmaceutical industries, in addition to those otherwise described above, are the following:

- subjected therapeutic biologics to potential competition by lower-cost biosimilars by creating a licensure framework for follow-on biologic products;
- proscribed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs and therapeutic biologics that are inhaled, infused, instilled, implanted, or injected;
- increased the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program and extended the rebate program to individuals enrolled in Medicaid managed care organizations;

- established annual fees and taxes on manufacturers of certain branded prescription drugs and therapeutic biologics;
- established a Medicare Part D coverage gap discount program, in which manufacturers must agree to offer point-of-sale discounts (now 70%) off negotiated prices of applicable brand drugs and therapeutic biologics to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs and therapeutic biologics to be covered under Medicare Part D;
- expanded eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to additional individuals and by adding new mandatory eligibility categories for individuals with income at or below 133% of the federal poverty level, thereby potentially increasing manufacturers' Medicaid rebate liability;
- expanded the entities eligible for discounts under the Public Health Service program;
- created a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research; and
- established a Center for Medicare Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription drug spending.

In the United States, there have also been legislative and judicial efforts to modify, repeal, or otherwise invalidate all, or certain provisions of, the ACA. Following January 2017, the presidential administration issued two executive orders and other directives designed to delay the implementation of certain provisions of the ACA or otherwise circumvent some of the requirements for health insurance mandated by the ACA. For example, on October 12, 2017, the presidential administration issued an executive order that expands the use of association health plans and allows anyone to purchase short-term health plans that provide temporary, limited insurance. This executive order also called for the halt of federal payments to health insurers for cost-sharing reductions previously available to lower-income Americans to afford coverage. There is still uncertainty with respect to the impact this executive order could have on coverage and reimbursement for healthcare items and services covered by plans that were authorized by the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, two bills affecting the implementation of certain taxes under the ACA have been signed into law. The Tax Cuts and Jobs Act of 2017, among other things, includes a provision repealing, effective January 1, 2019, the tax-based shared responsibility payment imposed by the ACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the "individual mandate". It is uncertain how healthcare measures of the current presidential administration will impact the ACA and our business. There is still uncertainty with respect to the impact the current presidential administration and the Congress may have, if any, and any changes will likely take time to unfold, and could have an impact on coverage and reimbursement for healthcare items and services covered by plans that were authorized by the ACA. However, we cannot predict the ultimate content, timing or effect of any healthcare reform legislation or the impact of potential legislation on us.

In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted. For example, in August 2011, the President signed into law the Budget Control Act of 2011, which, among other things, created the Joint Select Committee on Deficit Reduction to recommend to Congress proposals in spending reductions. The Joint Select Committee on Deficit Reduction did not achieve a targeted deficit reduction of at least $1.2 trillion for fiscal years 2012 through 2021, triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, which went into effect beginning on April 1, 2013, and due to subsequent legislative amendments to the statute, will remain in effect through 2030, with the exception of a temporary suspension from May 1, 2020 through December 31, 2021 due to the COVID-19 pandemic, unless additional Congressional action is taken. Additionally, in January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, reduced Medicare payments to several providers, including hospitals and imaging centers. These new laws may result in additional reductions in Medicare and other healthcare funding, which could have a material adverse effect on customers for our products, if approved, and, accordingly, our financial operations.

There has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs. Such scrutiny has resulted in several recent congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for products. At the federal level, the former presidential administration used several means to propose or implement drug pricing reform, including through federal budget proposals, executive orders, and policy initiatives. It is unclear whether the current administration will work to reverse those measures or pursue similar policy initiatives. On March 11, 2021, the President signed the American Rescue Plan Act of 2021 into law, which eliminates the statutory Medicaid drug rebate cap, currently set at 100% of a drug's average manufacturer price, for single source and innovator multiple source drugs, beginning January 1, 2024. At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent the generation revenue, attainment profitability, or commercialization of products. In addition, it is possible that there will be further legislation or regulation that could harm the business, financial condition and results of operations.

The Foreign Corrupt Practices Act

The Foreign Corrupt Practices Act ("FCPA") prohibits any U.S. individual or business from paying, offering, or authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring us to maintain books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations.

Additional regulation

In addition to the foregoing, state and federal laws regarding environmental protection and hazardous substances, including the Occupational Safety and Health Act, the Resource Conservancy and Recovery Act and the Toxic Substances Control Act, affect our business. These and other laws govern the use, handling and disposal of various biological, chemical and radioactive substances used in, and wastes generated by, our operations. If our operations result in contamination of the environment or expose individuals to hazardous substances, we could be liable for damages and governmental fines. We believe that we are in material compliance with applicable environmental laws and that continued compliance therewith will not have a material adverse effect on our business. We cannot predict, however, how changes in these laws may affect our future operations.

Europe / rest of world government regulation

In addition to regulations in the United States, we are subject to a variety of regulations in other jurisdictions governing, among other things, clinical trials and any commercial sales and distribution of our products. Whether or not we obtain FDA approval of a product, we must obtain the requisite approvals from regulatory authorities in foreign countries prior to the commencement of clinical trials or marketing of the product in those countries. Certain countries outside of the United States have a similar process that requires the submission of a clinical trial application much like the IND prior to the commencement of human clinical trials. In the European Union, for example, a clinical trial application must be submitted to each country's national health authority and an independent ethics committee, much like the FDA and IRB, respectively. Once the clinical trial application is approved in accordance with a country's requirements, clinical trial development may proceed. The requirements and process governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country in the European Union. In all cases, the clinical trials are conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

To obtain regulatory approval of a drug product under European Union regulatory systems, we must submit a marketing authorization application ("MAA"). The documentation submitted to the FDA in support of an NDA in the United States is almost identical to that required in the European Union, with the exception of, among other things, country-specific document requirements. For other countries outside of the European Union, such as countries in Eastern Europe, Latin America or Asia, the requirements governing the conduct of clinical trials, product licensing, pricing and reimbursement vary from country to country. In all cases, again, the clinical trials are conducted in accordance with GCP and the applicable regulatory requirements and the ethical principles that have their origin in the Declaration of Helsinki.

If we or our potential collaborators fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions and criminal prosecution.

Other regulations

We are subject to numerous federal, state and local laws relating to such matters as safe working conditions, manufacturing practices, environmental protection, fire hazard control, and disposal of hazardous or potentially hazardous substances. We may incur significant costs to comply with such laws and regulations now or in the future.

Human Capital Resources

As of April 30, 2021, we had a total of 70 full-time employees, of whom 28 were located in the United States, 41 were located in the United Kingdom, and 1 was located in Switzerland. None of our employees are represented by a labor union or covered by a collective bargaining agreement. We have not experienced any work stoppages and consider our relations with employees to be good. We believe that our future success largely depends upon our continued ability to attract and retain highly skilled employees. We emphasize a number of measures and objectives in managing our human capital assets, and we provide our employees with competitive salaries and bonuses, opportunities for equity ownership, development programs that enable continued learning and growth and a robust employment package that promotes well-being across all aspects of their lives, including health care, retirement planning and paid time off. In July 2021, the Company adopted an Equity Inducement Plan in order to provide incentives to attract and motivate employees through the grant of stock options and restricted share units.

Corporate Information

Our principal executive offices are located at 55 Cambridge Parkway, Suite 901 East, Cambridge, MA 02142, and our telephone number is (857) 999-0075. Our website address is www.kalvista.com. The information contained on, or that can be accessed through, our website is not a part of this report. We have included our website address in this report solely as an inactive textual reference.

Available Information

We file annual, quarterly, and current reports, proxy statements, and other documents with the Securities and Exchange Commission ("SEC") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which are available on our corporate website at www.kalvista.com as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. Also, the SEC maintains an Internet website that contains reports, proxy and information statements, and other information regarding issuers, including us, that file electronically with the SEC. The public can obtain any documents that we file with the SEC at www.sec.gov. The information posted on or accessible through these websites are not incorporated into this filing.

Item 1A.

Summary of Risk Factors

An investment in our common stock involves various risks, and prospective investors are urged to carefully consider the matters discussed in the section titled "Risk Factors" prior to making an investment in our common stock. These risks include, but are not limited to, the following:

- The novel strain of coronavirus, SARS-CoV-2 ("COVID-19") outbreak has caused, and has the potential to further cause, disruptions in our business, financial condition and results of operations, including the execution of our clinical development activities and the use and sufficiency of our existing cash.
- We have incurred significant losses since our inception. We expect to incur losses over the next several years and may never achieve or maintain profitability.
- Our limited operating history may make it difficult to evaluate the success of our business to date and to assess our future viability.
- We will need substantial additional funding. If we are unable to raise capital when needed, we may need to delay, reduce or eliminate our product development programs or commercialization efforts.
- We are early in our development efforts. If we are unable to successfully develop and commercialize one or more of our compounds, or if we experience significant delays in doing so, the business will be materially harmed.
- Clinical drug development involves a lengthy and expensive process, with an uncertain outcome. We may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our product candidates.
- If we experience delays or difficulties in the enrollment of patients in clinical trials, our receipt of necessary regulatory approvals could be delayed or prevented and expenses for development of our product candidates could increase.
- If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals, we will not be able to commercialize our product candidates, and our ability to generate revenue will be materially impaired.
- We may seek orphan drug exclusivity for some of our product candidates, and we may be unsuccessful.
- A Fast Track designation by the FDA may not lead to a faster development or regulatory review or approval process and does not increase the likelihood that our product candidates will receive marketing approval.
- Failure to obtain marketing approval in international jurisdictions would prevent our product candidates from being marketed abroad.

- Even if any of our product candidates receives marketing approval, we may fail to achieve the degree of market acceptance by physicians, patients, third party payors and others in the medical community necessary for commercial success.

- We face substantial competition, which may result in others discovering, developing or commercializing competing products before or more successfully than we do.

- The insurance coverage and reimbursement status of newly approved products is uncertain. Failure to obtain or maintain adequate coverage and reimbursement for new or current products could limit our ability to market those products and decrease our ability to generate revenue.

- We contract with third parties for the manufacture of our product candidates for preclinical and clinical testing and we expect to continue to do so for commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or products at an acceptable cost and quality, which could delay, prevent or impair our development or commercialization efforts.

- If we are unable to obtain and maintain intellectual property protection for our technology and products or if the scope of the intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired.

- Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

- Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

- We expect to expand our development and regulatory capabilities and potentially implement sales, marketing and distribution capabilities, and as a result, we may encounter difficulties in managing our growth, which could disrupt our operations.

- Our stock price is volatile and our stockholders may not be able to resell shares of our common stock at or above the price they paid.

- Shareholder activism could cause material disruption to our business.

- Provisions in our charter documents and under Delaware law could discourage a takeover that stockholders may consider favorable and may lead to entrenchment of management.

- Unstable or unfavorable global market and economic conditions may have adverse consequences on our business, financial condition and stock price.

Risk Factors

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K,

including the consolidated financial statements, the notes thereto and the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this Annual Report on Form 10-K before deciding whether to invest in shares of our common stock. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. If any of the following risks actually occur, our business, financial condition, results of operations and future prospects could be materially and adversely affected. In that event, the market price of our stock could decline, and you could lose part or all of your investment.

Risks Related to Our Business

The novel strain of coronavirus, SARS-CoV-2 ("COVID-19") outbreak has caused, and has the potential to further cause, disruptions in our business, financial condition and results of operations, including the execution of our clinical development activities and the use and sufficiency of our existing cash.

The COVID-19 global pandemic has disrupted many of our operating activities, including our recently completed Phase 2 trial for KVD900. We may continue to experience delays or difficulties with respect to our clinical trials as a result of delays in clinical site initiations and the enrollment of patients in our future clinical trials, including difficulties in recruiting clinical site investigators and clinical site staff due to the COVID-19 pandemic. Any such delays to our planned clinical trial timelines could also impact the use and sufficiency of our existing cash reserves, and we may be required to raise additional capital earlier than we had previously planned. We may be unable to raise additional capital if and when needed, which may result in further delays or suspension of our development plans. If we are able to raise additional capital, challenging and uncertain economic conditions can make capital raising costly and dilutive.

Further, the extent to which the COVID-19 pandemic impacts our ability to procure resources, raw materials or components necessary for our research studies or preclinical or clinical development will depend on unpredictable future developments, including new information that may emerge about the severity of the coronavirus and the actions to contain the coronavirus or treat its effects, among others.

Additionally, our operations have been, and may continue to experience disruptions, such as due to temporary closure of our offices or those of our suppliers and suspension of services, which may materially and adversely affect our development timelines, and our business, financial condition and results of operations.

The spread of COVID-19, which has caused a broad impact globally, including restrictions on travel and quarantine policies put into place by businesses and governments, may have a material adverse effect on our business. While the potential economic impact brought by, and the duration of, the COVID-19 pandemic may be difficult to assess or predict, it has already caused, and is likely to result in further, significant disruption of global financial markets and the trading prices for our common stock and other biopharmaceutical companies have been highly volatile as a result of the COVID-19 pandemic, which may reduce our ability to access capital either at all or on favorable terms.

The ultimate impact of the current COVID-19 pandemic, or any other health epidemic, is highly uncertain and subject to change. We do not yet know the full extent of potential delays or impacts on our business, our clinical trials, healthcare systems or the global economy as a whole. However, these effects could have a material adverse impact on our operations, and we will continue to monitor the situation closely.

We have incurred significant losses since our inception. We expect to incur losses over the next several years and may never achieve or maintain profitability.

Since inception, we have incurred significant operating losses as we focused on our discovery efforts and developing our product candidates. We expect that it will be many years, if ever, before we have a product candidate ready for commercialization. To date, we have financed our operations primarily through sales of our stock and a previous option agreement with Merck and associated private placement. We expect to continue to incur significant

expenses and increasing operating losses for the foreseeable future. We anticipate that our expenses will increase substantially if and as we:

- continue clinical development of our current product candidates;
- seek to identify additional product candidates;
- acquire or in-license other products and technologies or enter into collaboration arrangements with regards to product discovery;
- initiate clinical trials for additional product candidates;
- seek marketing approvals for our product candidates that successfully complete clinical trials;
- establish a sales, marketing and distribution infrastructure to commercialize any products for which we may obtain marketing approval;
- maintain, expand and protect our intellectual property portfolio;
- hire additional personnel;
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts; and
- continue to incur increased costs as a result of operating as a public company.

To become and remain profitable, we must develop and eventually commercialize a product or products with significant market potential. This will require us to be successful in a range of challenging activities, including completing clinical trials of our product candidates, obtaining marketing approval for these product candidates and manufacturing, marketing and selling those products for which we may obtain marketing approval. We may never succeed in these activities and, even if we do, we may never generate revenues that are significant or large enough to achieve profitability. If we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would decrease the value of our business and could impair our ability to raise capital, maintain our discovery and preclinical development efforts, expand our business or continue our operations and may require us to raise additional capital that may dilute the ownership interest of common stockholders. A decline in the value of our business could also cause stockholders to lose all or part of their investment.

Our limited operating history may make it difficult to evaluate the success of our business to date and to assess our future viability.

We are a clinical stage company and our operations to date have been limited to organizing and staffing, business planning, raising capital, acquiring and developing the technology, identifying potential product candidates, and undertaking up to Phase 2 clinical studies of our most advanced product candidates. We have not yet demonstrated our ability to successfully complete large-scale, pivotal clinical trials, obtain marketing approvals, manufacture a commercial scale product or arrange for a third party to do so on our behalf, or conduct sales and marketing activities necessary for successful product commercialization. Substantial time is required to develop a new medicine from the time it is discovered to when it is available for treating patients. Consequently, any predictions made about our future success or viability based on our limited operating history to date may not be as accurate as they could be if we had a longer operating history.

In addition, we may encounter unforeseen expenses, difficulties, complications, delays and other known and unknown factors. Upon regulatory approval of our product candidates, we will need to transition from a company with a research focus to a company capable of supporting and scaling commercial activities. We may not be successful in such a transition.

We will need substantial additional funding. If we are unable to raise capital when needed, we may need to delay, reduce or eliminate our product development programs or commercialization efforts.

We expect our expenses to increase in parallel with our ongoing activities, particularly as we continue our discovery and preclinical development collaborations to identify new clinical candidates and initiate clinical trials of, and seek marketing approval for, our product candidates. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. Accordingly, we will need to obtain substantial additional funding for our continuing operations. If we are unable to raise capital when needed or on attractive terms, we may be forced to delay, reduce or eliminate our discovery and preclinical development programs or any future commercialization efforts.

Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity offerings and debt financings. We do not have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of common stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends.

Risks Related to the Discovery and Development of Our Product Candidates

We are early in our development efforts. If we are unable to successfully develop and commercialize one or more of our compounds, or if we experience significant delays in doing so, the business will be materially harmed.

We currently do not have any products that have gained regulatory approval. We have invested substantially all of our efforts and financial resources in identifying potential drug candidates and funding our preclinical and clinical studies. Our ability to generate product revenues, which we do not expect will occur for many years, if ever, will depend heavily on the successful development and eventual commercialization of our clinical stage product candidates.

We have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biopharmaceutical area. For example, to execute our business plan, we will need to successfully:

- execute ongoing clinical development activities;
- successfully complete any clinical trials beyond Phase 2;
- move other product candidates into development;
- obtain required regulatory approvals for the development and commercialization of one or more of our product candidates;
- maintain, leverage and expand our intellectual property portfolio;
- manufacture a commercial scale product or arrange for a third party to do so on our behalf;
- build and maintain robust sales, distribution and marketing capabilities for successful product commercialization, either on our own or in collaboration with strategic partners;

- gain market acceptance for one or more of our product candidates;
- develop and maintain any strategic relationships we elect to enter into; and
- manage our spending as costs and expenses increase due to drug discovery, preclinical development, clinical trials, regulatory approvals and commercialization.

If we are unsuccessful in accomplishing these objectives, we may not be able to successfully develop and commercialize KVD900, KVD824 or other product candidates, and our business will suffer.

Clinical drug development involves a lengthy and expensive process, with an uncertain outcome. We may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our product candidates.

We have not yet commercialized our product candidates and the historical failure rate in clinical drug development of product candidates in our industry is high. Before obtaining marketing approval from regulatory authorities for the sale of any product candidate, we must complete preclinical development and then conduct extensive clinical trials to demonstrate the safety and efficacy of its product candidates in humans. Clinical testing is expensive, difficult to design and implement and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. Further, the results of preclinical studies and early clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials, and interim results of a clinical trial do not necessarily predict final results. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that have believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain marketing approval of their products. It is impossible to predict when or if any of our product candidates will prove effective or safe in humans or will receive regulatory approval.

We may experience delays in our clinical trials and we do not know whether planned clinical trials will begin or enroll subjects on time, need to be redesigned or be completed on schedule, if at all. For example, in April 2021 we announced that the FDA placed a clinical hold on our IND for KVD824 that we currently are working to resolve. There can be no assurance that the FDA, Medicines & Healthcare products Regulatory Agency (the "MHRA"), the U.K. regulatory authority, or the European Medicines Agency (the "EMA") will not put any of our product candidates on clinical hold in the future. We may experience numerous unforeseen events during, or as a result of, clinical trials that could delay or prevent our ability to receive marketing approval or commercialize our product candidates. Clinical trials may be delayed, suspended or prematurely terminated for a variety of reasons, such as:

- delay or failure in reaching agreement with the FDA, MHRA, EMA or a comparable foreign regulatory authority on a trial design that we want to execute;
- delay or failure in obtaining authorization to commence a trial or inability to comply with conditions imposed by a regulatory authority regarding the scope or design of a clinical study;
- delays in reaching, or failure to reach, agreement on acceptable clinical trial contracts or clinical trial protocols with prospective trial sites;
- inability, delay, or failure in identifying and maintaining a sufficient number of trial sites, many of which may already be engaged in other clinical programs;
- delay or failure in recruiting and enrolling suitable subjects to participate in a trial, including due to the COVID-19 pandemic;
- delay or failure in having subjects complete a trial or return for post-treatment follow-up, including due to the COVID-19 pandemic;
- clinical sites and investigators deviating from trial protocol, failing to conduct the trial in accordance with regulatory requirements, or dropping out of a trial;
- the withdrawal of the United Kingdom from the European Union could materially impact the regulatory regime with respect to clinical trials in the United Kingdom or the European Union;

- lack of adequate funding to continue the clinical trial, including the incurrence of unforeseen costs due to enrollment delays, requirements to conduct additional clinical studies and increased expenses associated with the services of its clinical research organizations ("CROs") and other third parties;
- clinical trials of our product candidates may produce negative or inconclusive results, and we may decide, or regulators may require us to conduct additional clinical trials or abandon product development programs;
- the number of patients required for clinical trials of our product candidates may be larger than we anticipate, enrollment in these clinical trials may be slower than we anticipate or participants may drop out of these clinical trials at a higher rate than we anticipate;
- we may experience delays or difficulties in the enrollment of patients that our product candidates are designed to target;
- our third party contractors may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- we may have difficulty partnering with experienced CROs that can identify patients that our product candidates are designed to target and run our clinical trials effectively;
- regulators or IRBs may require that we or our investigators suspend or terminate clinical research for various reasons, including noncompliance with regulatory requirements or a finding that the participants are being exposed to unacceptable health risks;
- the cost of clinical trials of our product candidates may be greater than we anticipate;
- there may be political factors surrounding the approval process, such as government shutdowns, political instability or global pandemics such as the COVID-19 pandemic;
- the supply or quality of our product candidates or other materials necessary to conduct clinical trials of our product candidates may be insufficient or inadequate, including due to the COVID-19 pandemic; or
- there may be changes in governmental regulations or administrative actions.

If we are required to conduct additional clinical trials or other testing of our product candidates beyond those that we currently contemplate, if we are unable to successfully complete clinical trials of our product candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive or if there are safety concerns, we may:

- be delayed in obtaining marketing approval for our product candidates;
- not obtain marketing approval at all;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or safety warnings that would reduce the potential market for our products or inhibit our ability to successfully commercialize our products;
- be subject to additional post-marketing restrictions and/or testing requirements; or
- have the product removed from the market after obtaining marketing approval.

Our product development costs will also increase if we experience delays in testing or marketing approvals. We do not know whether any of our preclinical studies or clinical trials will need to be restructured or will be completed on schedule, or at all. Significant preclinical or clinical trial delays also could shorten any periods during which we may have the exclusive right to commercialize our product candidates or allow our competitors to bring products to market before we do and impair our ability to successfully commercialize our product candidates and may harm our business and results of operations.

If we experience delays or difficulties in the enrollment of patients in clinical trials, our receipt of necessary regulatory approvals could be delayed or prevented and expenses for development of our product candidates could increase.

We may not be able to initiate or continue clinical trials for our product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials to demonstrate safety and efficacy. We are conducting clinical trials of KVD900 and KVD824, and we do not know whether planned or ongoing clinical trials will enroll subjects in a timely fashion, require redesign of essential trial elements or be completed on our projected schedule. In particular, because we are focused on patients with HAE, which is a rare disease, our ability to enroll eligible patients in trials may be limited or may result in slower enrollment than we anticipate. In addition, competitors have ongoing clinical trials for product candidates that treat the same indications as our product candidates, and patients who would otherwise be eligible for our clinical trials may instead enroll in clinical trials of our competitors' product candidates. Our inability to enroll a sufficient number of patients for our clinical trials would result in significant delays and could require us to abandon one or more clinical trials altogether. The ongoing COVID-19 pandemic could also negatively affect site initiation, as well as recruitment and retention, at sites in a region or city whose health care system becomes overwhelmed as a result.

Patient enrollment is affected by many factors including:

- the eligibility criteria for the study in question;
- the perceived risks and benefits of the product candidate under study;
- the efforts to facilitate timely enrollment in clinical trials;
- the inability to identify and maintain a sufficient number of trial sites, many of which may already be engaged in other clinical trial programs, including some that may be for the same disease indication;
- the patient referral practices of physicians;
- the proximity and availability of clinical trial sites for prospective patients;
- any delays and difficulties in enrollment due to the COVID-19 pandemic;
- ambiguous or negative interim results of our clinical trials, or results that are inconsistent with earlier results;
- feedback from the FDA, MHRA, EMA, IRBs, data safety monitoring boards, or a comparable foreign regulatory authority, or results from earlier stage or concurrent preclinical and clinical studies, that might require modifications to the protocol;
- decisions by the FDA, MHRA, EMA, IRBs, a comparable foreign regulatory authority or us, or recommendations by data safety monitoring boards, to suspend or terminate clinical trials at any time for safety issues or for any other reason; and
- unacceptable risk-benefit profile or unforeseen safety issues or adverse effects.

Enrollment delays in our clinical trials may result in increased development costs for our product candidates, which would cause the value of the company to decline and limit our ability to obtain additional financing.

If we do not achieve our projected development goals in the timeframes we announce and expect, the commercialization of our products may be delayed and, as a result, our stock price may decline.

From time to time, we estimate the timing of the anticipated accomplishment of various scientific, clinical, regulatory and other product development goals, which we sometimes refer to as milestones. These milestones may include the commencement or completion of scientific studies and clinical trials and the submission of regulatory filings. From time to time, we may publicly announce the expected timing of some of these milestones. All of these milestones are and will be based on numerous assumptions. The actual timing of these milestones can vary dramatically compared to our estimates, in some cases for reasons beyond our control. If we do not meet these milestones as publicly announced, or at all, the commercialization of our products may be delayed or never achieved and, as a result, our stock price may decline.

If serious adverse events or unacceptable side effects are identified during the development of our product candidates, we may need to abandon or limit the development of some of our product candidates.

If our product candidates are associated with undesirable effects in preclinical or clinical trials or have characteristics that are unexpected, we may need to interrupt, delay or abandon their development or limit development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective. Our HAE programs, including KVD900 and KVD824, are still in the early stage of clinical testing and we have not yet determined what, if any, significant side effects may occur from dosing. Additional or more severe side effects may be identified for all our programs through further clinical studies. These or other drug-related side effects could affect patient recruitment or the ability of enrolled subjects to complete the trial or result in potential product liability claims. Any of these occurrences may significantly harm our business, financial condition and prospects.

Risks Related to Regulatory Approval of Our Product Candidates and Other Legal Compliance Matters

If we are not able to obtain, or if there are delays in obtaining, required regulatory approvals, we will not be able to commercialize our product candidates, and our ability to generate revenue will be materially impaired.

Our product candidates must be approved by the FDA pursuant to an NDA in the United States and by the EMA and similar regulatory authorities outside the United States prior to commercialization. The process of obtaining marketing approvals, both in the United States and abroad, is expensive and takes many years, if approval is obtained at all, and can vary substantially based upon a variety of factors, including the type, complexity and novelty of the product candidates involved. Failure to obtain marketing approval for a product candidate will prevent us from commercializing the product candidate. We have not received approval to market any of our product candidates from regulatory authorities in any jurisdiction. We have no experience in filing and supporting the applications necessary to gain marketing approvals and expect to rely on third party CROs to assist us in this process. Securing marketing approval requires the submission of extensive preclinical and clinical data and supporting information to regulatory authorities for each therapeutic indication to establish the product candidate's safety and efficacy. Securing marketing approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities by, the regulatory authorities. Our product candidates may not be effective, may be only moderately effective or may prove to have undesirable or unintended side effects, toxicities or other characteristics that may preclude us from obtaining marketing approval or prevent or limit commercial use. Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval and require additional preclinical, clinical or other studies. In addition, varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent marketing approval of a product candidate. Changes in marketing approval policies during the development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for each submitted product application, may also cause delays in or prevent the approval of an application.

For example, the United Kingdom formally left the European Union on January 31, 2020, often referred to as Brexit, and the transition period ended on December 31, 2020. Brexit has caused uncertainty in the current regulatory framework in Europe. For instance, Brexit has resulted in the European Medicines Agency, or the EMA, moving from the United Kingdom to the Netherlands. In the United Kingdom, Brexit may cause disruption in the administrative and medical scientific links between the EMA and MHRA. In April 2021, the United Kingdom adopted legislation giving effect to the trade and cooperation agreement with the E.U. The trade and cooperation agreement sets out certain procedures for approval and recognition of medical products in each jurisdiction. Any delay in obtaining, or an inability to obtain, any marketing approvals, as a result of the trade and cooperation agreement or otherwise, could prevent us from commercializing any product candidates in the United Kingdom and/or the European Union and restrict our ability to generate revenue and achieve and sustain profitability. If any of these outcomes occur, we may be forced to restrict or delay efforts to seek regulatory approval in the United Kingdom and/or European Union for any product candidates, which could significantly and materially harm our business. The current lack of detail and resolution with regard to the Brexit implementation may result in a disruption of the manufacturing and supply of components of our product candidates in the U.K. and we are unable to confidently predict the effects of such disruption to the regulatory framework in Europe. Any adjustments we make to our business and operations as a result of Brexit could result in significant delays and additional expense.

Any of the foregoing factors could have a material adverse effect on our business, results of operations, or financial condition.

Any marketing approval we ultimately obtain may be limited or subject to restrictions or post-approval commitments that render the approved product not commercially viable.

If we experience delays in obtaining approval or if we fail to obtain approval of our product candidates, the commercial prospects for our product candidates may be harmed and our ability to generate revenues will be materially impaired.

We may seek orphan drug exclusivity for some of our product candidates, and we may be unsuccessful.

Regulatory authorities in some jurisdictions, including the United States and Europe, may designate drugs for relatively small patient populations as orphan drugs. Under the Orphan Drug Act, the FDA may designate a product as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a disease with a patient population of fewer than 200,000 individuals in the United States.

Generally, if a product with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which precludes the EMA or the FDA from approving another marketing application for the same drug for the same indication during the period of exclusivity. The applicable period is seven years in the United States and ten years in Europe. The European exclusivity period can be reduced to six years if a drug no longer meets the criteria for orphan drug designation or if the drug is sufficiently profitable so that market exclusivity is no longer justified. Orphan drug exclusivity may be lost if the FDA or EMA determines that the request for designation was materially defective, if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition.

Even if we obtain orphan drug exclusivity for a product candidate, that exclusivity may not effectively protect the product candidate from competition because different drugs can be approved for the same condition. Even after an orphan drug is approved, the FDA can subsequently approve a different drug for the same condition if the FDA concludes that the later drug is clinically superior in that it is shown to be safer, more effective or makes a major contribution to patient care.

A Fast Track designation by the FDA may not lead to a faster development or regulatory review or approval process and does not increase the likelihood that our product candidates will receive marketing approval.

The FDA has granted fast track designation for KVD900 for the treatment of HAE. We may also seek fast track designation for other indications or for some of our other product candidates. If a drug is intended for the treatment of a serious or life-threatening condition and the drug demonstrates the potential to address unmet medical needs for this condition, the drug sponsor may apply for FDA fast track designation. The FDA has broad discretion whether or not to grant this designation. Even if we believe a particular product candidate is eligible for this designation, we cannot assure that the FDA would decide to grant it. Even though we have received fast track designation for KVD900 for the treatment of HAE, or even if we receive fast track designation for other indications or for our other product candidates, we may not experience a faster development process, review or approval compared to conventional FDA procedures. The FDA may withdraw fast track designation if it believes that the designation is no longer supported by data from our clinical development program. Many drugs that have received fast track designation have failed to obtain drug approval.

Failure to obtain marketing approval in international jurisdictions would prevent our product candidates from being marketed abroad.

In order to market and sell our products in the European Union and many other jurisdictions, we or our third party collaborators must obtain separate marketing approvals and comply with numerous and varying regulatory requirements. The approval procedure varies among countries and can involve additional testing. The time required to obtain approval may differ substantially from that required to obtain MHRA or FDA approval. The regulatory approval process outside the United Kingdom and United States generally includes all of the risks associated with obtaining, respectively, MHRA or FDA approval. In addition, in many countries outside the United States, it is

required that the product be approved for reimbursement before the product can be approved for sale in that country. We, or these third parties, may not obtain approvals from regulatory authorities outside the United States on a timely basis, if at all. Approval by the MHRA or FDA does not ensure approval by regulatory authorities in other countries or jurisdictions, and approval by one regulatory authority outside the United States does not ensure approval by regulatory authorities in other countries or jurisdictions or by the FDA. We may not be able to file for marketing approvals and may not receive necessary approvals to commercialize our products in any market.

Any product candidate for which we obtain marketing approval will be subject to extensive post-marketing regulatory requirements and could be subject to post-marketing restrictions or withdrawal from the market, and we may be subject to penalties if we fail to comply with regulatory requirements or if we experience unanticipated problems with our products, when and if any of them are approved.

Our product candidates and the activities associated with their development and commercialization, including their testing, manufacture, recordkeeping, labeling, storage, approval, advertising, promotion, sale and distribution, are subject to comprehensive regulation by the FDA, MHRA, and other regulatory authorities. In the United States, these requirements include submissions of safety and other post-marketing information and reports, registration and listing requirements, cGMP requirements relating to manufacturing, quality control, quality assurance and corresponding maintenance of records and documents, including periodic inspections by the FDA and other regulatory authority, requirements regarding the distribution of samples to physicians and recordkeeping.

The FDA, or other regulatory authorities, may also impose requirements for costly post-marketing studies or clinical trials and surveillance to monitor the safety or efficacy of the product. The FDA closely regulates the post-approval marketing and promotion of drugs to ensure drugs are marketed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding use of their products and if we promote our products beyond their approved indications, we may be subject to enforcement action for off-label promotion. Violations of the Federal Food, Drug, and Cosmetic Act relating to the promotion of prescription drugs may lead to investigations alleging violations of federal and state health care fraud and abuse laws, as well as state consumer protection laws.

In addition, later discovery of previously unknown adverse events or other problems with our products, manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may yield various results, including:

- restrictions on such products, manufacturers or manufacturing processes;
- restrictions on the labeling or marketing of a product;
- restrictions on product distribution or use;
- requirements to conduct post-marketing studies or clinical trials;
- warning or untitled letters;
- withdrawal of the products from the market;
- refusal to approve pending applications or supplements to approved applications that we submit;
- recall of products;
- fines, restitution or disgorgement of profits or revenues;
- suspension or withdrawal of marketing approvals;
- refusal to permit the import or export of our products;
- product seizure; or
- injunctions or the imposition of civil or criminal penalties.

Non-compliance with European Union requirements regarding safety monitoring or pharmacovigilance, and with requirements related to the development of products for the pediatric population, can also result in significant financial penalties. Similarly, failure to comply with the European Union's requirements regarding the protection of personal information can also lead to significant penalties and sanctions.

Recently enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our product candidates and affect the prices we may obtain.

In the United States and some foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell any product candidates for which we obtain marketing approval.

As an example, the ACA, was signed into law in 2010 but has been the subject of legislative and judicial efforts to modify, repeal or otherwise invalidate all or certain aspects of its provisions. The ACA included a substantial number of major changes to the healthcare system that impact our business, and several other legislations since then, as well as ongoing efforts, have continued to create a complicated planning and operating environment for companies in our industry.

We expect that the ACA, as well as other healthcare reform measures that may be adopted in the future, may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our products.

Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of our product candidates, if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing testing and other requirements.

Governments outside the United States tend to impose strict price controls, which may adversely affect our revenues, if any.

In some countries, particularly the countries of the European Union, the pricing of prescription pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidate to other available therapies. If reimbursement of our products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, our business could be materially harmed.

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could harm our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from its use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed its resources. We also could incur significant costs associated with civil or criminal fines and penalties for failure to comply with such laws and regulations.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with the storage or disposal of biological, hazardous or radioactive materials.

In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our discovery, preclinical development or production efforts. Our failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

Our employees may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

As with all companies, we are exposed to the risk of employee fraud or other misconduct. Misconduct by employees could include intentional failures to comply with FDA regulations, provide accurate information to the FDA, comply with manufacturing standards we may establish, comply with federal and state healthcare fraud and abuse laws and regulations, report financial information or data accurately or disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Employee misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a material and adverse effect on our business, financial condition, results of operations and prospects, including the imposition of significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, the curtailment or restructuring of our operations, loss of eligibility to obtain approvals from the FDA, exclusion from participation in government contracting, healthcare reimbursement or other government programs, including Medicare and Medicaid, integrity oversight and reporting obligations, or reputational harm.

Risks Related to the Commercialization of Our Product Candidates

Even if any of our product candidates receives marketing approval, we may fail to achieve the degree of market acceptance by physicians, patients, third party payors and others in the medical community necessary for commercial success.

If any of our product candidates receives marketing approval, we may nonetheless fail to gain sufficient market acceptance by physicians, patients, third party payors and others in the medical community. In addition, physicians, patients and third party payors may prefer other novel products to ours. If our product candidates do not achieve an adequate level of acceptance, we may not generate significant product revenues and we may not become profitable. The degree of market acceptance of our product candidates, if approved for commercial sale, will depend on a number of factors, including:

- the efficacy and safety and potential advantages and disadvantages compared to alternative treatments;
- the ability to offer our products for sale at competitive prices;
- the convenience and ease of administration compared to alternative treatments;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the strength of our marketing and distribution support;

- the availability of third party coverage and adequate reimbursement, including patient cost-sharing programs such as copays and deductibles;
- the ability to develop or partner with third-party collaborators to develop companion diagnostics;
- the prevalence and severity of any side effects; and
- any restrictions on the use of our products together with other medications.

In addition, in order to commercialize any product candidates, we must build marketing, sales, distribution, managerial and other non-technical capabilities or make arrangements with third parties to perform these services, and we may not be successful in doing so. If we are unable to enter into such arrangements when needed on acceptable terms or at all, we may not be able to successfully commercialize any of our product candidates that receive regulatory approval or any such commercialization may experience delays or limitations. If we are not successful in commercializing our product candidates, either on our own or through collaborations with one or more third parties, our future product revenue will suffer and we may incur significant additional losses. Our estimates of the potential market opportunities for our products are informed by work that is not definitive and future analyses may lead to estimates that are higher or lower than these estimates than those provided at any given time, with respect to addressable patient populations. If our market opportunity is lower than anticipated, our business may suffer.

We face substantial competition, which may result in others discovering, developing or commercializing competing products before or more successfully than we do.

The development and commercialization of new drug products is highly competitive. We face competition with respect to our current product candidates, and will face competition with respect to any product candidates that we may seek to develop or commercialize in the future, from major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. There are a number of large pharmaceutical and biotechnology companies that currently market and sell products or are pursuing the development of products for the treatment of the disease indications for which we are developing our product candidates. Some of these competitive products and therapies are based on scientific approaches that are the same as or similar to our approach, and others are based on entirely different approaches. Potential competitors also include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any products that we may develop. In addition, our ability to compete may be affected in many cases by insurers or other third party payors seeking to encourage the use of generic products. Generic products are expected to become available over the coming years, potentially creating pricing pressure. If our product candidates achieve marketing approval, we expect that they will be priced at a significant premium over competitive generic products.

Many of the companies against which we are competing or we may compete in the future have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. Smaller and other early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

The insurance coverage and reimbursement status of newly approved products is uncertain. Failure to obtain or maintain adequate coverage and reimbursement for new or current products could limit our ability to market those products and decrease our ability to generate revenue.

The availability and extent of reimbursement by governmental and private payors is essential for most patients to be able to afford expensive treatments. Sales of our product candidates will depend substantially, both domestically and abroad, on the extent to which the costs of our product candidates will be paid by health maintenance, managed care, pharmacy benefit and similar healthcare management organizations, or reimbursed by government health administration authorities, private health coverage insurers and other third party payors. If reimbursement is not available, or is available only to limited levels, we may not be able to successfully commercialize our product candidates. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain pricing sufficient to realize a sufficient return on our investment.

There is significant uncertainty related to the insurance coverage and reimbursement of newly approved products. In the United States, the principal decisions about reimbursement for new medicines are typically made by the CMS, an agency within the U.S. Department of Health and Human Services, as CMS decides whether and to what extent a new medicine will be covered and reimbursed under Medicare. Private payors tend to follow CMS to a substantial degree. It is difficult to predict what CMS will decide with respect to reimbursement for fundamentally novel products such as ours, as there is no body of established practices and precedents for these new products. Reimbursement agencies in Europe may be more conservative than CMS. Outside the United States, international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost-containment initiatives in Europe, Canada, and other countries has and will continue to put pressure on the pricing and usage of our product candidates. In many countries, the prices of medical products are subject to varying price control mechanisms as part of national health systems. In general, the prices of medicines under such systems are substantially lower than in the United States. Other countries allow companies to fix their own prices for medicines, but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for our product candidates. Accordingly, in markets outside the United States, the reimbursement for our products may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenues and profits.

Moreover, increasing efforts by governmental and third party payors, in the United States and abroad, to cap or reduce healthcare costs may cause such organizations to limit both coverage and level of reimbursement for new products approved and, as a result, they may not cover or provide adequate payment for our product candidates. We expect to experience pricing pressures in connection with the sale of any of our product candidates, due to the trend toward managed healthcare, the increasing influence of health maintenance organizations and additional legislative changes. The downward pressure on healthcare costs in general, particularly prescription drugs and surgical procedures and other treatments, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products into the healthcare market.

In addition, many private payors contract with commercial vendors who sell software that provide guidelines that attempt to limit utilization of, and therefore reimbursement for, certain products deemed to provide limited benefit to existing alternatives. Such organizations may set guidelines that limit reimbursement or utilization of our products.

Our ability to obtain services, reimbursement or funding may be impacted by possible reductions in federal spending in the United States as well as globally.

U.S. federal government agencies currently face potentially significant spending reductions. Under the Budget Control Act of 2011, the failure of Congress to enact deficit reduction measures of at least $1.2 trillion for the years 2013 through 2021 triggered automatic cuts to most federal programs. These cuts would include aggregate reductions to Medicare payments to providers of up to two percent per fiscal year, which went into effect beginning on April 1, 2013 and will stay in effect through 2030 unless additional Congressional action is taken. The American Taxpayer Relief Act of 2012, which was enacted on January 1, 2013, among other things, reduced Medicare payments to several providers, including hospitals and imaging centers. The full impact on our business of these automatic cuts is uncertain. Additionally, the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act enacted in 2020 provides financial support and resources to individuals and businesses affected by the COVID-19

pandemic, suspended the 2% Medicare sequester from May 1, 2020 through December 31, 2020, and extended the sequester policy by one year, through 2030, in order to offset the added expense of the 2020 cancellation. The Consolidated Appropriations Act, 2021 extended the suspension of the 2% Medicare sequester through March 31, 2021. Moreover, the American Taxpayer Relief Act of 2012 among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

If government spending is reduced, anticipated budgetary shortfalls may also impact the ability of relevant agencies, such as the FDA or the National Institutes of Health to continue to function at current levels. Amounts allocated to federal grants and contracts may be reduced or eliminated. These reductions may also impact the ability of relevant agencies to timely review and approve drug research and development, manufacturing, and marketing activities, which may delay our ability to develop, market and sell any products we may develop. Any reductions in government spending in countries outside the United States may also impact us negatively, such as by limiting the functioning of international regulatory agencies in countries outside the United States or by eliminating programs on which we may rely.

Product liability lawsuits against us could cause us to incur substantial liabilities and to limit commercialization of any products that we may develop.

We face an inherent risk of product liability exposure related to the testing of our product candidates in human clinical trials and will face an even greater risk if we commercially sell any products that we may develop. If we cannot successfully defend against claims that our product candidates or products caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for any product candidates or products that we may develop;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial participants;
- significant costs to defend the related litigation;
- substantial monetary awards to trial participants or patients;
- loss of revenue;
- reduced resources of our management to pursue our business strategy; and
- the inability to commercialize any products that we may develop.

We currently hold $10,000,000 in product liability insurance coverage in the aggregate, with a per incident limit of $10,000,000, which may not be adequate to cover all liabilities that we may incur. We may need to increase our insurance coverage as we expand our clinical trials or if we commence commercialization of our product candidates. Insurance coverage is increasingly expensive. We may not be able to maintain insurance coverage at a reasonable cost or in an amount adequate to satisfy any liability that may arise.

Risks Related to Our Dependence on Third Parties

We contract with third parties for the manufacture of our product candidates for preclinical and clinical testing and we expect to continue to do so for commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or products at an acceptable cost and quality, which could delay, prevent or impair our development or commercialization efforts.

We do not own or operate facilities for the manufacture of our product candidates, and we do not have any manufacturing personnel. We currently have no plans to build our own clinical or commercial scale manufacturing capabilities. We rely, and expect to continue to rely, on third parties for the manufacture of our product candidates for preclinical and clinical testing and we do not have backup sources of supply established for our candidates. We review the manufacturing process for each of our candidates and assess the risk to supply and, as appropriate, establish multiple manufacturers and/or establish stock levels to support future activities and do not believe we are currently substantially dependent on any one third party. Despite the drug substance and product risk management, this reliance on third parties presents a risk that we will not have sufficient quantities of our product candidates or products or such quantities at an acceptable cost or quality, which could delay, prevent or impair our development or commercialization efforts. Furthermore, if any third-party in the supply chain for materials used in the production of our product candidates are adversely impacted by restrictions resulting from the COVID-19 pandemic, our supply chain may be disrupted, limiting the ability of our third-party manufacturers to manufacture our product candidates for our clinical trials. If our third-party manufacturers were to encounter any manufacturing difficulties or delays due to resource constraints as a result of COVID-19 pandemic, our ability to provide our product candidates to patients in clinical trials, or to provide product for treatment of patients once approved, would be jeopardized.

Any performance failure on the part of our existing or future manufacturers of drug substance or drug products could delay clinical development or marketing approval. If current suppliers cannot supply us with our Phase 2 requirements as agreed, we may be required to identify alternative manufacturers, which would lead us to incur added costs and delays in identifying and qualifying any such replacement.

The formulation used in early studies frequently is not a final formulation for commercialization. Additional changes may be required by the FDA or other regulatory authorities on specifications and storage conditions. These may require additional studies and may delay our clinical trials.

We expect to rely on third party manufacturers or third party collaborators for the manufacture of commercial supply of any other product candidates for which our collaborators or we obtain marketing approval.

We also expect to rely on other third parties to store and distribute drug supplies for our clinical trials. Any performance failure on the part of our distributors could delay clinical development or marketing approval of our product candidates or commercialization of our products, producing additional losses and depriving us of potential product revenue.

We may be unable to establish any agreements with third party manufacturers or to do so on acceptable terms. Even if we are able to establish agreements with third party manufacturers, reliance on third party manufacturers entails additional risks, including:

- reliance on the third party for regulatory compliance and quality assurance;
- the possible breach of the manufacturing agreement by the third party;
- the possible misappropriation of our proprietary information, including trade secrets and know-how; and
- the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us.

Third party manufacturers may not be able to comply with cGMP, regulations or similar regulatory requirements outside the United States. Our failure, or the failure of our third party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates or products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our products.

Our product candidates and any products that we may develop may compete with other product candidates and products for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us.

Our current and anticipated future dependence upon others for the manufacture of our product candidates or products may adversely affect our future profit margins and our ability to commercialize any products that receive marketing approval on a timely and competitive basis.

We may not successfully engage in strategic transactions, including any additional collaborations we seek, which could adversely affect our ability to develop and commercialize product candidates, impact our cash position, increase our expenses and present significant distractions to our management. The terms of any collaborations may also have impacts on other aspects of our business.

From time to time, we may consider strategic transactions, such as collaborations, acquisitions of companies, asset purchases and out- or in-licensing of product candidates or technologies that we believe will complement or augment our existing business. In particular, we will evaluate and, if strategically attractive, seek to enter into additional collaborations, including with major biotechnology or biopharmaceutical companies. The competition for collaborators is intense, and the negotiation process is time-consuming and complex. Any new collaboration may be on terms that are not optimal for us, and we may not be able to maintain any new collaboration if, for example, development or approval of a product candidate is delayed, sales of an approved product candidate do not meet expectations or the collaborator terminates the collaboration. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future strategic partners. Our ability to reach a definitive agreement for a collaboration will depend, among other things, upon our assessment of the strategic partner's resources and expertise, the terms and conditions of the proposed collaboration and the proposed strategic partner's evaluation of a number of factors. These factors may include the design or results of clinical trials, the likelihood of approval by the FDA or similar regulatory authorities outside the United States, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, the potential of competing products, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge, and industry and market conditions generally. Moreover, even if we acquire assets with promising markets or technologies, we may not be able to realize the benefit of acquiring such assets due to an inability to successfully integrate them with our existing technologies and we may encounter numerous difficulties in developing, manufacturing and marketing any new products resulting from a strategic acquisition that delay or prevent us from realizing their expected benefits or enhancing our business.

We cannot assure you that following any such collaboration, or other strategic transaction, we will achieve the expected synergies to justify the transaction. For example, such transactions may require us to incur non-recurring or other charges, increase our near- and long-term expenditures and pose significant integration or implementation challenges or disrupt our management or business. These transactions would entail numerous operational and financial risks, including exposure to unknown liabilities, disruption of our business and diversion of our management's time and attention in order to manage a collaboration or develop acquired products, product candidates or technologies, incurrence of substantial debt or dilutive issuances of equity securities to pay transaction consideration or costs, higher than expected collaboration, acquisition or integration costs, write-downs of assets or goodwill or impairment charges, increased amortization expenses, difficulty and cost in facilitating the collaboration or combining the operations and personnel of any acquired business, impairment of relationships with key suppliers, manufacturers or customers of any acquired business due to changes in management and ownership and the inability to retain key employees of any acquired business. Also, such strategic alliance, joint venture or acquisition may be prohibited. Collaborations may also have potential impact on other aspects of our business.

Accordingly, although there can be no assurance that we will undertake or successfully complete any transactions of the nature described above, any transactions that we do complete may be subject to the foregoing or other risks that would have a material and adverse effect on our business, financial condition, results of operations and prospects.

We have entered, and may in the future seek to enter, into collaborations with third parties for the development and commercialization of our product candidates. If we fail to enter into such collaborations, or such collaborations are not successful, we may not be able to capitalize on the market potential of our product candidates.

Biopharmaceutical companies are our prior and likely future collaborators for any marketing, distribution, development, licensing or broader collaboration arrangements. For example, in 2017, we entered into a collaboration with Merck, under which we granted to Merck an option to acquire KVD001 through a period following completion of a Phase 2 clinical trial, as well as an option to our planned future oral DME programs; those options expired in February 2020. We expect that in any future collaboration agreements, we would have limited control over the amount and timing of resources that our collaborators dedicate to the development or commercialization of our product candidates. Moreover, our ability to generate revenues from these arrangements will depend on our collaborators' abilities to successfully perform the functions assigned to them in these arrangements. We face significant competition in seeking appropriate collaborators. Our ability to reach a definitive agreement for any collaboration will depend, among other things, upon our assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. If we are unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a product candidate, reduce or delay our development program or one or more of our other development programs, delay our potential development schedule or reduce the scope of research activities, or increase our expenditures and undertake discovery or preclinical development activities at our own expense. If we fail to enter into collaborations and do not have sufficient funds or expertise to undertake the necessary development activities, we may not be able to further develop our product candidates or continue to develop our product candidates and our business may be materially and adversely affected.

Future collaborations we may enter into may involve the following risks:

- collaborators may have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators may not perform their obligations as expected;
- changes in the collaborators' strategic focus or available funding, or external factors, such as an acquisition, may divert resources or create competing priorities;
- collaborators may delay discovery and preclinical development, provide insufficient funding for product development of targets selected by us, stop or abandon discovery and preclinical development for a product candidate, repeat or conduct new discovery and preclinical development for a product candidate;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our products or product candidates if the collaborators believe that competitive products are more likely to be successfully developed than our products;
- product candidates discovered in collaboration with us may be viewed by our collaborators as competitive with their own product candidates or products, which may cause collaborators to cease to devote resources to the development of its product candidates;
- collaborators may not properly maintain or defend their intellectual property rights or intellectual property rights licensed to us or may use their proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential litigation;
- collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability; and
- collaborations may be terminated for the convenience of the collaborator and, if terminated, we could be required to raise additional capital to pursue further development or commercialization of the applicable product candidates.

Additionally, subject to its contractual obligations to us, if a collaborator is involved in a business combination, the collaborator might deemphasize or terminate the development of any of our product candidates. If one of our collaborators terminates its agreement with us, we may find it more difficult to attract new collaborators and the perception of us in the business and financial communities could be adversely affected.

If our collaborations do not result in the successful development of products or product candidates, product candidates could be delayed and we may need additional resources to develop product candidates. All of the risks relating to product development, regulatory approval and commercialization described in this proxy statement also apply to the activities of our collaborators.

Risks Related to Our Intellectual Property

If we are unable to obtain and maintain intellectual property protection for our technology and products or if the scope of the intellectual property protection obtained is not sufficiently broad, our competitors could develop and commercialize technology and products similar or identical to ours, and our ability to successfully commercialize our technology and products may be impaired.

Our success depends in large part on our ability to obtain and maintain patent protection in the United States, the European Union, and other countries with respect to our proprietary technology and products. We seek to protect our proprietary position by filing patent applications in the United States and abroad related to our novel technologies and product candidates. This patent portfolio includes issued patents and pending patent applications covering compositions of matter and methods of use.

The patent prosecution process is expensive and time-consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. We may choose not to seek patent protection for certain innovations and may choose not to pursue patent protection in certain jurisdictions, and under the laws of certain jurisdictions, patents or other intellectual property rights may be unavailable or limited in scope. It is also possible that we will fail to identify patentable aspects of our discovery and preclinical development output before it is too late to obtain patent protection. Moreover, in some circumstances, we may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we license from third parties. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions, and has in recent years been the subject of much litigation. In addition, the laws of foreign countries may not protect our rights to the same extent as the laws of the United States. For example, India and China do not allow patents for methods of treating the human body. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot know with certainty whether we were the first to make the inventions claimed in our owned or licensed patents or pending patent applications, or that we were the first to file for patent protection of such inventions. If a third party has also filed a United States patent application prior to the effective date of the relevant provisions of the America Invents Act (i.e. before March 16, 2013) covering our product candidates or a similar invention, we may have to participate in an adversarial proceeding, known as an interference, declared by the USPTO to determine priority of invention in the United States. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued which protect our technology or products, in whole or in part, or which effectively prevent others from commercializing competitive technologies and products. Changes in either the patent laws or interpretation of the patent laws in the European Union, the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection.

Moreover, we may be subject to a third party preissuance submission of prior art to the USPTO, or become involved in opposition, derivation, reexamination, inter partes review, post-grant review or interference proceedings challenging our patent rights or the patent rights of others. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize

our technology or products and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third party patent rights. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

Even if our owned and licensed patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage. Our competitors may be able to circumvent our owned or licensed patents by developing similar or alternative technologies or products in a non-infringing manner.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of our technology and products. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

The risks described elsewhere pertaining to our patents and other intellectual property rights also apply to the intellectual property rights that we license, and any failure to obtain, maintain and enforce these rights could have a material adverse effect on our business. In some cases we may not have control over the prosecution, maintenance or enforcement of the patents that we license, and our licensors may fail to take the steps that we believe are necessary or desirable in order to obtain, maintain and enforce the licensed patents. Any inability on our part to protect adequately our intellectual property may have a material adverse effect on our business, operating results and financial position.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and/or applications. We employ an outside firm and rely on our outside counsel to pay these fees due to non-U.S. patent agencies. The USPTO and various non-U.S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. However, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, our competitors might be able to enter the market and this circumstance would have a material adverse effect on our business.

We may become involved in lawsuits to protect or enforce our patents or other intellectual property, which could be expensive, time consuming and unsuccessful.

Because competition in our industry is intense, competitors may infringe or otherwise violate our issued patents, patents of our licensors or other intellectual property. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time consuming. Any claims we assert against perceived infringers could provoke these parties to assert counterclaims against us alleging that we infringed their patents. In addition, in a patent infringement proceeding, a court may decide that a patent of ours is invalid or unenforceable, in whole or in part, construe the patent’s claims narrowly or refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question. An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly. We may also elect to enter into license agreements in order to settle patent infringement claims or to resolve disputes

prior to litigation, and any such license agreements may require us to pay royalties and other fees that could be significant. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure.

Third parties may initiate legal proceedings alleging that we are infringing their intellectual property rights, the outcome of which would be uncertain and could have a material adverse effect on the success of our business.

Our commercial success depends upon our ability, and the ability of our collaborators, to develop, manufacture, market and sell our product candidates and use our proprietary technologies without infringing the proprietary rights of third parties. There is considerable intellectual property litigation in the biotechnology and pharmaceutical industries. We may become party to, or threatened with, future adversarial proceedings or litigation regarding intellectual property rights with respect to our products and technology, including interference or derivation proceedings before the USPTO. Third parties may assert infringement claims against us based on existing patents or patents that may be granted in the future.

If we are found to infringe a third party's intellectual property rights, we could be required to obtain a license from such third party to continue developing and marketing our products and technology. However, we may not be able to obtain any required license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. We could be forced, including by court order, to cease commercializing the infringing technology or product. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed a patent. A finding of infringement could prevent us from commercializing our product candidates or force us to cease some of our business operations, which could materially harm our business. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to seeking patents for some of our technology and product candidates, we also rely on trade secrets, including unpatented know-how, technology and other proprietary information, to maintain our competitive position. We seek to protect these trade secrets, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside scientific collaborators, contract manufacturers, consultants, advisors and other third parties. We seek to protect our confidential proprietary information, in part, by entering into confidentiality and invention or patent assignment agreements with our employees and consultants, however, we cannot be certain that such agreements have been entered into with all relevant parties. Moreover, to the extent we enter into such agreements, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate them, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position would be harmed.

Risks Related to Employee Matters, Facilities, Managing Growth and Macroeconomic Conditions

Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on the research and development, clinical and business development expertise of the principal members of our management, scientific and clinical team. Although we have entered into employment letter agreements with our executive officers, each of them may terminate their employment with us at any time. We do not maintain "key person" insurance for any of our executives or other employees. The loss of the services of any of our management team, other key employees and other scientific and medical advisors, including due to illness

resulting from COVID-19, and our inability to find suitable replacements, could result in delays in product development and harm our business.

Recruiting and retaining qualified scientific, clinical, manufacturing, sales and marketing personnel will also be critical to our success. The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our discovery and preclinical development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to provide services to us. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We expect to expand our development and regulatory capabilities and potentially implement sales, marketing and distribution capabilities, and as a result, we may encounter difficulties in managing our growth, which could disrupt our operations.

We expect to experience significant growth in the number of our employees and the scope of our operations, particularly in the areas of drug development, regulatory affairs and, if any of our product candidates receive marketing approval, sales, marketing and distribution. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional qualified personnel. Due to our limited financial resources and the limited experience of our management team in managing a company with such anticipated growth, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our business plans or disrupt our operations.

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations, and those of our CROs and other contractors and consultants, could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics, such as the COVID-19 pandemic, and other natural or man-made disasters or business interruptions, for which we may not have insurance coverage. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses. In particular, the potential effects on our business due to the COVID-19 pandemic may be significant and could materially harm our business, operating results and financial condition. We rely on third-party manufacturers to produce and process our product candidates. Our ability to obtain supplies of our product candidates could be disrupted if the operations of these suppliers are affected by a man-made or natural disaster or other business interruption. Our operations and financial condition could suffer in the event of a natural or man-made disaster near our headquarters in Cambridge, Massachusetts or our research facility in Porton Down, United Kingdom.

Our business and operations would suffer in the event of system failures, cyberattacks or a deficiency in our cybersecurity.

Our internal computer systems and those of our CROs, collaborators and third parties on whom we rely are vulnerable to damage from computer viruses, unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Furthermore, we have little or no control over the security measures and computer systems of our third party collaborators. The risk of a security breach or disruption, particularly through cyberattacks or cyber intrusion, including by computer hackers, foreign governments and cyber terrorists, has

generally increased as the number, intensity, and sophistication of attempted attacks and intrusions from around the world have increased. In addition, the prevalent use of mobile devices that access confidential information increases the risk of data security breaches, which could lead to the loss of confidential information or other intellectual property. The costs to us or our CROs or other contractors or consultants we may utilize to mitigate network security problems, bugs, viruses, worms, phishing attempts, malicious software programs and security vulnerabilities could be significant, and while we have implemented security measures to protect our data security and information technology systems, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, delays, cessation of service and other harm to our business and our competitive position. In May 2019, we were notified by one of our vendors that they suffered a security breach and some of our data was among the information stolen by an unknown third party. We have taken certain actions in response to that theft and we do not anticipate significant disruption to our business or future prospects. However, in the future, if such an event were to occur and lead to exposure of sensitive information or cause interruptions in our operations or our third party collaborators, it could result in a material disruption of our drug development programs and potential financial losses. For example, the loss of research data could delay development of our product candidates and the loss of clinical trial data from completed or ongoing or planned clinical trials could result in delays in our regulatory approval efforts and we may incur substantial costs to attempt to recover or reproduce the data. If any disruption or security breach resulted in a loss of or damage to our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and/or the further development of our product candidates could be delayed or impaired.

In addition, such a breach may require notification to governmental agencies, the media or individuals pursuant to various federal and state privacy and security laws, if applicable, including the Health Insurance Portability and Accountability Act of 1996, or HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and its implementing rules and regulations, as well as regulations promulgated by the Federal Trade Commission and state breach notification laws. We would also be exposed to a risk of loss or litigation and potential liability under laws, regulations and contracts that protect the privacy and security of personal information. We would also be exposed to a risk of loss or litigation and potential liability, which could materially adversely affect our business, reputation, results of operations, financial condition and prospects.

We also depend on our information technology infrastructure for communications among our personnel, contractors, consultants and vendors. System failures or outages, including any potential disruptions due to significantly increased global demand on certain cloud based systems during the COVID-19 pandemic, could also compromise our ability to perform these functions in a timely manner, which could harm our ability to conduct business or delay our financial reporting.

Risks Related to Ownership of Our Common Stock

Our stock price is volatile and our stockholders may not be able to resell shares of our common stock at or above the price they paid.

The trading price of our common stock is highly volatile and could be subject to wide fluctuations in response to various factors, many of which are beyond our control. In addition, the trading prices for our common stock and other biopharmaceutical companies have been highly volatile as a result of the COVID-19 pandemic. Factors affecting the market price of our common stock include those discussed in this “Risk Factors” section of this Annual Report on Form 10-K and others such as:

- announcement of a strategic transaction or other significant events for us or our competitors;
- our decision to initiate a clinical trial or not to initiate a clinical trial;
- announcements of significant changes in our business or operations, including the decision not to pursue drug development programs;
- additions or departures of key personnel;
- adverse results or delays in clinical trials;

- changes in reimbursement or third party coverage of treatments for HAE or DME, or changes to treatment recommendations or guidelines applicable to the treatment of HAE or DME;
- announcements relating to collaboration partnerships or other strategic transactions undertaken by us;
- announcements of therapeutic innovations or new products by us or our competitors;
- adverse actions taken by regulatory agencies with respect to our clinical trials, manufacturing supply chain or sales and marketing activities;
- changes or developments in laws or regulations applicable to any of our product candidates;
- any adverse changes to our relationship with any manufacturers or suppliers;
- the success of our testing and clinical trials;
- the success of our efforts to acquire or license or discover additional product candidates;
- any intellectual property infringement actions in which we may become involved;
- announcements concerning our competitors or the pharmaceutical industry in general;
- achievement of expected product sales and profitability;
- manufacture, supply or distribution shortages;
- actual or anticipated fluctuations in our operating results;
- FDA or other regulatory actions affecting us or our industry or other healthcare reform measures in the United States, the United Kingdom or the European Union;
- changes in financial estimates or recommendations by securities analysts;
- trading volume of our common stock;
- sales of our common stock by us, our executive officers and directors or our stockholders in the future;
- general economic and market conditions and overall fluctuations in the United States equity markets, including due to global pandemics such as COVID-19; and
- other events or factors, many of which are beyond our control.

In addition, the stock markets in general, and the markets for pharmaceutical, biopharmaceutical and biotechnology stocks in particular, have experienced extreme volatility that may have been unrelated to the operating performance of the issuer. These broad market fluctuations may adversely affect the trading price or liquidity of our common stock. In the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the issuer. If any of our stockholders were to bring such a lawsuit against us, we could incur substantial costs defending the lawsuit and the attention of our management would be diverted from the operation of our business, which could seriously harm our financial position. Any adverse determination in litigation could also subject us to significant liabilities.

We incur significant costs as a result of operating as a public company, and our management devotes substantial time to compliance initiatives. We may fail to comply with the rules that apply to public companies, including Section 404 of the Sarbanes-Oxley Act of 2002, which could result in sanctions or other penalties that would harm our business.

We incur significant legal, accounting and other expenses as a public company, including costs resulting from public company reporting obligations under the Exchange Act, and regulations regarding corporate governance practices. The listing requirements of The NASDAQ Global Market require that we satisfy certain corporate governance requirements relating to director independence, distributing annual and interim reports, stockholder meetings, approvals and voting, soliciting proxies, conflicts of interest and a code of conduct. Our management and other personnel have devoted, and will continue to need to devote, a substantial amount of time to ensure that we comply with all of these requirements. Moreover, the reporting requirements, rules and regulations increase our legal and financial compliance costs and make some activities more time consuming and costly. Any changes we

make to comply with these obligations may not be sufficient to allow us to satisfy our obligations as a public company on a timely basis, or at all. These reporting requirements, rules and regulations, coupled with the increase in potential litigation exposure associated with being a public company, could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors or board committees or to serve as executive officers, or to obtain certain types of insurance, including directors' and officers' insurance, on acceptable terms.

We are subject to Section 404 of The Sarbanes-Oxley Act of 2002 ("Section 404"), and the related rules of the SEC which generally require our management and independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. Section 404 requires an annual management assessment of the effectiveness of our internal control over financial reporting. Effective April 27, 2020, the SEC adopted amendments to the "accelerated filer" and "large accelerated filer" definitions in Rule 12b-2 under the Securities and Exchange Act of 1934. The amendments exclude from the "accelerated filer" and "large accelerated filer" definitions an issuer that is eligible to be a smaller reporting company and that had annual revenues of less than $100 million in the most recent fiscal year for which audited financial statements are available. We determined that our Company does not meet the accelerated or large accelerated filer definitions as of April 30, 2021. For so long as we remain a smaller reporting company and a non-accelerated filer, we intend to take advantage of certain exemptions from various reporting requirements that are applicable to public companies, including, but not limited to, not being required as a non-accelerated filer to comply with the auditor attestation requirements of Section 404(b). An independent assessment by our independent registered public accounting firm of the effectiveness of internal control over financial reporting could detect problems that our management's assessment might not. Undetected material weaknesses in our internal control over financial reporting could lead to financial statement restatements and require us to incur the expense of remediation.

During the course of the review and testing of our internal control for the purpose of providing the reports required by these rules, we may identify deficiencies and be unable to remediate them before we must provide the required reports. Furthermore, if we have a material weakness in our internal control over financial reporting, we may not detect errors on a timely basis and our financial statements may be materially misstated. We or our independent registered public accounting firm may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting, which could harm our operating results, cause investors to lose confidence in our reported financial information and cause the trading price of our stock to fall. In addition, as a public company we are required to file accurate and timely quarterly and annual reports with the SEC under the Exchange Act. Any failure to report our financial results on an accurate and timely basis could result in sanctions, lawsuits, delisting of our shares from The NASDAQ Global Market or other adverse consequences that would materially harm our business.

In addition, if we lose our status as a "non-accelerated filer," we will be required to have our independent registered public accounting firm attest to the effectiveness of internal control over financial reporting. If our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting once we are an accelerated filer or a large accelerated filer, investors may lose confidence in the accuracy and completeness of our financial reports, and the market price of our common stock could be negatively affected.

Shareholder Activism Could Cause Material Disruption to Our Business.

Publicly traded companies have increasingly become subject to campaigns by activist investors advocating corporate actions such as actions related to environment, social and governance ("ESG") matters, financial restructuring, increased borrowing, dividends, share repurchases or even sales of assets or the entire company. Responding to proxy contests and other actions by such activist investors or others in the future could be costly and time-consuming, disrupt our operations and divert the attention of our board of directors and senior management from the pursuit of our business strategies, which could adversely affect our results of operations and financial condition.

Provisions in our charter documents and under Delaware law could discourage a takeover that stockholders may consider favorable and may lead to entrenchment of management.

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that could significantly reduce the value of our shares to a potential acquirer or delay or prevent changes in control or changes in our management without the consent of our board of directors. The provisions in our charter documents include the following:

- a classified board of directors with three-year staggered terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the required approval of at least 66 2/3% of the shares entitled to vote to remove a director for cause, and the prohibition on removal of directors without cause;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquirer;
- the ability of our board of directors to alter our bylaws without obtaining stockholder approval;
- the required approval of at least 66 2/3% of the shares entitled to vote at an election of directors to adopt, amend or repeal certain provisions of our bylaws and our amended and restated certificate of incorporation regarding the election and removal of directors;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- the requirement that a special meeting of stockholders may be called only by or at the direction of our board of directors pursuant to a resolution adopted by a majority of the total number of directors that our board of directors would have if there were no vacancies, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; and
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us. In addition, these provisions would apply even if we were to receive an offer that some stockholders may consider beneficial.

We are also subject to the anti-takeover provisions contained in Section 203 of the Delaware General Corporation Law. Under Section 203, a corporation may not, in general, engage in a business combination with any holder of 15% or more of its capital stock unless the holder has held the stock for three years or, among other exceptions, the board of directors has approved the transaction.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and amended and restated bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law.

In addition, as permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws and our indemnification agreements that we have entered into with our directors and officers provide that:

- we will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person

reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful.

- we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law.
- we are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification.
- we will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our board of directors or brought to enforce a right to indemnification.
- the rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons.
- we may not retroactively amend our amended and restated bylaw provisions to reduce our indemnification obligations to directors, officers, employees and agents.

Our ability to use our net operating losses to offset future taxable income, if any, may be subject to certain limitations.

In general, under Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, a corporation that undergoes an "ownership change" (generally defined as a greater than 50-percentage-point cumulative change (by value) in the equity ownership of certain stockholders over a rolling three-year period) is subject to limitations on its ability to utilize its pre-change net operating losses, or NOLs, to offset future taxable income. We have experienced ownership changes that substantially limit our use of the NOLs available to us for U.S. federal income tax purposes. If we undergo additional ownership changes (some of which changes may be outside our control), our ability to utilize our NOLs could be further limited by Section 382 of the Code. Our NOLs may also be impaired under state law. Accordingly, we may not be able to utilize a material portion of our NOLs. Furthermore, our ability to utilize our NOLs is conditioned upon our attaining profitability and generating U.S. federal taxable income. We have incurred net losses since our inception and anticipate that we will continue to incur significant losses for the foreseeable future; thus, we do not know whether or when we will generate the U.S. federal taxable income necessary to utilize our NOLs.

The Tax Cuts and Jobs Act of 2017, or the TCJA, changed both the federal deferred tax value of the net operating loss carryforwards and the rules of utilization of federal net operating loss carryforwards. Under the TCJA, net operating loss carryforwards generated in years after 2017 will only be available to offset 80% of future taxable income in any single year but will not expire. However, the CARES Act temporarily repealed the 80% taxable income limitation for tax years beginning before January 1, 2021; net operating loss carried forward generated from 2018 or later and carryforwards to taxable years beginning after December 31, 2020 will be subject to the 80% limitation. Also, under the CARES Act, net operating losses arising in 2018, 2019 and 2020 can be carried back 5 years.

General Risk Factors

Unstable or unfavorable global market and economic conditions may have adverse consequences on our business, financial condition and stock price.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. Global credit and financial markets have experienced extreme volatility and disruptions in the past several years, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. We cannot assure you that further deterioration in credit and financial markets and confidence in economic conditions will not occur. Our general business strategy and stock price may be adversely affected by any such economic downturn, volatile business environment or large-scale unpredictable or unstable market conditions, including a prolonged government shutdown or as a result of a global pandemic such as the COVID-19 pandemic. While the potential economic impact brought by and the duration of the pandemic may be difficult to assess or

predict, it has already caused, and is likely to result in further, significant disruption of global financial markets, which may reduce our ability to access capital either at all or on favorable terms. In addition, a recession, depression or other sustained adverse market event resulting from the spread of COVID-19 could materially and adversely affect our business and the value of our common stock.

If the current equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could have a material adverse effect on our growth strategy, financial performance and stock price and could require us to delay or abandon development plans. In addition, there is a risk that one or more of our current service providers, manufacturers and other partners may not survive these difficult economic times, which could directly affect our ability to attain our operating goals on schedule and on budget.

If securities or industry analysts do not publish research or reports about our business, or if they issue an adverse opinion regarding our stock, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If any analysts who cover us issue an adverse regarding us, our business model, our intellectual property or our stock performance, or if our clinical trials and operating results fail to meet the expectations of analysts, our stock price may decline. If any of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

We do not currently intend to pay dividends on our common stock, and, consequently, our stockholders' ability to achieve a return on their investment will depend on appreciation in the price of our common stock.

We do not currently intend to pay any cash dividends on our common stock for the foreseeable future. We currently intend to invest our future earnings, if any, to fund our growth. Therefore, our stockholders are not likely to receive any dividends on their common stock for the foreseeable future. Since we do not intend to pay dividends, our stockholders' ability to receive a return on their investment will depend on any future appreciation in the market value of our common stock. There is no guarantee that our common stock will appreciate or even maintain the price at which our holders have purchased it.

Item 1B. Unresolved Staff Comments.

None.

Item 2. Properties.

Our corporate headquarters is located in Cambridge, Massachusetts where we occupy approximately 8,300 square feet of office space under a lease agreement that runs through September 2028. We maintain approximately 13,400 square feet of office and research laboratory space in Porton Down, United Kingdom, under a lease agreement that runs through April 2028. We also maintain approximately 1,000 square feet of leased research laboratory space in Boston, Massachusetts.

We believe that our current and planned facilities are adequate to meet our needs for the foreseeable future, and that, should it be needed, suitable additional space will be available to accommodate any such expansion of our operations.

Item 3. 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 4. Mine Safety Disclosures.

Not Applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

Our common stock is traded on the NASDAQ Global Market under the symbol "KALV."

Holders

As of July 2, 2021, there were 24 holders of record of our common stock. The actual number of holders is greater than this number of record holders and includes stockholders who are beneficial owners but whose shares are held in street name by brokers and other nominees.

Dividends

We have never declared or paid cash dividends on our capital stock. We do not expect to pay dividends on our common stock for the foreseeable future. Instead, we anticipate that all of our earnings, if any, will be used for the operation and growth of our business. Any future determination to declare cash dividends would be subject to the discretion of our board of directors and would depend upon various factors, including our results of operations, financial condition and capital requirements, restrictions that may be imposed by applicable law and our contracts and other factors deemed relevant by our board of directors.

Recent Sales of Unregistered Securities

None.

Securities Authorized for Issuance under Equity Compensation Plans

The information required by this item regarding equity compensation plan information is set forth in Item 12 of this Annual Report on Form 10-K and incorporated herein by reference.

Item 6. Selected Financial Data.

The following selected financial data should be read in conjunction with the Consolidated Financial Statements and the Notes thereto and the section captioned "Management's Discussion and Analysis of Financial Condition and Results of Operations," included elsewhere in this Annual Report on Form 10-K.

The Balance Sheet Data at April 30, 2021 and 2020 and the Statement of Operations Data for each of the three years ended April 30, 2021, 2020, and 2019 have been derived from the audited Consolidated Financial Statements for such years, included elsewhere in this Annual Report on Form 10-K. The Balance Sheet Data at April 30, 2019, 2018, and 2017, and the Statement of Operations Data for each of the periods ended April 30, 2018 and 2017 have been derived from audited consolidated financial statements for such years not included in this Annual Report on Form 10-K.

	For the Years Ended April 30,				
	2021	2020	2019	2018	2017
	(in thousands, except share and per share data)				
Consolidated Statement of Operations Data:					
Revenue	$ —	$ 12,690	$ 16,127	$ 8,394	$ 1,504
Operating expenses					
Research and development	41,286	40,194	35,021	18,237	12,666
General and administrative	16,637	13,029	10,926	8,862	11,177
Total operating expenses	57,923	53,223	45,947	27,099	23,843
Operating loss	(57,923)	(40,533)	(29,820)	(18,705)	(22,339)
Total other income	11,679	11,293	9,128	2,900	3,736
Loss before income taxes	(46,244)	(29,240)	(20,692)	(15,805)	(18,603)
Income tax (benefit) expense	—	(124)	124	—	—
Net loss	$ (46,244)	$ (29,116)	$ (20,816)	$ (15,805)	$ (18,603)
Net loss per share, basic and diluted	$ (2.42)	$ (1.64)	$ (1.38)	$ (1.53)	$ (4.47)
Weighted average common shares outstanding, basic and diluted	19,094,440	17,748,666	15,080,863	10,321,780	4,646,764

	April 30,				
	2021	2020	2019	2018	2017
	(in thousands)				
Consolidated Balance Sheet Data:					
Cash and cash equivalents	$ 50,592	$ 15,789	$ 32,006	$ 51,055	$ 30,950
Marketable securities	198,337	51,925	68,805	—	—
Property and equipment, net	1,791	2,043	2,413	1,836	97
Working capital	254,490	80,976	97,494	36,164	31,180
Total assets	272,013	92,529	118,132	61,389	34,345
Total liabilities	14,820	8,777	21,394	34,136	3,018
Stockholders' equity (deficit)	257,193	83,752	96,738	27,253	31,327

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis should be read in conjunction with our audited consolidated financial statements and the related notes that appear elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act. These statements are often identified by the use of words such as "may," "will," "expect," "believe," "anticipate," "intend," "could," "estimate," or "continue," and similar expressions or variations. These statements are based on the belief and assumptions of our management based on information currently available to management, reflecting our current expectations that involve risks and uncertainties. Actual results and the timing of certain events may differ materially from those discussed or implied in these forward-looking statements due to a number of factors, including, but not limited to, the impact of the current COVID-19 pandemic on our business and future financial performance, and those set forth in the section entitled "Risk Factors" and elsewhere in this Annual Report on Form 10-K. You should review the risk factors for a more complete understanding of the risks associated with an investment in our securities. For further information regarding forward-looking statements, please refer to the "Special Note Regarding Forward-Looking Statements" at the beginning of Part I of this Annual Report on Form 10-K. Our fiscal year end is April 30, and references throughout this Annual Report to a given fiscal year are to the twelve months ended on that date.

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 diseases. 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"). In late 2020, we also announced a novel, oral Factor XIIa ("Factor XIIa") inhibitor 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.

Our most advanced program for HAE is KVD900, which is being developed as a potential on-demand oral therapy for treatment of HAE attacks. In February 2021 we announced positive data from a Phase 2 clinical trial of KVD900 and have scheduled an end-of-phase 2 meeting with the FDA to confirm our plans for the Phase 3 program. KVD824 is our next oral program to be developed as a twice-daily potential oral prophylactic treatment for HAE.

KVD001, our first product candidate to treat DME, completed a Phase 2 clinical trial in December 2019. We also intend to develop an oral therapy for this indication, which we believe could dramatically improve the standard of care for patients, since all current therapies are delivered by injection into the eye. We continue to believe that the results of the KVD001 Phase 2 study suggest a patient population in which plasma kallikrein inhibition may yield vision benefits, and we intend to explore further development opportunities for this and oral DME programs over time.

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 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 Annual Report on Form 10-K, the extent to which COVID-19 may impact our financial condition, results of operations or guidance is uncertain. The effect of the COVID-19 pandemic will not be fully reflected in our results of operations and overall financial performance until future periods. See the section entitled "Risk Factors" included elsewhere in this report for further discussion of the possible impact of the COVID-19 pandemic on our business.

In February 2021, we completed a public offering of our common stock and issued 6,181,250 shares at a price of $36.00 per share ("the Offering"), including the underwriters' full exercise of their option to purchase 806,250 additional shares of common stock. The total net proceeds to us were $209.2 million, after deducting underwriting discounts, commissions, and other offering expenses.

On May 21, 2021, we entered into a Controlled Equity Offering℠ Sales Agreement with Cantor Fitzgerald & Co. (the "Sales Agreement"), which established an at-the-market offering program pursuant to which we may offer and sell shares of our common stock from time to time. The Sales Agreement provides for the sale of shares of our common stock having an aggregate offering price of up to $100.0 million.

We have funded operations primarily through the issuance of capital stock, including from the Offering in February 2021. As of April 30, 2021, we had an accumulated deficit of $167.8 million and $248.9 million of cash, cash equivalents and available for sale securities. Our working capital is anticipated to fund our operations for at least the next twelve months from the date the audited consolidated financial statements are issued.

Financial Overview

Revenue

We have not generated any revenue in the current fiscal year. Our revenue recognized in the prior fiscal year consists of up-front fees from the option agreement with Merck Sharpe & Dohme Corp. which was entered into in 2017 (the "Merck Option Agreement") and expired 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 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 requirements of the SEC. 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 bank and investment interest, 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, 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 tax 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.

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 generally accepted accounting principles in the United States ("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, including those described below, 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 also Note 2, Summary of Significant Accounting Policies to our Consolidated Financial Statements included in this Annual Report on Form 10-K, which discusses the significant assumptions used in applying our accounting policies. Those accounting policies and estimates that we deem to be critical are as follows:

Preclinical and Clinical Trial Accruals

We base our accrued expenses related to clinical trials on estimates of patient enrollment and related expenses at clinical investigator sites as well as estimates for services received and efforts expended pursuant to contracts with multiple research institutions and contract research organizations that conduct and manage clinical trials on our behalf. We make estimates of our accrued expenses as of each balance sheet date in our financial statements based on facts and circumstances known to us and based on contracted amounts applied to the level of patient enrollment and activity according to the clinical trial protocol. If timelines or contracts are modified based upon changes in the clinical trial protocol or scope of work to be performed, we modify our estimates of accrued expenses accordingly on a prospective basis.

If we do not identify costs that we have begun to incur, or if we underestimate or overestimate the level of services performed or the costs of these services, our actual expenses could differ from our estimates.

Results of Operations

This section of this Annual Report on Form 10-K generally discusses fiscal years 2021 and 2020 items and year-to-year comparisons between fiscal years 2021 and 2020. Discussions of fiscal years 2020 items and year-to-year comparisons between fiscal years 2020 and 2019 that are not included in this Annual Report on Form 10-K can be found in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended April 30, 2020, which was filed with the SEC on July 1, 2020.

Year Ended April 30, 2021 Compared to Year Ended April 30, 2020

The following table sets forth the key components of our results of operations for the years ended April 30, 2021 and 2020:

	Years Ended April 30,		Increase (Decrease)
	2021	2020	
	(in thousands)		
Income			
Revenue	$ —	$ 12,690	$ (12,690)
Operating Expenses			
Research and development expenses	41,286	40,194	1,092
General and administrative expenses	16,637	13,029	3,608
Other income			
Interest, exchange rate gain and other income	11,679	11,293	386

Revenue. No revenue was recognized in the year ended April 30, 2021 compared to $12.7 million in the prior year. The $12.7 million of revenue in the prior year was attributable to the revenue recognized from the up-front payment from the Merck Option Agreement and the decrease in the current year was due to the expiration of that agreement in February 2020.

Research and Development Expenses. Research and development expenses were $41.3 million in the year ended April 30, 2021 compared to $40.2 million in the prior year. The increase of $1.1 million was primarily due to an increase of $4.4 million in spending on the KVD824 program and an increase of $2.1 million in spending on the KVD900 program. The increased costs were offset by a decrease of $4.5 million related to the KVD001 program and a $0.9 million decrease related to preclinical activities compared to the prior year. The impact of exchange rates on research and development expenses was an increase of approximately $1.2 million compared to the prior year, which is reflected in the figures above.

Research and development expenses by major programs or categories were as follows:

	Years Ended April 30,		Increase (Decrease)	
	2021	2020		
	(in thousands)			
KVD001	$ 253	$ 4,719	$ (4,466)	-95%
KVD900	12,530	10,441	2,089	20%
KVD824	9,255	4,857	4,398	91%
Preclinical activities	19,248	20,177	(929)	-5%
Total	$ 41,286	$ 40,194	$ 1,092	3%

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

Expenses for the KVD900 program increased primarily due to the Phase 2 clinical trial which was completed in December. We anticipate that these expenses will increase above current levels as we initiate the Phase 3 clinical trial for KVD900.

Expenses for the KVD824 program increased primarily due to an increase in clinical trial expenses. We anticipate that the expenses for the KVD824 program will increase above current levels as we initiate the Phase 2 clinical trial for KVD824.

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 inhibitor program towards the clinical stage of development.

General and Administrative Expenses. General and administrative expenses were $16.6 million in the year ended April 30, 2021 compared to $13.0 million in the prior fiscal year. The increase of $3.6 million was primarily due to an increase of $2.8 million in compensation related expenses, an increase of $0.4 million in professional fees, an increase of $0.3 million in insurance costs, an increase of $0.2 million in facility costs, and an increase of $0.1 million in other administrative expenses, offset by a decrease of $0.2 million in travel costs, compared to the prior year. We anticipate that expenses will continue at or above current levels as we continue to support the growth of the Company.

Other Income. Other income was $11.7 million for the year ended April 30, 2021 compared to $11.3 million in the prior fiscal year. The increase of $0.4 million was primarily due to an increase in foreign currency exchange rate gains of $1.2 million from transactions denominated in foreign currencies in our U.K. subsidiary, and an increase of $0.3 million in income from research and development tax credits, offset by a decrease in interest income of $0.9 million, and a decrease in realized gains from available for sale securities of $0.2 million, compared to the prior year.

Liquidity and Capital Resources

We have incurred losses since inception and cash outflows from operating activities for the years ended April 30, 2021 and 2020. We have funded operations primarily through the issuance of capital stock, including our February 2021 Offering that generated net proceeds of $209.2 million. We had an accumulated deficit of $167.8 million as of April 30, 2021. We anticipate that we will continue to incur net losses for the foreseeable future as we continue the research and development efforts on our product candidates, hire additional staff, including clinical, scientific, operational, and financial and management personnel.

Cash Flows

The following table shows a summary of the net cash flow activity for the years ended April 30, 2021 and 2020:

	Years Ended April 30,	
	2021	2020
	(in thousands)	
Cash flows used in operating activities	$ (30,171)	$ (44,816)
Cash flows provided by (used in) investing activities	(147,654)	16,753
Cash flows provided by financing activities	212,117	11,584
Effect of exchange rate changes on cash	511	262
Net increase (decrease) in cash and cash equivalents	$ 34,803	$ (16,217)

Net cash used in operating activities

Net cash used in operating activities was $30.2 million for the year ended April 30, 2021 and primarily consisted of a net loss of $46.2 million adjusted for stock-based compensation of $7.1 million, cash flow favorable increases from the research and development tax credit receivable of $7.5 million, and other changes in net working capital. The research and development tax credit receivable decreased due to the timing of the receipt of prior year tax credits offset by new tax credit deferrals compared to the prior year. Net cash used in operating activities was $44.8 million for the year ended April 30, 2020 and primarily consisted of a net loss of $29.1 million adjusted for stock-based compensation of $4.4 million, an increase in the research and development tax credit receivable of $5.8 million, a decrease in deferred revenue of $12.7 million, and other changes in net working capital. The increase in cash used in operating activities was due to increased spending on operating expenses compared to the prior year.

Net cash provided by (used in) investing activities

Net cash used in investing activities was $147.7 million for the year ended April 30, 2021 and consisted of purchases of marketable securities of $201.2 million and acquisitions of property and equipment of $0.1 million offset by sales and maturities of marketable securities of $53.6 million. Net cash provided by investing activities was $16.8 million for the year ended April 30, 2020 and consisted of sales and maturities of marketable securities of $66.8 million offset by purchases of marketable securities of $49.8 million and acquisitions of property and equipment of $0.2 million.

Net cash provided by financing activities

Net cash provided by financing activities was $212.1 million for the year ended April 30, 2021 and primarily consisted of the net proceeds received in the February 2021 public offering of common stock. Net cash provided by financing activities was $11.6 million for the year ended April 30, 2020 and primarily consisted of the sale of common stock pursuant to an existing at-the-market 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 significant 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, and begin to commercialize any approved products. 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.

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. 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.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements as defined in the rules and regulations of the SEC.

Recent Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position, results of operations or cash flows is disclosed in Note 2 to our consolidated financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Interest Rate Risk

Because of the short-term nature of the bank deposit arrangements and the very low interest rates prevailing in the United Kingdom and the United States, a sudden change in market interest rates would not be expected to have a material impact on our financial condition and/or results of operations. We do not believe that our cash or cash equivalents have significant risk of default or illiquidity.

We invest in marketable securities in accordance with our investment policy. The primary objectives of our investment policy are to preserve capital, maintain proper liquidity to meet operating needs and maximize yields. We invest our 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 credit exposure. Some of the securities we invest in may have market risk. This means that a change in prevailing interest rates may cause the principal amount of the investment to fluctuate.

Our investment exposure to market risk for changes in interest rates relates to the increase or decrease in the amount of interest income we can earn on our portfolio, changes in the market value due to changes in interest rates and other market factors as well as the increase or decrease in any realized gains and losses. Our investment portfolio includes only marketable securities and instruments with active secondary or resale markets to help ensure portfolio liquidity. An increase or decrease in interest rates along the entire interest rate yield curve would not significantly affect the fair value of our interest sensitive financial instruments, but may affect our future earnings and cash flows. We generally intend to hold our fixed income investments to maturity and therefore do not expect that our operating results, financial position or cash flows will be materially impacted due to a sudden change in interest rates. However, our future investment income may fall short of expectations due to changes in interest rates, or we may suffer losses in principal if forced to sell securities which have declined in market value due to changes in interest rates or other factors, such as changes in credit risk related to the securities' issuers. To minimize this risk, we schedule our investments to have maturities that coincide with our expected cash flow needs, thus avoiding the need to redeem an investment prior to its maturity date. Accordingly, we do not believe that we have material exposure to interest rate risk arising from our investments. We have not realized any significant losses from our investments.

Foreign Exchange Rate Risk

We maintain cash balances primarily in both U.S. Dollars ("USD") and British Pound Sterling ("GBP") to fund ongoing operations and manage foreign exchange risk. Cash, cash equivalents and marketable securities as of April 30, 2021 was composed of $50.6 million in cash and cash equivalents which consisted of readily available checking and bank deposit accounts held primarily in both USD and GBP and $198.3 million of USD denominated marketable securities. As of April 30, 2021, 69% of cash and cash equivalents were held in USD and 31% in GBP. We currently incur significant expense denominated in foreign currencies, primarily in GBP. We do not currently engage in exchange rate hedging or other similar activities to address our exchange rate risk. A 10% change in the exchange rate would result in an immaterial net gain or loss.

Effects of Inflation

We do not believe that inflation and changing prices had a significant impact on the results of operations for any periods presented herein.

Item 8. Financial Statements and Supplementary Data.

The financial statements required to be filed are listed in Item 15 of this Annual Report on Form 10-K and incorporated herein by reference.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) under the Exchange Act of 1934, 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 April 30, 2021. 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. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of April 30, 2021 our Chief Executive Officer and Chief Financial Officer have concluded that, as of April 30, 2021, our disclosure controls and procedures were effective at the reasonable assurance level.

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. GAAP. Our internal control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect our transactions and dispositions of our assets;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management, with the participation of our principal executive officer and principal financial officer, assessed the effectiveness of our internal control over financial reporting as of April 30, 2021. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in its 2013 *Internal Control – Integrated Framework.* Based on our assessment, our management has concluded that, as of April 30, 2021, our internal control over financial reporting is effective based on those criteria.

This Annual Report on Form 10-K does not include an attestation report of our registered public accounting firm regarding internal control over financial reporting. Effective April 27, 2020, the SEC adopted amendments to the "accelerated filer" and "large accelerated filer" definitions in Rule 12b-2 under the Exchange Act. The amendments exclude from the accelerated and large accelerated filer definitions an issuer that is eligible to be a smaller reporting company and that had annual revenues of less than $100 million in the most recent fiscal year for which audited financial statements are available. We determined that our Company does not meet the accelerated or large accelerated filer definitions as of April 30, 2021. For as long as we remain a non-accelerated filer, we intend to take advantage of the exemption permitting us not to comply with the requirement under Section 404(b) of the Sarbanes-Oxley Act of 2002 that our independent registered public accounting firm provide an attestation on the management's assessment of the effectiveness of our internal control over financial reporting.

Changes in Internal Controls over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the quarter ended April 30, 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by the Item is set forth in our 2021 Proxy Statement to be filed with the SEC within 120 days of April 30, 2021, and is incorporated by reference into this Annual Report on Form 10-K.

Item 11. Executive Compensation.

The information required by the Item is set forth in our 2021 Proxy Statement to be filed with the SEC within 120 days of April 30, 2021, and is incorporated by reference into this Annual Report on Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by Item 403 of Regulation S-K is set forth in our 2021 Proxy Statement to be filed with the SEC within 120 days of April 30, 2021, and is incorporated by reference into this Annual Report on Form 10-K.

Securities Authorized for Issuance under Equity Compensation Plans

The following table provides information as of April 30, 2021, with respect to the shares of our common stock that may be issued under our existing equity compensation plans.

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by stockholders (1)(2)	2,816,543	$ 13.24	1,302,038
Equity compensation plans not approved by stockholders (3)	20,055	$ 10.21	—
Total	2,836,598		1,302,038

(1) Includes 111,866 shares subject to options issued pursuant to the Carbylan 2015 Incentive Plan, 100,263 shares subject to options issued pursuant to the Enterprise Management Incentives Plan and 2,604,414 shares subject to options issued pursuant to the 2017 Equity Incentive Plan. The 2017 Equity Incentive Plan contains provisions that provide for automatic increases to the authorized number of shares as of January 1st of each year of the first ten calendar years during the term of such plan, by the lesser of (a) 4% of the issued and outstanding shares of stock on the last day of the immediately preceding calendar year and (b) such number of shares as approved by our board of directors. There are 853,743 shares available for future issuance under the 2017 Equity Incentive Plan as of April 30, 2021. In January 2019, the board of directors authorized the first offering period under the 2017 Employee Stock Purchase Plan to run from February 15, 2019 to June 30, 2019. All subsequent offering periods will run for six month periods ending June 30 and December 31 of each year. The 2017 Employee Stock Purchase Plan contains provisions that provide for automatic increases to the authorized number of shares as of January 1st for the first ten calendar years after the first Offering Date (as defined therein) by the number of shares equal to one percent of the total number of outstanding shares of common stock on the immediately preceding December 31 (rounded down to the nearest whole share) or a lesser number of shares determined by our board of directors. There are 448,295 shares of common stock available for future issuance under the 2017 Employee Stock Purchase Plan as of April 30, 2021.

(2) Shares reserved for issuance under the 2017 Equity Incentive Plan may be granted as restricted stock, restricted share units and other equity awards, as well as for grants of stock options and stock appreciation rights.

(3) Consists of options issued pursuant to inducement grants.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by the Item is set forth in our 2020 Proxy Statement to be filed with the SEC within 120 days of April 30, 2021, and is incorporated by reference into this Annual Report on Form 10-K.

Item 14. Principal Accounting Fees and Services.

The information required by the Item is set forth in our 2021 Proxy Statement to be filed with the SEC within 120 days of April 30, 2021, and is incorporated by reference into this Annual Report on Form 10-K.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

(a) The following documents are filed as part of, or incorporated by reference into, this Annual Report on Form 10-K:

(1) *Consolidated Financial Statements.* See Index to Financial Statements beginning on page F-1 of this Annual Report, which are incorporated by reference.

(2) *Financial Statement Schedules.* All schedules have been omitted because the information required to be presented in them is not applicable or is shown in the financial statements or related notes.

(3) *Exhibits.* We have filed, or incorporated into this Annual Report on Form 10-K by reference, the exhibits listed on the accompanying Exhibit Index.

(b) *Exhibits.*

Exhibit Number	Description of Document	Incorporated by reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Incorporation.	8-K	001-36830	3.1	April 16, 2015	
3.2	Certificate of Amendment to the Restated Certificate of Incorporation.	8-K	001-36830	3.1	November 23, 2016	
3.3	Certificate of Amendment (Name Change) to the Restated Certificate of Incorporation.	8-K	001-36830	3.2	November 23, 2016	
3.4	Amended and Restated Bylaws, as amended as of June 24, 2021.	8-K	001-36830	3.1	June 30, 2021	
4.1	Form of Common Stock Certificate.	S-1/A	333-201278	4.2	January 23, 2015	
4.2	Description of Registrant's Securities	10-K	001-36830	10.24	July 16, 2019	
10.1#	Form of Indemnification Agreement.	S-1	333-201278	10.14	December 29, 2014	
10.2#	Carbylan 2015 Incentive Plan and forms of award agreements.	S-1/A	333-201278	10.3	January 23, 2015	
10.3#	2017 Equity Incentive Plan.	DEF 14A	001-36830	Appendix A	March 2, 2017	
10.4#	2017 Employee Stock Purchase Plan.	DEF 14A	001-36830	Appendix B	March 2, 2017	
10.5#	Amended and Restated Employment Agreement between the Registrant and T. Andrew Crockett, dated June 26, 2019.	10-K	001-36830	10.5	July 16, 2019	
10.6#	Amended and Restated Employment Agreement between the Registrant and Benjamin L. Palleiko, dated June 26, 2019.	10-K	001-36830	10.6	July 16, 2019	
10.7#	Forms of Equity Agreements under the 2017 Equity Incentive Plan.	8-K	001-36830	99.1	June 29, 2018	
10.8	Office Lease Agreement by and between the Registrant and 55 Cambridge Parkway, LLC, dated May 30, 2017.	10-K	001-36830	10.12	July 27, 2017	
10.9	Underlease by and between the Registrant and Wiltshire Council, dated April 30, 2018.	8-K	001-36830	10.1	May 2, 2018	

Exhibit Number	Description of Document	Incorporated by reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.10#	Amended and Restated Executive Employment Agreement dated June 26, 2019, by and between the Registrant and Andreas Maetzel.	10-K	001-36830	10.13	July 16, 2019	
10.11#	Enrollment/Change Form under the 2017 Employee Stock Purchase Plan.	S-8	333-237059	99.4	March 10, 2020	
10.12#	Service Agreement dated November 1, 2015, by and between KalVista. Pharmaceuticals Ltd and Dr. Christopher M. Yea.	10-K	001-36830	10.15	July 30, 2018	
10.13#	Amendment, dated January 31, 2019, to the Service Agreement dated November 1, 2015 by and between KalVista. Pharmaceuticals Ltd and Dr. Christopher M. Yea.	10-Q	001-36830	10.1	March 14, 2019	
10.14#	Equity Acceleration Letter, dated March 11, 2019 by and between KalVista Pharmaceuticals Ltd and Dr. Christopher M. Yea.	10-Q	001-36830	10.2	March 14, 2019	
10.15#	Amended and Restated Executive Employment Agreement by and between Registrant and Edward Feener.	10-K	001-36830	10.21	July 16, 2019	
10.16#	Executive Employment Agreement by and between Registrant and Michael Smith.	10-K	001-36830	10.22	July 16, 2019	
10.17#	Amendment, dated June 26, 2019, to the Service Agreement dated November 1, 2015 by and between KalVista. Pharmaceuticals Ltd and Dr. Christopher M. Yea.	10-K	001-36830	10.23	July 16, 2019	
10.18#	Executive Employment Agreement by and between Registrant and Dr. Paul K. Audhya, MD					X
10.19	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	10-Q	001-36830	10.1	December 10, 2020	
10.20	Controlled Equity Offering Sales Agreement, dated May 21, 2021, between the Registrant and Cantor Fitzgerald & Co.	S-3	333-256378	1.2	May 21, 2021	
10.21	2021 Equity Inducement Plan and forms of agreement					X
21.1	Subsidiaries of the Registrant.	10-K	001-36830	21.1	July 1, 2020	
23.1	Consent of Deloitte & Touche LLP.					X
24.1	Power of Attorney. (See signature page hereto.)					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

Exhibit Number	Description of Document	Incorporated by reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
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, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of 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.					X
101.SCH	XBRL Taxonomy Extension Schema Document.					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document.					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.					X

Management contract or compensatory plan or arrangement.

* 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 or the Exchange Act.

Item 16. Form 10-K Summary.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

KalVista Pharmaceuticals, Inc.

Date: July 13, 2021

By: /s/ T. Andrew Crockett
T. Andrew Crockett
Chief Executive Officer

Date: July 13, 2021

By: /s/ Benjamin L. Palleiko
Benjamin L. Palleiko
Chief Business Officer and Chief Financial Officer

POWER OF ATTORNEY

Each person whose individual signature appears below hereby authorizes and appoints Thomas Andrew Crockett and Benjamin L. Palleiko, and each of them, with full power of substitution and resubstitution and full power to act without the other, as his or her true and lawful attorney-in-fact and agent to act in his or her name, place and stead and to execute in the name and on behalf of each person, individually and in each capacity stated below, and to file any and all amendments to this annual report on Form 10-K and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing, ratifying and confirming all that said attorneys-in-fact and agents or any of them or their or his substitute or substitutes may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Name	Title	Date
/s/ T. Andrew Crockett T. Andrew Crockett	Chief Executive Officer and Director (Principal Executive Officer)	July 13, 2021
/s/ Benjamin L Palleiko Benjamin L. Palleiko	Chief Business Officer and Chief Financial Officer (Principal Financial and Accounting Officer)	July 13, 2021
/s/ Martin Edwards Martin Edwards, M.D.	Director and Chairman	July 13, 2021
/s/ Albert Cha Albert Cha, M.D., Ph.D.	Director	July 13, 2021
/s/ Brian J.G. Pereira Brian J.G. Pereira, M.D.	Director	July 13, 2021
/s/ Daniel Soland Daniel Soland	Director	July 13, 2021
/s/Nancy Stuart Nancy Stuart	Director	July 13, 2021
/s/ Edward W. Unkart Edward W. Unkart	Director	July 13, 2021

KALVISTA PHARMACEUTICALS, INC.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of KalVista Pharmaceuticals, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of KalVista Pharmaceuticals, Inc. and subsidiaries (the "Company") as of April 30, 2021 and 2020, the related consolidated statements of operations and comprehensive loss, changes in stockholders' equity, and cash flows for each of the three years in the period ended April 30, 2021, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of April 30, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended April 30, 2021, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

Critical audit matters are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
July 13, 2021

We have served as the Company's auditor since 2016.

KALVISTA PHARMACEUTICALS, INC.
Consolidated Balance Sheets
April 30, 2021 and 2020
(in thousands except share and per share amounts)

	2021	2020
Assets		
Current assets:		
Cash and cash equivalents	$ 50,592	$ 15,789
Marketable securities	198,337	51,925
Research and development tax credit receivable	10,418	16,527
Prepaid expenses and other current assets	4,917	4,455
Total current assets	264,264	88,696
Property and equipment, net	1,791	2,043
Right of use assets	5,758	1,612
Other assets	200	178
Total assets	$ 272,013	$ 92,529
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,981	$ 1,677
Accrued expenses	6,930	5,455
Lease liability - current portion	863	588
Total current liabilities	9,774	7,720
Long-term liabilities:		
Lease liability - net of current portion	5,046	1,057
Total long-term liabilities	5,046	1,057
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Common stock, $0.001 par value, 100,000,000 authorized		
Shares issued and outstanding: 24,422,531 and 17,845,599 at April 30, 2021 and 2020, respectively	24	18
Additional paid-in capital	426,437	207,208
Accumulated deficit	(167,836)	(121,592)
Accumulated other comprehensive loss	(1,432)	(1,882)
Total stockholders' equity	257,193	83,752
Total liabilities and stockholders' equity	$ 272,013	$ 92,529

See notes to consolidated financial statements.

KALVISTA PHARMACEUTICALS, INC.
Consolidated Statements of Operations and Comprehensive Loss
Years Ended April 30, 2021, 2020 and 2019
(in thousands, except share and per share amounts)

	2021	2020	2019
Revenue	$ —	$ 12,690	$ 16,127
Operating expenses:			
Research and development	41,286	40,194	35,021
General and administrative	16,637	13,029	10,926
Total operating expenses	57,923	53,223	45,947
Operating loss	(57,923)	(40,533)	(29,820)
Other income:			
Interest income	903	1,830	1,397
Foreign currency exchange gain (loss)	847	(367)	49
Other income	9,929	9,830	7,682
Total other income	11,679	11,293	9,128
Loss before income taxes	(46,244)	(29,240)	(20,692)
Income tax (benefit) expense	—	(124)	124
Net loss	$ (46,244)	$ (29,116)	$ (20,816)
Other comprehensive income (loss):			
Foreign currency translation adjustments	1,076	59	(1,257)
Unrealized holding gain (loss) on available-for-sale securities	(473)	285	440
Reclassification adjustment for realized (gain) on available for sale securities included in net loss	(153)	(300)	—
Total other comprehensive income (loss):	$ 450	$ 44	$ (817)
Comprehensive loss	$ (45,794)	$ (29,072)	$ (21,633)
Net loss per share, basic and diluted	$ (2.42)	$ (1.64)	$ (1.38)
Weighted average common shares outstanding, basic and diluted	19,094,440	17,748,666	15,080,863

See notes to consolidated financial statements.

KALVISTA PHARMACEUTICALS, INC.
Consolidated Statements of Changes in Stockholders' Equity
Years Ended April 30, 2021, 2020 and 2019
(in thousands, except share and per share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
	Shares	Amount				
Balance at May 1, 2018	10,799,895	$ 11	$ 100,011	$ (71,660)	$ (1,109)	$ 27,253
Issuance of common stock	6,382,320	6	87,904	—	—	87,910
Issuance of common stock from exercise of stock options	95,535	—	242	—	—	242
Stock-based compensation expense	—	—	2,966	—	—	2,966
Net loss	—	—	—	(20,816)	—	(20,816)
Foreign currency translation adjustment	—	—	—	—	(1,257)	(1,257)
Unrealized holding gains from available-for-sale securities, net of reclassification for realized gains	—	—	—	—	440	440
Balance at April 30, 2019	17,277,750	17	191,123	(92,476)	(1,926)	96,738
Issuance of common stock, net of issuance costs of $123	527,221	1	11,421	—	—	11,422
Issuance of common stock from exercise of stock options	40,628	—	216	—	—	216
Stock-based compensation expense	—	—	4,448	—	—	4,448
Net loss	—	—	—	(29,116)	—	(29,116)
Foreign currency translation adjustment	—	—	—	—	59	59
Unrealized holding gains from available for sale securities	—	—	—	—	285	285
Reclassification adjustment for realized (gain) on available-for-sale securities included in net loss	—	—	—	—	(300)	(300)
Balance at April 30, 2020	17,845,599	18	207,208	(121,592)	(1,882)	83,752
Issuance of common stock from public offering, net of issuance costs of $239	6,181,250	6	208,928	—	—	208,934
Issuance of common shares under an at-the-market sales agreement, net of issuance costs of $132	97,332	—	1,648	—	—	1,648
Issuance of common stock from equity incentive plans	298,350	—	1,535	—	—	1,535
Stock-based compensation expense	—	—	7,118	—	—	7,118
Net loss	—	—	—	(46,244)	—	(46,244)
Foreign currency translation adjustment	—	—	—	—	1,076	1,076
Unrealized holding losses from available for sale securities	—	—	—	—	(473)	(473)
Reclassification adjustment for realized (gain) on available-for-sale securities included in net loss	—	—	—	—	(153)	(153)
Balance at April 30, 2021	24,422,531	$ 24	$ 426,437	$ (167,836)	$ (1,432)	$ 257,193

See notes to consolidated financial statements.

KALVISTA PHARMACEUTICALS, INC.
Consolidated Statements of Cash Flows
Years Ended April 30, 2021, 2020 and 2019
(in thousands)

	2021	2020	2019
Cash flows from operating activities:			
Net loss	$ (46,244)	$ (29,116)	$ (20,816)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	537	512	378
Stock-based compensation expense	7,118	4,448	2,966
Realized gain from sale of marketable securities	(153)	(300)	(23)
Non-cash operating lease expense	114	13	—
Amortization of premium on available for sale securities	685	193	—
Foreign currency exchange (gain) loss	(574)	74	(80)
Changes in operating assets and liabilities:			
Research and development tax credit receivable	7,457	(5,781)	(4,883)
Prepaid expenses and other current assets	(222)	(1,112)	(1,979)
Other assets	(22)	(5)	—
Accounts payable	150	(1,004)	1,534
Accrued expenses	983	(48)	2,665
Deferred revenue	—	(12,690)	(16,127)
Net cash used in operating activities	(30,171)	(44,816)	(36,365)
Cash flows from investing activities:			
Purchases of available for sale securities	(201,210)	(49,797)	(79,889)
Sales and maturities of available for sale securities	53,638	66,770	11,548
Acquisition of property and equipment	(82)	(220)	(1,081)
Net cash provided by (used in) investing activities	(147,654)	16,753	(69,422)
Cash flows from financing activities:			
Issuance of common stock, net of offering expenses	210,582	11,422	87,910
Issuance of common stock from equity incentive plans	1,535	216	242
Finance lease principal payments	—	(54)	(209)
Net cash provided by financing activities	212,117	11,584	87,943
Effect of exchange rate changes on cash and cash equivalents	511	262	(1,205)
Net increase (decrease) in cash and cash equivalents	34,803	(16,217)	(19,049)
Cash and cash equivalents, beginning year	15,789	32,006	51,055
Cash and cash equivalents, end of year	$ 50,592	$ 15,789	$ 32,006
Supplemental disclosures of cash flow information:			
Right of use assets obtained in exchange for operating lease liabilities	$ 4,784	$ 309	$ —

See notes to consolidated financial statements.

Note 1. Description of Business and Basis of Presentation

KalVista Pharmaceuticals, Inc. (together with its subsidiaries, "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's first product candidates are inhibitors of plasma kallikrein being developed for two indications: hereditary angioedema ("HAE") and diabetic macular edema ("DME"). The Company applies its insights into the chemistry of proteases and, with current programs, the biology of the plasma kallikrein system, to develop small molecule inhibitors with high selectivity, potency and bioavailability that it believes will make them successful treatments for HAE and DME.

KalVista has created a structurally diverse portfolio of oral plasma kallikrein inhibitors and advanced multiple drug candidates into clinical trials in order to create best-in-class oral therapies for both HAE and DME. In February 2021 the Company announced positive data from a Phase 2 clinical study of KVD900 as a potential on-demand therapy for acute HAE attacks. KVD824 is KalVista's next oral program to be developed for HAE, currently being developed as a twice-daily potential oral prophylactic treatment for HAE. In the case of DME, KVD001, an intravitreally delivered plasma kallikrein inhibitor in development for potential treatment of DME, completed a Phase 2 clinical trial in 2019.

The Company's headquarters is located in Cambridge, Massachusetts, with additional offices and research activities located in Porton Down, United Kingdom, Salt Lake City, Utah and Boston, Massachusetts.

The Company has devoted substantially all of its efforts to research and development, including 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 U.S. Food and Drug Administration ("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 its operations primarily through the issuance of stock. As of April 30, 2021, the Company had an accumulated deficit of $167.8 million and cash, cash equivalents and marketable securities totaling $248.9 million. The Company's working capital, primarily cash, cash equivalents and marketable securities, is anticipated to fund the Company's operations for at least 12 months beyond the date of issuance of the consolidated financial statements.

The Company will need to expend substantial resources for research and development, including costs associated with the clinical testing of its product candidates and will need to obtain additional financing to fund its operations and to conduct trials for its product candidates. The Company will seek to finance future cash needs through equity offerings, future grants, corporate partnerships and product sales.

The Company has never been profitable and has incurred significant operating losses in each year since inception. Cash requirements may vary materially from those now planned because of changes in the Company's focus and direction of its research and development programs, competitive and technical advances, patent developments, regulatory changes or other developments. Additional financing will be required to continue operations after the Company exhausts its current cash resources and to continue its long-term plans for clinical trials and new product development. There can be no assurance that any such financing can be obtained by the Company, or if obtained, what the terms thereof may be, or that any amount that the Company is able to raise will be adequate to support the Company's working capital requirements until it achieves profitable operations. If adequate additional working capital is not secured when needed, the Company may be required to make reductions in spending, extend payment terms with suppliers, liquidate assets where possible and/or suspend or curtail planned research programs. Any of these actions could materially harm the Company's business and prospects.

The outbreak of COVID-19 has evolved into a global pandemic. The extent of the impact of COVID-19 on the Company's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, impact on clinical studies, employee or industry events, and effect on suppliers and manufacturers, or impact on the healthcare systems, all of which are uncertain and cannot be predicted. The Company has experienced and may continue to experience constrained supplies of product candidates or, 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 that 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 our development plans. The extent to which COVID-19 may impact the Company's financial condition, results of operations or cash flows is uncertain. The impact of COVID-19 could have a material adverse impact on the Company's operations and will continue to be monitored closely.

Note 2. Summary of Significant Accounting Policies

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

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles ("U.S. 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 revenues and expenses during the reporting period. Actual results could differ from these estimates.

Foreign currency: The functional currency of the Company's U.K. subsidiary is the British Pound Sterling. Assets and liabilities of the foreign subsidiary are translated using the exchange rate existing on each respective balance sheet date. Revenues and expenses are translated using average exchange rates prevailing throughout the year. The translation adjustments resulting from this process are included as a component of the accumulated other comprehensive loss. In addition, the Company engages in transactions and holds balances denominated and settled in currencies other than the functional currency, and transaction gains or losses are recorded in the consolidated statement of operations.

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.

Recent Accounting Pronouncements: In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which amends the impairment model by requiring entities to use a forward-looking approach on expected losses to estimate credit losses on certain financial instruments, including trade receivables and available-for-sale debt securities. The new guidance is effective for the Company as of May 1, 2023. The adoption of ASU 2016-13 is not expected to have a material impact on the Company's financial position, results of operations, and cash flows.

Cash and cash equivalents: Cash and cash equivalents consist of bank deposits and money market accounts. Cash equivalents are carried at cost which approximates fair value due to their short-term nature. The Company considers all highly liquid investments with an original maturity of 90 days or less to be cash equivalents.

The Company maintains its cash and cash equivalent balances with financial institutions that management believes are of high credit quality. The Company's cash and cash equivalent accounts at times may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk of cash and cash equivalents.

Research and development tax credit receivable: The research and development tax credit receivable consists of research and development expenses that have been claimed as research and development tax credits in accordance with the relevant U.K. tax legislation. These refundable tax credits are payable to the Company in cash and are carried on the consolidated balance sheet at the amount claimed and expected to be received from the U.K. government within the next 12 months.

Property and equipment: Property and equipment are stated at cost less accumulated depreciation. Expenditures for repairs and maintenance are charged to expense as incurred. Upon retirement or sale, the costs of the assets disposed of and the related accumulated depreciation are eliminated from the accounts and any resulting gain or loss is reflected in the statement of operations. Depreciation is provided using the straight-line method over the estimated useful lives of the assets, which are as follows:

Asset Classification	Estimated Useful Life
Machinery and equipment	1-5 Years
Computer equipment	3-4 Years
Leasehold improvements	15 Years or term of lease, if shorter

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying value of such assets, or asset groups, may not be recoverable. Whenever events or changes in circumstances suggest that the carrying amount of long-lived assets may not be recoverable, the future undiscounted cash flows expected to be generated by the asset, or asset groups, from its use or eventual disposition is estimated. If the sum of the expected future undiscounted cash flows is less than the carrying amount of those assets, or asset groups, an impairment loss is recognized based on the excess of the carrying amount over the fair value of the assets, or asset groups.

Revenue recognition: The Company recognizes revenue from research and development arrangements. In accordance with Accounting Standards Codification ("ASC") 606, "*Revenue from Contracts with Customers*," revenue is recognized when a customer obtains control of promised goods or services. The amount of revenue recognized reflects the consideration to which the Company expects to be entitled to receive in exchange for these goods and services.

Performance obligations promised in a contract are identified based on the goods and services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the good or service either on its own or together with other available resources, and are distinct in the context of the contract, whereby the transfer of the good or service is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised goods and services, the Company must apply judgment to determine whether promised goods and services are capable of being distinct and distinct in the context of the contract. If these criteria are not met, the promised goods and services are accounted for as a combined performance obligation.

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring goods and services to the customer. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur.

Any estimates, including the effect of the constraint on variable consideration, are evaluated at each reporting period for any changes.

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation on a relative standalone selling price basis unless the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct service that forms part of a single performance obligation. The consideration to be received is allocated among the separate performance obligations based on relative standalone selling prices.

The Company satisfies performance obligations either over time or at a point in time. Revenue is recognized over time if either: (1) the customer simultaneously receives and consumes the benefits provided by the entity's performance, (2) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced or (3) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. If the entity does not satisfy a performance obligation over time, the related performance obligation is satisfied at a point in time by transferring the control of a promised good or service to a customer. ASC 606 requires the Company to select a single revenue recognition method for the performance obligation that faithfully depicts the Company's performance in transferring control of the goods and services. The guidance allows for two methods to measure progress toward complete satisfaction of a performance obligation, depending on the facts and circumstances:

Output methods - recognize revenue on the basis of direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract (e.g., surveys of performance completed to date, appraisals of results achieved, milestones reached, time elapsed, and units of produced or units delivered); and

Input methods - recognize revenue on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation (e.g., resources consumed, labor hours expended, costs incurred, or time elapsed) relative to the total expected inputs to the satisfaction of that performance obligation.

Licenses of intellectual property: If the license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company must consider the nature of the intellectual property to which the customer will have rights (i.e., access at a point in time or benefit of intellectual property enhancements over time). The Company recognizes revenue from non-refundable, up-front fees allocated to the license at a point in time/over the period the license is transferred to the customer and the customer is able to use and benefit from the license. For licenses that are bundled with other promises, the Company utilizes judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue from non-refundable, up-front fees. The Company evaluates the measure of progress at each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition.

Milestone payments: At the inception of each arrangement that includes development and regulatory milestone payments for promised goods and services, the Company evaluates the circumstances of whether the milestones will be reached and estimates the amount to be included in the transaction price that will not cause a significant revenue reversal.

Up-front payments: Up-front payments and fees are recorded as deferred revenue upon receipt or when due and may require deferral of revenue recognition to a future period until the Company performs its obligations under these arrangements. Amounts payable to the Company are recorded as accounts receivable when the Company's right to consideration is unconditional. The Company does not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customer and the transfer of the promised goods or services to the customer will be one year or less.

Merck Arrangement: On October 6, 2017, the Company entered into an Option Agreement with a customer to acquire certain intellectual property that was in development and granted that customer a non-exclusive license to

use the compounds solely for research purposes, while the Company was required to use its diligent efforts to develop the intellectual property through the completion of Phase 2 clinical trials. Under the terms of this arrangement, the Company received an upfront fee of $37 million in November 2017, which was recognized as a contract liability upon receipt. The Company evaluated the revenue arrangement and determined that there were two performance obligations and the amounts allocated to each performance obligation were recognized as revenue using an input method. On February 10, 2020, the Company announced that the arrangement had expired, and the Company concluded that the performance obligations were completed in the fourth quarter of the fiscal year ended April 30, 2020. For the fiscal years ended April 30, 2020 and 2019, the Company recognized $12.7 million and $16.1 million, respectively.

Contract balances: The Company recognizes a contract asset when the Company transfers goods or services to a customer before the customer pays consideration or before payment is due, excluding any amounts presented as a receivable (i.e., accounts receivable). A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer. The contract liabilities (i.e., deferred revenue) primarily relate to contracts where the Company has received payment but has not yet satisfied the related performance obligations. The advance consideration received from customers for research and development services and/or licenses is a contract liability, recorded as deferred revenue, until the underlying performance obligations are transferred to the customer.

Research and development: Research and development costs are expensed as incurred and include, but are not limited to:

- Employee-related expenses including salaries, benefits, travel, and share-based compensation expense for research and development personnel;
- Costs associated with preclinical and development activities;
- Costs associated with regulatory operations.

Costs for certain research and development activities, such as manufacturing development activities and clinical studies are recognized based on the contracted amounts 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. The Company defers and capitalizes non-refundable advance payments made by the Company for research and development activities until the related goods are delivered or the related services are performed.

Income taxes: The Company accounts for income taxes using an asset and liability approach. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective income tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The Company evaluates the realizability of its deferred tax assets and establishes a valuation allowance when it is more likely than not that all or a portion of deferred tax assets will not be realized. The Company has provided a full valuation allowance on its deferred tax assets.

Relative to accounting for uncertainties in tax positions, the Company recognizes the tax benefit of tax positions to the extent that the benefit will more likely than not be realized. The determination as to whether the tax benefit will more likely than not be realized is based upon the technical merits of the tax position as well as consideration of the available facts and circumstances. For those tax positions where it is more likely than not that a tax benefit will be sustained, the Company records the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority having full knowledge of all relevant information. For those income tax positions where it is not more likely than not that a tax benefit will be sustained, the Company does not recognize a tax benefit in the financial statements.

The Company recognizes interest and penalties related to uncertain tax positions, if any, as a component of income tax expense. As the Company has no uncertain tax positions, there were no interest or penalties charges recognized in the statement of operations for any years.

Stock-based compensation: The Company accounts for stock-based compensation arrangements at fair value. The fair value is recognized over the period during which the recipient is required to provide services (usually the vesting period), on a straight-line basis. Forfeitures are recognized as they are incurred.

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:

	April 30,		
	2021	2020	2019
Stock options and awards	2,836,598	2,320,677	1,784,338

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 in 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 similar instruments or 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. These 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 April 30, 2021 and 2020:

	Level 1	Level 2	Level 3	Balance at April 30, 2021
Cash equivalents	$ 2,985	$ —	$ —	$ 2,985
Marketable securities:				
Corporate debt securities	—	157,873	—	157,873
U.S. government agency securities	—	40,464	—	40,464
	$ 2,985	$ 198,337	$ —	$ 201,322

	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

Note 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 significant losses from its investments.

The Company classifies all of its investments 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 the fair value of the Company's investments by type as of April 30, 2021 and 2020:

	April 30, 2021			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Corporate debt securities	$ 158,063	$ 55	$ (245)	$ 157,873
Obligations of the U.S. Government and its agencies	40,473	7	(16)	40,464
Total investments	$ 198,536	$ 62	$ (261)	$ 198,337

	April 30, 2020			
	Amortized Cost	Unrealized Gains	Unrealized Losses	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 investments	$ 51,456	$ 470	$ (1)	$ 51,925

The following table summarizes the scheduled maturity for the Company's investments at April 30, 2021:

	April 30, 2021
Maturing in one year or less	$ 129,235
Maturing after one year through two years	50,542
Maturing after two years through four years	18,560
Total investments	$ 198,337

Note 4. Property and Equipment

At April 30, 2021 and 2020, property and equipment consisted of (in thousands):

	2021	2020
Laboratory equipment	$ 1,748	$ 1,543
Office equipment	45	36
Furniture & fixtures	215	185
Leasehold improvements	1,872	1,647
Total property and equipment at cost	3,880	3,411
Less: Accumulated depreciation	(2,089)	(1,368)
Property and equipment, net	$ 1,791	$ 2,043

For the years ended April 30, 2021, 2020 and 2019, depreciation expense was $537,000, $512,000 and $378,000, respectively.

Note 5. Accrued Expenses

At April 30, 2021 and 2020, accrued expenses consisted of (in thousands):

	2021	2020
Accrued research expense	$ 2,476	$ 2,821
Accrued compensation	3,507	2,333
Accrued professional fees	557	173
Other accrued expenses	390	128
Total accrued expenses	$ 6,930	$ 5,455

Note 6. Stockholder's Equity

Public Offering of Common Stock

On February 16, 2021, the Company completed a public offering of 6,181,250 shares of its common stock at a price of $36.00 per share, including the underwriters' full exercise of their option to purchase 806,250 additional shares of common stock. The total net proceeds to the Company were $209.2 million, after deducting underwriting discounts, commissions, and other offering expenses payable by the Company.

On May 21, 2021, the Company filed a shelf registration statement pursuant to which the Company may offer and sell securities having an aggregate public offering price of up to $300 million. In connection with the filing of the Registration Statement, the Company also entered into a sales agreement with a sales agent, pursuant to which the Company may issue and sell shares of its common stock under an at-the-market (the "ATM") offering program.

Note 7. Stock-Based Compensation

The Company has three plans that provide for equity-based compensation. Two are legacy plans for which no further grants are to be made. As of April 30, 2021, 853,743 stock options remain available for grant under the 2017 Equity Incentive Plan ("2017 Plan"). There are 3,690,341 shares of the Company's common stock that are reserved for issuance upon exercise or settlement of stock options or other awards under these plans. Initial awards generally vest 25% after one year and then ratably on a monthly basis over the next three years. Recurring grants typically vest on a monthly basis over four years. Stock option grants expire after ten years.

The Company also has in place the 2017 Employee Stock Purchase Plan ("ESPP"), under which employees have the option to purchase the Company's common stock at a discount of 15% from the market price during predetermined offering periods each year. There are 448,295 shares available for future issuance under the ESPP as of April 30, 2021. Activity under the ESPP was not significant in the periods presented.

The Company recognizes stock-based compensation expense over the requisite service period based on the grant date fair value of the award. The Company has elected to use the Black-Scholes option pricing model to determine the fair value of awards granted. The determination of the fair value of stock-based awards utilizing the Black-Scholes model is affected by the share price and a number of assumptions, including expected volatility, expected life, risk-free interest rate and expected dividends. Due to insufficient history of the Company's stock price, the stock-price volatility assumption is based on the historical volatility of a peer group of publicly traded companies. The expected life of the awards is estimated based on the simplified method. The risk-free interest rate assumption is based on observed interest rates appropriate for the terms of the awards. The dividend yield assumption is based on history and expectation of paying no dividends. Forfeitures have not been material in the periods presented.

The fair value of the share-based awards was measured with the following weighted-average assumptions for the fiscal years ended April 30:

	2021	2020	2019
Risk-free interest rate	0.47%	2.06%	2.90%
Expected life of the options	6.25 years	6.25 years	6.25 years
Expected volatility of the underlying stock	81.7%	81.1%	77.2%
Expected dividend rate	0%	0%	0%

Stock-based compensation was reflected in the Company's consolidated statement of operations and comprehensive loss as follows (in thousands):

	Year ended April 30,		
	2021	2020	2019
Research and development	$ 3,174	$ 1,944	$ 2,005
General and administrative	3,944	2,504	961
Total stock-based compensation expense	$ 7,118	$ 4,448	$ 2,966

A summary of option activity for the year ended April 30, 2021 and changes during the years then ended is presented below:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Outstanding at May 1, 2020	2,300,677	$ 13.27	7.83	$ 4,899
Exercised	(246,575)	7.71		
Granted	835,500	11.82		
Cancelled	(53,004)	18.85		
Outstanding at April 30, 2021	2,836,598	$ 13.22	7.60	$ 33,514
Exercisable at April 30, 2021	1,446,403	$ 11.40	6.73	$ 19,661
Vested and expected to vest at April 30, 2021	2,836,598	$ 13.22	7.60	$ 33,514

The weighted-average grant date fair value of stock options granted during the years ended April 30, 2021, 2020 and 2019 was $8.24, $15.76, and $9.62, respectively. The total intrinsic value (the amount by which the fair market value exceeded the exercise price) of stock options exercised during the years ended April 30, 2021, 2020 and 2019 was $4,200,000, $431,000 and $950,000, respectively. The total cash received by the Company as a result of employee stock option exercises during the years ended April 30, 2021, 2020 and 2019 was $1,535,000, $216,000, and $242,000, respectively.

During the fiscal year ended April 30, 2021, the Company recognized $0.4 million of compensation expense related to the vesting of 45,000 performance stock units that were granted in 2018. As of April 30, 2021, there are no additional performance stock units remaining.

As of April 30, 2021, there was $13.0 million of unrecognized compensation expense related to unvested awards, which is expected to be recognized over a weighted-average period of 2.6 years.

Note 8. Commitments and Contingencies

Clinical Studies: 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, totaled $32.2 million as of April 30, 2021.

Indemnification: In the normal course of business, the Company enters into contracts and agreements that contain a variety of representations and warranties and provide for general indemnification. The Company's exposure under these agreements is unknown because it involves future claims that may be made against the Company but have not yet been made. To date, the Company has not paid any claims or been required to defend any action related to its indemnification obligations. However, the Company may record charges in the future as a result of these indemnification obligations. No amounts associated with such indemnifications have been recorded to date.

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 April 30, 2021 and 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 products, the Company will be required to pay royalty fees of up to $1 million within 90 days of the first commercial sale of the product subject to certain 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, if any or timing of any such liability.

Note 9. 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 and runs through September 2028. In November 2021, the Company expanded the Cambridge headquarter premises by approximately 5,600 additional square feet, the lease for which also runs through September 2028.

The Company has lease agreements for approximately 13,400 square feet of office and research laboratory space located in Porton Down, United Kingdom that runs through April 2028, with an option to terminate in April 2023. The Company is reasonably certain that it will not terminate the lease in April 2023, therefore the entire lease terms are included in the calculation of the lease liabilities. Options to renew a lease are not included in the Company's assessment unless there is reasonable certainty that the Company will renew.

The Company is also party to several operating leases for office and laboratory space as well as certain lab equipment. Total rent expense was $926,000, $743,000 and $677,000 for the years ended April 30, 2021, 2020 and 2019, respectively and is reflected in general and administrative expenses and research and development expenses as determined by the underlying activities.

Incremental borrowing rate – The Company's lease agreements do not provide an implicit rate. The Company estimated the incremental borrowing rate based on the rate of interest the Company would have to pay to borrow a similar amount on a collateralized basis over a similar term and economic environment.

Lease and non-lease components – The Company has elected the practical expedient which allows non-lease components to be combined with lease components for all existing asset classes and will therefore include any fixed

additional rent amounts in its lease payments. Any variable lease payments are excluded from the lease liability and are recognized in the period incurred.

The following table summarizes lease costs included in research and development and general and administrative expense for the years ended April 30, 2021 and 2020 (in thousands):

	2021	2020
Operating lease costs	$ 926	$ 743
Finance Lease Costs	—	54
Short-term lease costs	13	13
Variable lease costs	149	47
Total lease costs	$ 1,088	$ 857

The following table summarizes the undiscounted payments due under lease liabilities and the present value of those liabilities as of April 30, 2021 (in thousands):

Years ending April 30,	Operating Leases
2022	$ 1,310
2023	1,107
2024	971
2025	991
2026	1,012
Thereafter	2,470
Total lease payments	7,861
Less: imputed interest	1,952
Total lease liabilities	5,909
Current lease liabilities	863
Long-term lease liabilities	$ 5,046

The following table summarizes the lease term and discount rate as of April 30, 2021 and 2020:

	2021	2020
Weighted-average remaining lease term (years)	6.8	4.8
Weighted-average discount rate	9.0%	9.0%

The following table summarizes the cash paid for amounts included in the measurement of lease liabilities for the years ended April 30, 2021 and 2020 (in thousands):

	2021	2020
Cash paid for amounts included in the measurement of operating lease liabilities	$ 696	$ 708
Cash paid for amounts included in the measurement of finance lease liabilities	$ —	$ 54

Note 10. Income Taxes

The components of the Company’s loss before income taxes for the years ended April 30 consisted of the following (in thousands):

	2021	2020	2019
Domestic	$ (10,909)	$ (6,337)	$ (5,006)
Foreign	(35,335)	(22,903)	(15,686)
	$ (46,244)	$ (29,240)	$ (20,692)

For the year ended April 30, 2021, the Company did not record any U.S. Federal income tax benefit or expense. For the years ended April 30, 2020 and 2019, the Company recorded a U.S. Federal income tax benefit of $124,000 and a U.S. Federal income tax expense of $124,000, respectively.

A reconciliation between the effective tax rates and statutory rates for the years ended April 30 is as follows:

	2021	2020	2019
Income tax benefit at U.S. federal statutory rate	21.0%	21.0%	21.0%
Foreign rate differential	(1.6)%	(1.6)%	(0.9)%
Nondeductible expenses - UK R&D credit	(8.3)%	(12.1)%	(5.9)%
Other	0.4%	(0.5)%	(0.9)%
Globl Intangible Low-Taxed Income ("GILTI")	—	—	(7.6)%
Valuation allowance	(11.5)%	(6.6)%	(6.3)%
	—	0.2%	(0.6)%

The tax effect of significant temporary differences representing deferred tax assets and liabilities as of April 30 is as follows (in thousands):

	2021	2020
Net operating loss (“NOL”) carryforwards	$ 14,410	$ 7,367
Other	2,620	2,162
Valuation allowance	(17,030)	(9,529)
Net deferred tax asset	$ —	$ —

Management of the Company has determined it is not more likely than not that the Company will recognize the benefits of net deferred tax assets, the majority of which are NOLs, and has provided a valuation allowance for the full amount of deferred tax assets as of April 30, 2021 and 2020, respectively. During the years ended April 30, 2021, 2020 and 2019 the valuation allowance changed by $7.5 million, $1.1 million and $1.6 million, respectively. Realization of deferred tax assets is dependent upon the generation of future taxable income.

The ability to utilize the Company’s domestic net operating losses is limited due to changes in ownership as defined by Section 382 of the Internal Revenue Code (the “Code”). Under the provisions of Sections 382 and 383 of the Code, a change of control, as defined in the Code, imposes an annual limitation on the amount of the Company’s net operating loss and tax credit carryforwards, and other tax attributes that can be used to reduce future tax liabilities. The Company determined that ownership changes occurred as a result of public offerings in December 2005, a transaction in November 2016 and a public offering in September 2018.

As of April 30, 2021, the Company has NOL carryforwards for U.S. federal income taxes of $6 million that expire in 2036 and $6 million that can be carried forward indefinitely. The $6 million of NOL expiring in 2036 is subject to an annual 382 limitation of $0.3 million. The $6 million of indefinite NOL is not currently subject to an annual 382 limitation. The Company also has NOL carryforwards for state income taxes of $14 million that begin to expire in 2036 and NOL carryforwards for U.K. income taxes of $58 million that do not expire.

In addition, the Company has $77 million of NOLs subject to 382 limitation arising from the aforementioned ownership changes. It is estimated that the effect of Section 382 will substantially limit the amount of the net operating loss carryforwards that are available to offset future taxable income. Due to the limitations, the Company expects these NOL to go unutilized and are not recognized.

The Company recognizes the financial statement effects of a tax position when it becomes more likely than not, based upon the technical merits, that the position will be sustained upon examination. The Company files U.S. Federal tax returns, as well as certain state returns. The Company also files returns in the United Kingdom. The Company is subject to U.S. Federal, state, and U.K. income tax examinations by authorities for tax years ending after 2016. There are currently no federal, state, or U.K. audits in process. Management has analyzed the Company's tax positions taken for all open tax years and has concluded that no provision for unrecognized tax benefits from uncertain tax positions is required in the Company's consolidated financial statements.

Note 11. Defined Contribution Plans

Participation in a personal pension plan is available to all U.K. based employees of the Company upon commencement of their employment. Employer contributions are made in accordance with the terms and conditions of the employment contract. Employees may contribute additionally in accordance with the prevailing statutory limitations. Employees of the U.S. parent company are eligible to participate in the Company's 401(k) Plan. The Company matches up to 4% of employee contributions to the Plan. Total employer contributions to both plans for the years ended April 30, 2021, 2020 and 2019 were $388,000, $314,000 and $237,000 respectively.

Note 12. Other Income

As of April 30, 2021 and 2020, the Company had research and development tax credits receivable totaling $10.4 million and $16.5 million, respectively. This tax credit is related to a tax scheme for small and medium enterprises in the United Kingdom as well as an R&D expenditure credit system that allows the Company to file a claim for cash credit in proportion to the Company's R&D expenditure for the year. This amount is included in other income, as it is a refundable credit that does not depend on the Company's ongoing tax status or position. The Company recognized $9.8 million, $9.5 million and $7.6 million related to these programs in the years ended April 30, 2021, 2020 and 2019, respectively. For the years ended April 30, 2021, 2020 and 2019 other income also included $0.2 million, $0.3 million, and $0.1 million of realized gains from the sale of available for sale securities, respectively.

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement ("**Agreement**") is made and entered into on this 12th day of April, 2021 by and between KalVista Pharmaceuticals, Inc., a Delaware corporation (the "**Company**"), and Paul K. Audhya, MD (hereinafter, the "**Executive**").

RECITALS

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company on the terms herein described.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Company and the Executive hereby agree as follows:

1. Employment. The Company hereby agrees to employ the Executive and the Executive hereby agrees to serve the Company during the Term of Employment on the terms and conditions set forth herein.

2. Position and Duties of Executive. During the Term of Employment, the Executive shall be employed and serve as the Chief Medical Officer of the Company, and shall have such duties typically associated with such title, including, without limitation supervising operations and management of the Company and its subsidiaries. The Executive shall faithfully and diligently perform all services as may be assigned to him by the CEO, and shall exercise such power and authority as may from time to time be delegated to him by the CEO. The Executive shall devote his full business time, attention and efforts to the performance of his duties under this Agreement, render such services to the best of his ability, and use his reasonable best efforts to promote the interests of the Company. The Executive shall not engage in any other business or occupation during the Term of Employment, including, without limitation, any activity that (i) conflicts with the interests of the Company or its subsidiaries, (ii) interferes with the proper and efficient performance of his duties for the Company, or (iii) interferes with the exercise of his judgment in the Company's best interests. Notwithstanding the foregoing or any other provision of this Agreement, it shall not be a breach or violation of this Agreement for the Executive to (w) serve on up to two outside corporate or scientific advisory boards with prior notice to the Company, (x) serve on civic or charitable boards or committees, (y) deliver lectures or fulfill speaking engagements, or (z) manage personal investments, so long as any such activities do not interfere with or detract from the performance of the Executive's responsibilities to the Company in accordance with this Agreement.

3. Compensation and Benefits.

(a) ***Base Salary***. The Executive shall receive a Base Salary at the annual rate of $420,000.00 during the Term of Employment, with such Base Salary payable in installments consistent with the Company's normal payroll schedule, subject to applicable withholding and other taxes. The Base Salary shall be reviewed, at least annually, for merit increases and may, by action and in the discretion of the Board (or its Compensation Committee), be increased at any time or from time to time, but may not be decreased from the then current Base Salary.

(b) ***Bonuses***. During the Term of Employment, the Executive shall participate in the Company's annual incentive compensation plan, program and/or arrangements applicable to senior-level executives, as established and modified from time to time by the Compensation Committee of the Board in its sole discretion. During the Term of Employment, the Executive shall have a target bonus opportunity under such plan or program equal to 40% of his current Base Salary (the "**Target Bonus**"), based on satisfaction of performance criteria to be established by the Compensation Committee of the Board within the first three months of each fiscal year that begins during the Term of Employment. Payment of any earned bonus for fiscal year 2021 will be pro-rated based upon the number of days Executive is employed during such year. Payment of annual incentive compensation awards shall be made in the same manner and at the same time that other senior-level

executives receive their annual incentive compensation awards, but in no event later than 2 ½ months following the last day of the applicable Company fiscal year, and, except as otherwise provided herein, will be subject to the Executive's continued employment through the last day of the applicable Company fiscal year.

(c) ***Compensation/Benefit Programs***. During the Term of Employment, the Executive shall be entitled to participate in all medical, dental, hospitalization, accidental death and dismemberment, disability, travel and life insurance plans, 401(k) plans and any and all other plans as are presently and hereinafter offered by the Company to its executive personnel, subject to the general eligibility and participation provisions set forth in such plans.

(d) ***Equity Awards***. Subject to the approval of the Board (or its Compensation Committee), Executive will be granted an option (the "**Initial Option**") to purchase 100,000 shares of the Company's common stock (the "**Shares**") at an exercise price per share equal to the closing price per share of Company Common Stock as reported on The Nasdaq Global Market on the date of grant, as determined by the Board (or its Compensation Committee). The Initial Option shall vest over a four (4) year period, with (i) 25% of the Shares subject to the Initial Option vesting on the one (1) year anniversary of the date of grant (such one year anniversary, the "**First Vesting Date**") and (ii) thereafter, 1/48th of the Shares subject to the Initial Option vesting on each successive monthly anniversary of the First Vesting Date, subject to the terms and conditions of the Company's 2017 Equity Incentive Plan, the applicable award agreement evidencing the Initial Option and Executive's continued service through each applicable vesting date. Thereafter, during the Term of Employment, the Executive shall be eligible to be granted Equity Awards. The number and type of such Equity Awards, and the terms and conditions thereof, shall be determined by the Board (or its Compensation Committee), in its discretion.

(e) ***Vacation***. The Executive shall be entitled to 25 days of paid vacation each calendar year during the Term of Employment, in accordance with and subject to the terms of the Company's then effective vacation or paid time off policy.

(f) ***Reimbursement of Reasonable Business Expenses***. Subject to submission of proper substantiation by the Executive, and subject to such rules and guidelines as the Company may from time to time adopt with respect to the reimbursement of reasonable business expenses of executive personnel, the Company shall reimburse the Executive for all reasonable expenses actually paid or incurred by the Executive during the Term of Employment in the course of and pursuant to the business of the Company. The Executive shall account to the Company in writing for all expenses for which reimbursement is sought and shall supply to the Company copies of all relevant invoices, receipts or other evidence reasonably requested by the Company.

4. Termination.

(a) ***General***. The Term of Employment shall terminate upon the earliest to occur of (i) the Executive's death, (ii) a termination by the Company by reason of the Executive's Disability, (iii) a termination by the Company with or without Cause, or (iv) a termination by Executive with or without Good Reason. Upon any termination of Executive's employment for any reason, except as may otherwise be requested by the Company in writing and agreed upon in writing by Executive, the Executive shall resign from any and all directorships, committee memberships or any other positions Executive holds with the Company or any of its Related Entities.

(b) ***Termination by the Company for Cause***. The Company shall at all times have the right, upon written notice to the Executive, to terminate the Term of Employment for Cause. In no event shall a termination of the Executive's employment for Cause occur unless the Company gives written notice to the Executive in accordance with this Agreement stating with reasonable specificity the events or actions that constitute Cause. In the event that the Term of Employment is terminated by the Company for Cause, Executive shall be entitled only to the Accrued Obligations.

(c) ***Disability***. The Company shall have the option, in accordance with applicable law, to terminate the Term of Employment upon written notice to the Executive at any time during which the Executive

is suffering from a Disability. In the event that the Term of Employment is terminated due to the Executive's Disability, the Executive shall be entitled to (i) the Accrued Obligations and (ii) any insurance benefits to which he and his beneficiaries are entitled as a result of his Disability.

(d) ***Death***. In the event that the Term of Employment is terminated due to the Executive's death, the Executive's estate shall be entitled to (i) the Accrued Obligations and (ii) any insurance benefits to which he and his beneficiaries are entitled as a result of his death.

(e) ***Termination Without Cause outside of a Change in Control of the Company or Resignation With Good Reason outside of a Change in Control of the Company***. The Company may terminate the Term of Employment without Cause, and the Executive may terminate the Term of Employment for Good Reason, at any time upon written notice. If the Term of Employment is terminated by the Company without Cause (other than due to the Executive's death or Disability) or by the Executive for Good Reason, in either case prior to the date of a Change in Control or more than two years after a Change in Control, the Executive shall be entitled to the following:

(i) The Accrued Obligations;

(ii) A lump sum payment equal to 12 months of Executive's then-current Base Salary;

(iii) Provided that the Executive timely elects continued coverage under COBRA, the Company will reimburse the Executive for the monthly COBRA cost of continued health and dental coverage of the Executive and his qualified beneficiaries paid by the Executive under the health and dental plans of the Company, less the amount that the Executive would be required to contribute for health and dental coverage if the Executive were an active employee of the Company, for 12 months (or, if less, for the duration that such COBRA coverage is available to Executive). Notwithstanding the above, if the Company determines in its sole discretion that it cannot provide the COBRA benefits described herein without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company shall in lieu thereof provide Executive with a taxable lump sum payment in an amount equal to the then-unreimbursed monthly COBRA premiums.

(f) ***Termination by Executive Without Good Reason***. The Executive may terminate his employment without Good Reason by providing the Company 30 days' written notice of such termination. In the event of a termination of employment by the Executive under this Section 4(f), the Executive shall be entitled only to the Accrued Obligations. In the event of termination of the Executive's employment under this Section 4(f), the Company may, in its sole and absolute discretion, by written notice, accelerate such date of termination and still have it treated as a termination without Good Reason.

(g) ***Termination Without Cause in connection with a Change in Control of the Company or Resignation With Good Reason in connection with a Change in Control of the Company***. If the Executive's employment is terminated by the Company (or any entity to which the obligations and benefits under this Agreement have been assigned pursuant to Section 9(b)) without Cause or by the Executive for Good Reason, in either case during the two year period immediately following a Change in Control, then the Executive shall be entitled to the following:

(i) The Accrued Obligations;

(ii) A lump sum payment equal to 12 months of Executive's then-current Base Salary;

(iii) A lump sum payment equal to the Executive's full Target Bonus for the fiscal year in which the Termination Date occurs;

(iv) Provided that the Executive timely elects continued coverage under COBRA, the Company will reimburse the Executive for the monthly COBRA cost of continued health and dental coverage of the Executive and his qualified beneficiaries paid by the Executive under the health and dental plans of the Company, less the amount that the Executive would be required to contribute for health and dental coverage if the Executive were an active employee of the Company, for 12 months (or, if less, for the duration that such COBRA coverage is available to Executive). Notwithstanding the above, if the Company determines in its sole discretion that it cannot provide the COBRA benefits described herein without violating applicable law (including, without limitation, Section 2716 of the Public Health Service Act), the Company shall in lieu thereof provide Executive with a taxable lump sum payment in an amount equal to the then-unreimbursed monthly COBRA premiums.

(v) All then-unvested Equity Awards will vest in full.

(h) ***Release***. All rights, payments and benefits due to the Executive under this Section 4 (other than the Accrued Obligations) shall be conditioned on the Executive's execution of a general release of claims against the Company and its affiliates substantially in the form attached hereto as Exhibit B (the "**Release**") and on that Release becoming irrevocable within 60 days following the Termination Date. The severance described in this Section 4 (other than Accrued Obligations) shall be paid no later than the first business day following the sixtieth (60th) day following the termination of employment of Executive and in compliance with the timeframe required under Section 409A as set forth herein, and the first payment will include the payments due and owing prior to that payment date but for the application of this sentence. If the Straddle Period (as defined below) spans two (2) calendar years, then the cash payments under this Section 4 (other than Accrued Obligations) shall first be made on the first business day in the second calendar year that occurs after the expiration of the sixty (60)-day period in which the Release must be delivered and effective, as described in this Section 4. The "**Straddle Period**" shall mean the sixty (60)-day period following a termination of employment in which the Release is to be executed and become irrevocable pursuant to this Section 4.

(i) ***Section 280G Certain Reductions of Payments by the Company***.

(1) Anything in this Agreement to the contrary notwithstanding, in the event it shall be determined that any payment or distribution by the Company to or for the benefit of the Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (a "**Payment**"), would be nondeductible by the Company for Federal income tax purposes because of Section 280G of the Code, then the aggregate present value of amounts payable or distributable to or for the benefit of the Executive pursuant to this Agreement (such payments or distributions pursuant to this Agreement are hereinafter referred to as "**Agreement Payments**") shall be reduced to the Reduced Amount. The "**Reduced Amount**" shall be an amount expressed in present value that avoids any Payment being nondeductible by the Company because of Section 280G of the Code. To the extent necessary to avoid imposition of the Excise Tax, the amounts payable or benefits to be provided to the Executive shall be reduced such that the reduction of compensation to be provided to the Executive is minimized. In applying this principle, the reduction shall be made in a manner consistent with the requirements of Section 409A of the Code, and where two economically equivalent amounts are subject to reduction but payable at different times, such amounts shall be reduced on a pro rata basis (but not below zero). Anything to the contrary notwithstanding, if the Reduced Amount is zero and it is determined further that any Payment which is not an Agreement Payment would nevertheless be nondeductible by the Company for Federal income tax purposes because of Section 280G of the Code, then the aggregate present value of Payments which are not Agreement Payments shall also be reduced (but not below zero) to an amount expressed in present value which maximizes the aggregate present value of Payments without causing any Payment to be nondeductible by the Company because of Section 280G of the Code. If a reduction of any Payment is required pursuant to this Section 4(i), such reduction shall occur to the amounts in the order that results in the greatest economic present value of all payments and benefits actually made or provided to the Executive. For purposes of this Section 4(i), present value shall be determined in accordance with Section 280G(d)(4) of the Code.

(2) All determinations required to be made under this Section 4(i) shall be made by a tax or compensation consulting firm of national reputation selected by the Company (the "**Consulting Firm**"),

which shall provide detailed supporting calculations both to the Company and the Executive within 20 business days of the date of termination or such earlier time as is requested by the Company and an opinion to the Executive that he has substantial authority not to report any excise tax on his Federal income tax return with respect to any Payments. Any such determination by the Consulting Firm shall be binding upon the Company and the Executive. Within five business days thereafter, the Company shall pay to or distribute to or for the benefit of the Executive such amounts as are then due to the Executive under this Agreement. All fees and expenses of the Consulting Firm incurred in connection with the determinations contemplated by this Section 4(i) shall be borne by the Company.

(3) As a result of the uncertainty in the application of Section 280G of the Code at the time of the initial determination by the Consulting Firm hereunder, it is possible that Payments will have been made by the Company which should not have been made ("**Overpayment**") or that additional Payments which will not have been made by the Company could have been made ("**Underpayment**"), in each case, consistent with the calculations required to be made hereunder. In the event that the Consulting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against the Executive which the Consulting Firm believes has a high probability of success, determines that an Overpayment has been made, any such Overpayment paid or distributed by the Company to or for the benefit of the Executive shall be promptly repaid to the Company by the Executive. In the event that the Consulting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of the Executive together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code.

(j) ***Cooperation***. Following the Term of Employment, the Executive shall give his assistance and cooperation willingly, upon reasonable advance notice with due consideration for his other business or personal commitments, in any matter relating to his position with the Company, or his expertise or experience as the Company may reasonably request, including his attendance and truthful testimony where deemed appropriate by the Company, with respect to any investigation or the Company's defense or prosecution of any existing or future claims or litigations or other proceedings relating to matters in which he was involved or potentially had knowledge by virtue of his employment with the Company. In no event shall his cooperation materially interfere with his services for a subsequent employer or other similar service recipient. To the extent permitted by law, the Company agrees that (i) it shall promptly reimburse the Executive for his reasonable and documented expenses in connection with his rendering assistance and/or cooperation under this Section 4(j) upon his presentation of documentation for such expenses and (ii) the Executive shall be reasonably compensated for any continued material services as required under this Section 4(j).

(k) ***Return of Company Property***. Following the Termination Date, the Executive or his personal representative shall return all Company property in his possession, including but not limited to all computer equipment (hardware and software), telephones, facsimile machines, cell phones and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies (including drafts) of any documentation or information (however stored) relating to the business of the Company, its customers and clients or its prospective customers and clients.

(l) ***Compliance with Section 409A***.

(i) ***General***. It is the intention of both the Company and the Executive that the benefits and rights to which the Executive could be entitled pursuant to this Agreement comply with Section 409A of the Code and the Treasury Regulations and other guidance promulgated or issued thereunder ("**Section 409A**"), to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention.

(ii) ***Distributions on Account of Separation from Service***. If and to the extent required to comply with Section 409A, no payment or benefit required to be paid under this Agreement on account

of termination of the Executive's employment shall be made unless and until the Executive incurs a "separation from service" within the meaning of Section 409A.

(iii) ***Six Month Delay for Specified Employees***. If the Executive is a "specified employee" (within the meaning of Section 409A(a)(2)(B)(i) of the Code), then no payment or benefit that is payable on account of the Executive's "separation from service", as that term is defined for purposes of Section 409A, shall be made before the date that is six months after the Executive's "separation from service" (or, if earlier, the date of the Executive's death) if and to the extent that such payment or benefit constitutes deferred compensation (or may be nonqualified deferred compensation) under Section 409A and such deferral is required to comply with the requirements of Section 409A. Any payment or benefit delayed by reason of the prior sentence shall be paid out or provided in a single lump sum at the end of such required delay period in order to catch up to the original payment schedule.

(iv) ***Treatment of Each Installment as a Separate Payment***. For purposes of applying the provisions of Section 409A to this Agreement, each separately identified amount to which the Executive is entitled under this Agreement shall be treated as a separate payment. In addition, any series of installment payments under this Agreement shall be treated as a right to a series of separate payments.

(v) ***Taxable Reimbursements and In-Kind Benefits***.

(A) Any reimbursements by the Company to the Executive of any eligible expenses under this Agreement that are not excludable from the Executive's income for Federal income tax purposes (the "**Taxable Reimbursements**") shall be made by no later than the last day of the taxable year of the Executive following the year in which the expense was incurred.

(B) The amount of any Taxable Reimbursements, and the value of any in-kind benefits to be provided to the Executive, during any taxable year of the Executive shall not affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year of the Executive.

(C) The right to Taxable Reimbursement, or in-kind benefits, shall not be subject to liquidation or exchange for another benefit.

(vi) ***Section 409A Compliance***. Notwithstanding the foregoing, the Company does not make any representation to the Executive that the payments or benefits provided under this Agreement are exempt from, or satisfy, the requirements of Section 409A, and the Company shall have no liability or other obligation to indemnify or hold harmless the Executive or any beneficiary of the Executive for any tax, additional tax, interest or penalties that the Executive or any beneficiary of the Executive may incur in the event that any provision of this Agreement, or any amendment or modification thereof, or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A.

5. Restrictive Covenants.

(a) ***Confidential Information***. The Executive shall execute and agree to be bound by the terms of the Company's Employee Invention Assignment, Confidentiality and Non-Competition Agreement (the "**EIIA**") as provided therein.

(b) ***Insider Trading Policies***. Executive agrees that he shall comply with and be bound by the Company's insider trading policies with respect to the securities of the Company as now in effect or hereafter adopted or amended.

(c) ***Clawback Provisions***. All incentive and equity awards and payments shall be subject to the clawback policy of the Company, as now in effect or hereafter adopted or amended, and all applicable laws

and rules and regulations of the stock exchanges and public market on which the securities of the Company are traded.

(d) ***Injunction***. It is recognized and hereby acknowledged by the parties hereto that a breach by the Executive of any of the covenants contained in this Section 5 or the EIIA may cause irreparable harm and damage to the Company, and its Related Entities, the monetary amount of which may be virtually impossible to ascertain. As a result, the Executive recognizes and hereby acknowledges that the Company and its Related Entities shall be entitled to seek an injunction from any court of competent jurisdiction enjoining and restraining any violation of any or all of the covenants contained in this Section 5 or the EIIA by the Executive or any of his affiliates, associates, partners or agents, either directly or indirectly, and that such right to injunction shall be cumulative and in addition to whatever other remedies the Company may possess.

6. Representations and Warranties of Executive. The Executive represents and warrants to the Company that:

(a) The Executive's employment will not conflict with or result in his breach of any agreement to which he is a party or otherwise may be bound;

(b) The Executive has not violated, and in connection with his employment with the Company will not violate, any non-solicitation, non-competition or other similar covenant or agreement of a prior employer by which he is or may be bound; and

(c) In connection with Executive's employment with the Company, he will not use any confidential or proprietary information that he may have obtained in connection with employment with any prior employer; and

7. Indemnification. Subject to limitations imposed by law, the Company shall indemnify and hold harmless the Executive to the fullest extent permitted by law from and against any and all claims, damages, expenses (including attorneys' fees), judgments, penalties, fines, settlements, and all other liabilities incurred or paid by him in connection with the investigation, defense, prosecution, settlement or appeal of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and to which the Executive was or is a party or is threatened to be made a party by reason of the fact that the Executive is or was an officer, employee or agent of the Company, or by reason of anything done or not done by the Executive in any such capacity or capacities, provided that the Executive acted in good faith, in a manner that was not grossly negligent or constituted willful misconduct and in a manner he reasonably believed to be in or not opposed to the best interests of the Company, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Executive will be named as an insured on the director and officer liability insurance policy currently maintained by the Company, or as may be maintained by the Company from time to time, and will be subject to indemnification as required by the Company's Bylaws and the Indemnification Agreement to be entered into between Executive and the Company.

8. Definitions. When used in this Agreement, the following terms shall have the following meanings:

(a) ***Accrued Obligations***" means:

(i) all accrued but unpaid Base Salary through the end of the Term of Employment;

(ii) any unpaid or unreimbursed expenses incurred in accordance with Company policy to the extent incurred during the Term of Employment;

(iii) any accrued but unpaid benefits provided under the Company's employee benefit plans, subject to and in accordance with the terms of those plans;

(iv) any unpaid Bonus with respect to any completed fiscal year that has ended on or prior to the end of the Term of Employment; and

(v) any accrued but unused vacation pay.

(b) "***Base Salary***" means the salary provided for in Section 3(a) hereof or any increased salary granted to Executive pursuant to Section 3(a) hereof.

(c) "***Beneficial Owner***" and "***Beneficial Ownership***" shall have the meaning ascribed to such terms in Rule 13d-3 promulgated under the Securities Exchange Act of 1934, as amended.

(d) "***Board***" means the Board of Directors of the Company.

(e) "***Bonus***" means any bonus payable to the Executive pursuant to Section 3(b) hereof.

(f) "***Cause***" means any of the following:

(i) Executive's conviction of or plea of nolo contendere to a felony or to any crime involving moral turpitude;

(ii) willful misconduct or gross negligence by the Executive resulting, in either case, in material economic or reputational harm to the Company or any of Related Entities;

(iii) a willful failure by the Executive to carry out the reasonable and lawful directions of the CEO and failure by the Executive to remedy the failure within thirty (30) days after receipt of written notice of same, by the CEO;

(iv) fraud, embezzlement, theft or dishonesty of a material nature by the Executive against the Company or any Related Entity, or a willful material violation by the Executive of a policy or procedure of the Company or any Related Entity, resulting, in any case, in material, reputational or economic harm to the Company or any Related Entity; or

(v) a willful material breach by the Executive of this Agreement and failure by the Executive to remedy the material breach within 30 days after receipt of written notice of same, by the CEO.

(g) "***CEO***" means the Chief Executive Officer of the Company.

(h) "***Change in Control***" means the occurrence of any of the following events: (i) any Person becomes the Beneficial Owner, directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then-outstanding voting securities; provided, however, that for purposes of this subclause (i) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Change in Control; (ii) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; (iii) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation; or (iv) a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (iv), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the

Company by the same Person will not be considered a Change in Control. For purposes of this definition, Persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company.

(i) "***COBRA***" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time.

(j) "***Code***" means the Internal Revenue Code of 1986, as amended.

(k) "***Commencement Date***" means May 3, 2021.

(l) "***Disability***" means the Executive's inability, or failure, to perform the essential functions of his position, with or without reasonable accommodation, for any period of six months or more in any 12 month period, by reason of any medically determinable physical or mental impairment.

(m) "***Equity Awards***" means any stock options, restricted stock, restricted stock units, stock appreciation rights, phantom stock or other equity based awards granted by the Company to the Executive.

(n) "***Excise Tax***" means any excise tax imposed by Section 4999 of the Code, together with any interest and penalties imposed with respect thereto, or any interest or penalties are incurred by the Executive with respect to any such excise tax.

(o) "***Good Reason***" means the occurrence of any of the following events or conditions, without the Executive's express written consent:

(i) a material diminution in the Executive's authority, duties, or responsibilities, provided, however, that the mere acquisition or merger of the Company by itself shall not constitute a material diminution in the Executive's authority, duties, or responsibilities;

(ii) a material reduction by the Company in the Executive's annual Base Salary (which for purposes hereof is deemed to constitute a reduction of greater than 10%, unless such reduction applies as part of a salary reduction program and such program includes similar reductions to all of the Executive's direct reports); or

(iii) the relocation of the Executive's principal place of employment to a location more than 50 miles from the Executive's principal place of employment immediately prior to the Executive's termination.

With respect to each of subsection (i), (ii) and (iii) above, the Executive must provide notice to the Company of the condition giving rise to "Good Reason" within 30 days of the initial existence of such condition, and the Company will have 30 days following such notice to remedy such condition. The Executive must resign the Executive's employment no later than 30 days following the Company's failure to cure the Good Reason or written notice to the Executive that it will decline to do so.

(p) "***Group***" shall have the meaning ascribed to such term in Section 13(d) of the Securities Exchange Act of 1934.

(q) "***Person***" shall have the meaning ascribed to such term in Section 3(a)(9) of the Securities Exchange Act of 1934 and used in Sections 13(d) and 14(d) thereof.

(r) "***Related Entity***" means any Person controlling, controlled by or under common control with the Company or any of its subsidiaries. For this purpose, the terms "controlling," "controlled by" and "under common control with" mean the possession, directly or indirectly, of the power to direct or cause the direction of

the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including (without limitation) the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person.

(s) "***Target Bonus***" has the meaning described in Section 3(b).

(t) "***Term of Employment***" means the period during which the Executive shall be employed by the Company pursuant to the terms of this Agreement, which period shall begin on the Commencement Date and continue until terminated in accordance with Section 4 hereof.

(u) "***Termination Date***" means the date on which the Term of Employment ends.

9. Miscellaneous Provisions.

(a) ***Taxes***. All payments or transfers of property made by the Company to the Executive or his estate or beneficiaries shall be subject to the withholding of such amounts relating to taxes as the Company may reasonably determine it should withhold pursuant to any applicable law or regulation.

(b) ***Assignment***. The Company shall have the right to assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any corporation or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said corporation or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a party hereto, but may not otherwise assign this Agreement or its rights and obligations hereunder. The Executive may not assign or transfer this Agreement or any rights or obligations hereunder.

(c) ***Governing Law and At-will nature of Employment***. Except as expressly set forth herein, this letter agreement and the rights and obligations of the parties hereto shall be construed in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to the principles of conflict of laws. Executive's employment with the Company is employment at-will, which means either Executive or the Company may terminate Executive's employment at any time and for any reason subject to the provisions of Section 4 of this Agreement.

(d) ***Arbitration and Class Action Waiver***. Executive and the Company agree to submit to mandatory binding arbitration any and all claims arising out of or related to Executive's employment with the Company and the termination thereof, including, but not limited to, claims for unpaid wages, wrongful termination, torts, stock or stock options or other ownership interest in the Company, and/or discrimination (including harassment), except as set forth below, based upon any federal, state or local ordinance, statute, regulation or constitutional provision except that each party may, at its, his or her option, seek injunctive relief in court related to the improper use, disclosure or misappropriation of a party's private, proprietary, confidential or trade secret information (collectively, "**Arbitrable Claims**"). Further, to the fullest extent permitted by law, Executive and the Company agree that no class or collective actions can be asserted in arbitration or otherwise. All claims, whether in arbitration or otherwise, must be brought solely in Executive's or the Company's individual capacity, and not as a plaintiff or class member in any purported class or collective proceeding.

THE PARTIES HEREBY WAIVE ANY RIGHTS THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS. THE PARTIES FURTHER WAIVE ANY RIGHTS THEY MAY HAVE TO PURSUE OR PARTICIPATE IN A CLASS OR COLLECTIVE ACTION PERTAINING TO ANY ARBITRABLE CLAIMS BETWEEN YOU AND THE COMPANY.

Notwithstanding anything to the contrary herein, nothing in this Arbitration and Class Action Waiver section restricts Executive's right to pursue claims in court (a) on a representative action basis

under applicable law or (b) for any alleged sexual harassment or any alleged unlawful discriminatory practices related to sexual harassment.

This Agreement does not restrict Executive's right to file administrative claims Executive may bring before any government agency where, as a matter of law, the parties may not restrict the employee's ability to file such claims (including, but not limited to, the National Labor Relations Board, the Equal Employment Opportunity Commission and the Department of Labor). However, the parties agree that, to the fullest extent permitted by law, arbitration shall be the exclusive remedy for the subject matter of such administrative claims. The arbitration shall be conducted in Boston, Massachusetts through JAMS before a single neutral arbitrator, in accordance with the JAMS employment arbitration rules then in effect. The JAMS rules may be found and reviewed at http://www.jamsadr.com/rules-employment-arbitration. If Executive is unable to access these rules, please let the Company know and Executive will be provided with a hardcopy. The arbitrator shall issue a written decision that contains the essential findings and conclusions on which the decision is based. Executive and the Company agree that this Arbitration and Class Action Waiver Provision shall be governed by the Federal Arbitration Act. Should any portion of this provision be found unenforceable, it shall be severed and the remaining provisions shall remain in full force and effect.

(e) ***Entire Agreement***. This Agreement, together with the exhibit attached hereto, constitutes the entire agreement between the patties hereto with respect to the subject matter hereof and, upon its effectiveness, shall supersede all prior agreements, understandings and arrangements, both oral and written, between the Executive and the Company (or any of its Related Entities) with respect to such subject matter. This Agreement may not be modified in any way unless by a written instrument signed by both the Company and the Executive.

(f) ***Notices***. All notices required or permitted to be given hereunder shall be in writing and shall be personally delivered by courier, sent by registered or certified mail, return receipt requested or sent by confirmed facsimile transmission addressed as set forth herein. Notices personally delivered, sent by facsimile or sent by overnight courier shall be deemed given on the date of delivery and notices mailed in accordance with the foregoing shall be deemed given upon receipt by the addressee, as evidenced by the return receipt thereof. Notice shall be sent (i) if to the Company, addressed to the Company's headquarters, Attention: the Company's CEO, and (ii) if to the Executive, to his address as reflected on the payroll records of the Company, or to such other address as either party shall request by notice to the other in accordance with this provision.

(g) ***Benefits; Binding Effect***. This Agreement shall be for the benefit of and binding upon the parties hereto and their respective heirs, personal representatives, legal representatives, successors and, where permitted and applicable, assigns, including, without limitation, any successor to the Company, whether by merger, consolidation, sale of stock, sale of assets or otherwise.

(h) ***Right to Consult with Counsel***. The Executive acknowledges having read and considered all of the provisions of this Agreement carefully, and having had the opportunity to consult with counsel of his own choosing, and, given this, the Executive agrees that the obligations created hereby are not unreasonable.

(i) ***Severability***. The invalidity of any one or more of the words, phrases, sentences, clauses, provisions, sections or articles contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses, provisions, sections or articles contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, provisions or provisions, section or sections or article or articles had not been inserted. If such invalidity is caused by length of time or size of area, or both, the otherwise invalid provision will be considered to be reduced to a period or area which would cure such invalidity.

(j) ***Waivers***. The waiver by either party hereto of a breach or violation of any term or provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or violation.

(k) ***Damages; Attorneys' Fees***. Nothing contained herein shall be construed to prevent the Company or the Executive from seeking and recovering from the other damages sustained by either or both of them as a result of its or his breach of any term or provision of this Agreement. Each party shall bear its own costs and attorneys' fees.

(l) ***No Set-off or Mitigation***. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any set off, counterclaim, recoupment, defense or other claim, right or action which the Company may have against the Executive or others. In the event of any termination of the Executive's employment under this Agreement, he shall be under no obligation to seek other employment or otherwise in any way to mitigate the amount of any payment provided for hereunder.

(m) ***Section Headings***. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

(n) ***No Third Party Beneficiary***. The Related Entities are intended third party beneficiaries of this Agreement. Otherwise, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person other than the Company, the parties hereto and their respective heirs, personal representatives, legal representatives, successors and permitted assigns, any rights or remedies under or by reason of this Agreement.

(o) ***Counterparts***. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument and agreement.

[Signature Page to Executive Employment Agreement Follows]

IN WITNESS WHEREOF, the undersigned have executed this Agreement on the date first above written.

KalVista Pharmaceuticals, Inc.	**Executive**
/s/T. Andrew Crockett	/s/ Paul K. Audhya, MD
Print Name: T. Andrew Crockett	Paul K. Audhya, MD
Title: Chief Executive Officer	

[Signature Page to Executive Employment Agreement]

Exhibit B

General Release of Claims

1. Paul K. Audhya, MD ("**Executive**"), for himself and his family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for the consideration received pursuant to Section [4(e)] [4(g)] of the Executive Employment Agreement (the "**Severance Benefits**") to which this release is attached as Exhibit B (the "**Employment Agreement**"), does hereby release and forever discharge KalVista Pharmaceuticals, Inc. (the "**Company**"), its subsidiaries, affiliated companies, successors and assigns, and its current or former directors, officers, employees, shareholders or agents in such capacities (collectively with the Company, the "**Released Partie**s") from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, for or by reason of any matter, cause or thing whatsoever, whether known or unknown including, but not limited to, all claims under any applicable laws arising under or in connection with Executive's employment or termination thereof, whether for tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Without limiting the generality of the release provided above, Executive expressly waives any and all claims under the Age Discrimination in Employment Act ("**ADEA**") that he may have as of the date hereof. Executive further understands that, by signing this General Release of Claims, he is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any rights to receive any payments or benefits to which the Executive is entitled under COBRA, (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification and advancement rights Executive may have as a former employee, officer or director of the Company or its subsidiaries or affiliated companies (including any rights under Section 7 of the Employment Agreement), (iv) any claims for benefits under any directors' and officers' liability policy maintained by the Company or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) rights to vested benefits under the Company's 401(k) plan, and (vi) any rights as a holder of equity securities of the Company.

2. Executive understands that nothing in this Release shall in any way limit or prohibit Executive from engaging in any Protected Activity. For purposes of this Release, "**Protected Activity**" shall mean filing a charge, complaint, or report with, or otherwise communicating, cooperating, or participating in any investigation or proceeding that may be conducted by, any federal, state or local government agency or commission, including the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, and the National Labor Relations Board ("**Government Agencies**"). Executive understands that in connection with such Protected Activity, Executive is permitted to disclose documents or other information as permitted by law, and without giving notice to, or receiving authorization from, the Company. Notwithstanding the foregoing, Executive agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any information that may constitute Company confidential information to any parties other than the Government Agencies. Executive further understands that "Protected Activity" does not include the disclosure of any Company attorney-client privileged communications. In addition, pursuant to the Defend Trade Secrets Act of 2016, Executive is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. This Release does not limit Executive's right to receive an award for information provided to any Government Agencies.

3. Executive represents that he has not filed against the Released Parties any complaints, charges, or lawsuits arising out of his employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that he will never individually or with any person file, or commence the filing of any lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Executive pursuant to paragraph 1 hereof; provided, that nothing herein shall prevent Executive from filing a charge or complaint with the Equal Employment Opportunity Commission ("**EEOC**") or similar federal or state agency or the Executive's ability to participate in any investigation or proceeding conducted by such agency. Nothing in this paragraph shall serve to limit, restrain or impair Executive's rights under paragraph 2 above.

4. Executive acknowledges that, in the absence of his execution of this General Release of Claims, the Severance Benefits would not otherwise be due to him.

5. Executive acknowledges and agrees that he received adequate consideration in exchange for agreeing to the covenants contained in Section 5 of the Employment Agreement and the EIAA (as defined therein), that such covenants remain reasonable and necessary to protect the legitimate business interests of the Company and its affiliates and that he will continue to comply with those covenants.

6. Executive hereby acknowledges that the Company has informed him that he has up to 21 days to sign this General Release of Claims and he may knowingly and voluntarily waive that 21 day period by signing this General Release of Claims earlier. Executive also understands that he shall have seven days following the date on which he signs this General Release of Claims within which to revoke it by providing a written notice of his revocation to the Company.

7. Executive acknowledges and agrees that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the State of Massachusetts applicable to contracts made and to be performed entirely within such State.

8. Executive acknowledges that he has read this General Release of Claims, that he has been advised that he should consult with an attorney before he executes this general release of claims, and that he understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

9. This General Release of Claims shall become irrevocable on the eighth day following Executive's execution of this General Release of Claims, unless previously revoked in accordance with paragraph 6, above.

Intending to be legally bound hereby, Executive has executed this General Release of Claims on April 12, 2021.

Executive

/s/ Paul K. Audhya, MD

Paul K. Audhya, MD

KALVISTA PHARMACEUTICALS, INC.2021
EQUITY INDUCEMENT PLAN

1. PURPOSE. The purpose of this Plan is to provide incentives to attract and motivate eligible employees whose potential contributions are important to the success of the Company, and any Parents, Subsidiaries and Affiliates that exist now or in the future, by offering them an opportunity to participate in the Company's future performance through the grant of Awards. Capitalized terms not defined elsewhere in the text are defined in Section 22.

2. SHARES SUBJECT TO THE PLAN.

2.1. Number of Shares Available. Subject to Sections 2.4 and 15 and any other applicable provisions hereof, the total number of Shares reserved and available for grant and issuance pursuant to this Plan as of the date of adoption of the Plan by the Board, is Three Hundred Fifty Thousand (350,000) Shares.

2.2. Lapsed, Returned Awards. Shares subject to Awards, and Shares issued under the Plan under any Award, will again be available for grant and issuance in connection with subsequent Awards under this Plan to the extent such Shares: (a) are subject to issuance upon exercise of an Option granted under this Plan but which cease to be subject to the Option for any reason other than exercise of the Option; (b) are subject to Awards granted under this Plan that are forfeited or are repurchased by the Company at the original issue price; or (c) are subject to Awards granted under this Plan that otherwise terminate without such Shares being issued. To the extent an Award under the Plan is paid out in cash rather than Shares, such cash payment will not result in reducing the number of Shares available for issuance under the Plan. Shares used to pay the exercise price of an Award or withheld to satisfy the tax withholding obligations related to an Award will become available for future grant or sale under the Plan.

2.3. Minimum Share Reserve. At all times the Company shall reserve and keep available a sufficient number of Shares as shall be required to satisfy the requirements of all outstanding Awards granted under this Plan.

2.4. Adjustment of Shares. If the number of outstanding Shares is changed by a stock dividend, extraordinary dividends or distributions (whether in cash, shares or other property, other than a regular cash dividend) recapitalization, stock split, reverse stock split, subdivision, combination, consolidation, reclassification, spin-off or similar change in the capital structure of the Company, without consideration, then (a) the number and class of Shares reserved for issuance and future grant under the Plan set forth in Section 2.1, (b) the Exercise Prices of and number and class of Shares subject to outstanding Options, and (c) the number and class of Shares subject to other outstanding Awards, , shall be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and in compliance with applicable securities laws; provided that fractions of a Share will not be issued.

If, by reason of an adjustment pursuant to this Section 2.4, a Participant's Award Agreement or other agreement related to any Award or the Shares subject to such Award covers additional or different shares of stock or securities, then such additional or different shares, and the Award

Agreement or such other agreement in respect thereof, shall be subject to all of the terms, conditions and restrictions which were applicable to the Award or the Shares subject to such Awardprior to such adjustment.

3. **ELIGIBILITY**. Awards may be granted only to persons who, are being hired by the Company or any Subsidiary as an Employee and such Award is a material inducement to such person being hired.

4. **ADMINISTRATION.**

4.1. Committee Composition; Authority. This Plan will be administered by the Committee or by the Board acting as the Committee. Subject to the general purposes, terms and conditions of this Plan, and to the direction of the Board, the Committee will have full power to implement and carry out this Plan. The Committee will have the authority to:

(a) construe and interpret this Plan, any Award Agreement and any otheragreement or document executed pursuant to this Plan;

(b) prescribe, amend and rescind rules and regulations relating to this Plan or any Award;

(c) select persons to receive Awards;

(d) determine the form and terms and conditions, not inconsistent with the terms of the Plan, of any Award granted hereunder. Such terms and conditions include, but are notlimited to, the exercise price, the time or times when Awards may vest and be exercised (which may be based on performance criteria) or settled, any vesting acceleration or waiver of forfeiture restrictions, the method to satisfy tax withholding obligations or any other tax liability legally due and any restriction or limitation regarding any Award or the Shares relating thereto, based in each case on such factors as the Committee will determine;

(e) determine the number of Shares or other consideration subject to Awards;

(f) determine the Fair Market Value in good faith and interpret the applicable provisions of this Plan and the definition of Fair Market Value in connection with circumstances that impact the Fair Market Value, if necessary;

(g) determine whether Awards will be granted singly, in combination with, in tandem with, or as alternatives to, other Awards under this Plan or any other incentive or compensation plan of the Company or any Parent, Subsidiary or Affiliate;

(h) grant waivers of Plan or Award conditions;

(i) determine the vesting, exercisability and payment of Awards;

(j) correct any defect, supply any omission or reconcile any inconsistency in this Plan, any Award or any Award Agreement;

(k) determine whether an Award has been vested and/or earned;

(l) adjust Performance Factors;

(m) reduce or waive any criteria with respect to Performance Factors;

(n) adopt terms and conditions, rules and/or procedures (including the adoption of any subplan under this Plan) relating to the operation and administration of the Plan to accommodate requirements of local law and procedures outside of the United States or to qualify Awards for special tax treatment under laws of jurisdictions other than the United States;

(o) make all other determinations necessary or advisable for the administrationof this Plan; and

(p) delegate any of the foregoing to a subcommittee or to one more executive officers pursuant to a specific delegation as permitted by applicable law.

4.2. Committee Interpretation and Discretion. Any determination made by the Committee with respect to any Award shall be made in its sole discretion at the time of grant of the Award or, unless in contravention of any express term of the Plan or Award, at any later time,and such determination shall be final and binding on the Company and all persons having an interest in any Award under the Plan. Any dispute regarding the interpretation of the Plan or anyAward Agreement shall be submitted by the Participant or Company to the Committee for review.The resolution of such a dispute by the Committee shall be final and binding on the Company and theParticipant. The Committee may delegate to one or more executive officers the authority to review and resolve disputes with respect to Awards held by Participants who are not Insiders, and such resolution shall be final and binding on the Company and the Participant.

4.3. Section 16 of the Exchange Act. Awards granted to Participants who are subject to Section 16 of the Exchange Act must be approved by two or more "non-employee directors" (as defined in the regulations promulgated under Section 16 of the Exchange Act).

4.4. Documentation. The Award Agreement for a given Award, the Plan and any other documents may be delivered to, and accepted by, a Participant or any other person in any manner (including electronic distribution or posting) that meets applicable legal requirements.

4.5. Foreign Award Recipients. Notwithstanding any provision of the Plan to the contrary, in order to comply with the laws and practices in other countries in which the Company,its Subsidiaries and Affiliates operate or have Employees eligible for Awards, the Committee, in its sole discretion, shall have the power and authority to: (a) determine which Subsidiaries and Affiliates shall be covered by the Plan; (b) determine which Employees outside the United Statesare eligible to participate in the Plan; (c) modify the terms and conditions of any Award granted toEmployees outside the United States or foreign nationals to comply with applicable foreign laws,policies, customs and practices; (d) establish subplans and modify exercise procedures, vesting conditions, and other terms and procedures, to the extent the Committee determines such actions to be necessary or advisable (and such subplans and/or modifications shall be attached to this Plan as appendices, if necessary); provided, however, that no such subplans and/or modifications shallincrease the share limitations contained in Section 2.1 hereof; and (e) take any action, before or

after an Award is made, that the Committee determines to be necessary or advisable to obtain approval or comply with any local governmental regulatory exemptions or approvals. Notwithstanding the foregoing, the Committee may not take any actions hereunder, and no Awardsshall be granted, that would violate the Exchange Act or any other applicable United States securities law, the Code, or any other applicable United States governing statute or law.

5. **OPTIONS**. An Option is the right but not the obligation to purchase a Share, subject to certain conditions, if applicable. The Committee may grant Nonqualified Stock Options ("***NSOs***") to eligible Employees and the Committee and will determine the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may vest and be exercised, and all other terms and conditions of the Option, subject to the following terms of this section.

5.1. Option Grant. Each Option granted under this Plan will be an NSO. An Option may be, but need not be, awarded upon satisfaction of such Performance Factors during any Performance Period as are set out in advance in the Participant's individual Award Agreement. Ifthe Option is being earned upon the satisfaction of Performance Factors, then the Committee will:
(a) determine the nature, length and starting date of any Performance Period for each Option; and
(b) select from among the Performance Factors to be used to measure the performance, if any. Performance Periods may overlap and Participants may participate simultaneously with respect to Options that are subject to different performance goals and other criteria.

5.2. Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, or a specified future date. The Award Agreement will be delivered to the Participant within a reasonable time after the granting of the Option.

5.3. Exercise Period. Options may be vested and exercisable within the times or upon the conditions as set forth in the Award Agreement governing such Option; provided, however, that no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted. The Committee also may provide for Options to become exercisable at one time or fromtime to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines.

5.4. Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted; provided that the Exercise Price of an Option will be not less than one hundred percent (100%) of the Fair Market Value of the Shares on the date of grant. Payment for the Shares purchased may be made in accordance with Section 7 and the Award Agreement and in accordance with any procedures established by the Company.

5.5. Method of Exercise. Any Option granted hereunder will be vested and exercisableaccording to the terms of the Plan and at such times and under such conditions as determined by the Committee and set forth in the Award Agreement. An Option may not be exercised for a fraction of a Share. An Option will be deemed exercised when the Company receives: (a) notice of exercise (in such form as the Committee may specify from time to time) from the person entitledto exercise the Option (and/or via electronic execution through the authorized third party administrator), and (b) full payment for the Shares with respect to which the Option is exercised

(together with applicable withholding taxes). Full payment may consist of any consideration and method of payment authorized by the Committee and permitted by the Award Agreement and thePlan. Shares issued upon exercise of an Option will be issued in the name of the Participant. Untilthe Shares are issued (as evidenced by the appropriate entry on the books of the Company or of aduly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option isexercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.4 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

5.6. Termination of Service. If the Participant's Service terminates for any reason except for Cause or the Participant's death or Disability, then the Participant may exercise such Participant's Options only to the extent that such Options would have been exercisable by the Participant on the date Participant's Service terminates no later than three (3) months after the dateParticipant's Service terminates (or such shorter or longer time period as may be determined by the Committee), but in any event no later than the expiration date of the Options.

(a) Death. If the Participant's Service terminates because of the Participant's death (or the Participant dies within three (3) months after Participant's Service terminates other than for Cause or because of the Participant's Disability), then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the date Participant's Service terminates and must be exercised by the Participant's legal representative, or authorized assignee, no later than twelve (12) months after the date Participant's Service terminates (or such shorter time period or longer time period as may be determined by theCommittee), but in any event no later than the expiration date of the Options.

(b) Disability. If the Participant's Service terminates because of the Participant's Disability, then the Participant's Options may be exercised only to the extent that such Options would have been exercisable by the Participant on the date Participant's Service terminates and must be exercised by the Participant (or the Participant's legal representative or authorized assignee) no later than twelve (12) months after the date Participant's Service terminates (or such shorter time period or longer time period as may be determined by the Committee), but in any event no later than the expiration date of the Options.

(c) Cause. If the Participant's Service terminates for Cause, then Participant'sOptions shall expire on such Participant's date of termination of Service, or at such later time andon such conditions as are determined by the Committee, but in any event no later than the expiration date of the Options. Unless otherwise provided in an employment agreement or an Award Agreement, Cause shall have the meaning set forth in the Plan.

5.7. Limitations on Exercise. The Committee may specify a minimum number of Shares that may be purchased on any exercise of an Option, provided that such minimum number will not prevent any Participant from exercising the Option for the full number of Shares for whichit is then exercisable.

5.8. Modification, Extension or Renewal. The Committee may, in accordance with NASDAQ 5635(c)(4), modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, provided that any such action may not, without the written consent of a Participant, impair any of such Participant's rights under any Option previously granted.

6. **RESTRICTED STOCK UNITS**. A Restricted Stock Unit ("***RSU***") is an award to an eligible Employee covering a number of Shares that may be settled in cash, or by issuance of those Shares (which may consist of restricted Shares). All RSUs shall be made pursuant to an Award Agreement.

6.1. Terms of RSUs. The Committee will determine the terms of an RSU including, without limitation: (a) the number of Shares subject to the RSU; (b) the time or times during which the RSU may be settled; (c) the consideration to be distributed on settlement; and (d) the effect of the Participant's termination of Service on each RSU; provided that no RSU shall have a term longer than ten (10) years. An RSU may be awarded upon satisfaction of such performance goals based on Performance Factors during any Performance Period as are set out in advance in the Participant's Award Agreement. If the RSU is being earned upon satisfaction of Performance Factors, then the Committee will: (x) determine the nature, length and starting date of any Performance Period for the RSU; (y) select from among the Performance Factors to be used to measure the performance, if any; and (z) determine the number of Shares deemed subject to the RSU. Performance Periods may overlap and Participants may participate simultaneously with respect to RSUs that are subject to different Performance Periods and different performance goals and other criteria.

6.2. Form and Timing of Settlement. Payment of earned RSUs shall be made as soon as practicable after the date(s) determined by the Committee and set forth in the Award Agreement. The Committee, in its sole discretion, may settle earned RSUs in cash, Shares, or a combination of both. The Committee may also permit a Participant to defer payment under a RSU to a date or dates after the RSU is earned provided that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code to the extent applicable.

6.3. Termination of Service. Except as may be set forth in the Participant's Award Agreement, vesting ceases on such date Participant's Service terminates (unless determined otherwise by the Committee).

7. **PAYMENT FOR SHARE PURCHASES**. Payment from a Participant for Shares purchased pursuant to this Plan may be made in cash or by check or, where approved for the Participant by the Committee and where permitted by law (and to the extent not otherwise set forth in the applicable Award Agreement):

(a) by cancellation of indebtedness of the Company to the Participant;

(b) by surrender of Shares held by the Participant that have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Award will be exercised or settled;

(c) by waiver of compensation due or accrued to the Participant for services rendered or to be rendered to the Company or a Parent, Subsidiary or Affiliate;

(d) by consideration received by the Company pursuant to a broker-assisted orother form of cashless exercise program implemented by the Company in connection with the Plan;

(e) by any combination of the foregoing; or

(f) by any other method of payment as is permitted by applicable law.

8. WITHHOLDING TAXES.

8.1. Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan or a tax event occurs, the Company may require the Participant to remit to the Company, or to the Parent, Subsidiary or Affiliate, as applicable, employing the Participant, an amount sufficient to satisfy applicable U.S. federal, state, local and international tax or any other tax or social insurance liability (the "***Tax-Related Items***") required to be withheld from the Participant prior to the delivery of Shares pursuant to exercise or settlement of any Award. Whenever payments in satisfaction of Awards granted under this Plan are to be made in cash, such payment will be net of an amount sufficient to satisfy applicable withholding obligations for Tax-Related Items. Unless otherwise determined by the Committee, the Fair Market Value of the Shares will be determined as of the date that the taxes are required to be withheld and such Shares will be valued based on the value of the actual trade or, if there is none, the Fair Market Value of the Shares as of the previous trading day.

8.2. Stock Withholding. The Committee, or its delegate(s), as permitted by applicablelaw, in its sole discretion and pursuant to such procedures as it may specify from time to time and to limitations of local law, may require or permit a Participant to satisfy such Tax Related Items legally due from the Participant, in whole or in part by (without limitation) (a) paying cash,
(b) having the Company withhold otherwise deliverable cash or Shares having a Fair Market Value equal to the Tax-Related Items to be withheld, (c) delivering to the Company already-owned shares of common stock having a Fair Market Value equal to the Tax-Related Items to be withheld or (d) withholding from the proceeds of the sale of otherwise deliverable Shares acquired pursuant to an Award either through a voluntary sale or through a mandatory sale arranged by the Company. The Company may withhold or account for these Tax-Related Items by considering applicable statutory withholding rates or other applicable withholding rates, including up to (but not in excess of) the maximum permissible statutory tax rate for the applicable tax jurisdiction, to the extent consistent with applicable laws.

9. TRANSFERABILITY. Unless determined otherwise by the Committee, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. If the Committee makes an Award transferable, including, without limitation, by instrument to an inter vivos or testamentary trust in which the Awards are to be passed to beneficiaries upon the death of the trustor (settlor) or by gift or by domestic relations order to a Permitted Transferee, such Award will contain such additional terms and conditions as the Committee deems appropriate. All Awards shall be exercisable: (a) during

the Participant's lifetime only by (i) the Participant, or (ii) the Participant's guardian or legal representative; (b) after the Participant's death, by the legal representative of the Participant's heirs or legatees; and (c) by a Permitted Transferee.

10. PRIVILEGES OF STOCK OWNERSHIP; RESTRICTIONS ON SHARES.

10.1. Voting and Dividends. No Participant will have any of the rights of a stockholderwith respect to any Shares until the Shares are issued to the Participant, except for any Dividend Equivalent Rights permitted by an applicable Award Agreement. Any Dividend Equivalent Rightsshall be subject to the same vesting or performance conditions as the underlying Award. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; provided, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive with respect to such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictionsas the Restricted Stock; provided, further, that the Participant will have no right to retain such stock dividends or stock distributions with respect to Shares that are repurchased at the Participant's Purchase Price or Exercise Price, as the case may be, pursuant to Section 10.2. TheCommittee, in its discretion, may provide in the Award Agreement evidencing any Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Shares underlying an Award during the period beginning on the date the Award is granted and ending, with respect to each Share subject to the Award, on the earlier of the date on which the Award is exercised or settled or the date on which it is forfeited. Such Dividend Equivalent Rights, if any, shall be credited to the Participant in the form of additional whole Sharesas of the date of payment of such cash dividends on Shares Notwithstanding the foregoing, dividends and Dividend Equivalent Rights may accrue with respect to unvested Awards, but will not be paid or issued until such Award is fully vested and the Shares are issued to Participant and such Shares are no longer subject to any vesting requirements or repurchase rights on behalf of theCompany.

10.2. Restrictions on Shares. At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) a right to repurchase (a "***Right of Repurchase***") a portion ofany or all Unvested Shares held by a Participant following such Participant's termination of Service at any time within ninety (90) days (or such longer or shorter time determined by the Committee) after the later of the date Participant's Service terminates and the date the Participantpurchases Shares under this Plan, for cash and/or cancellation of purchase money indebtedness, atthe Participant's Purchase Price or Exercise Price, as the case may be.

11. CERTIFICATES. All Shares or other securities whether or not certificated, delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable U.S. federal, state or foreign securities law, or any rules, regulations and other requirements of the SECor any stock exchange or automated quotation system upon which the Shares may be listed or quoted and any non-U.S. exchange controls or securities law restrictions to which the Shares are subject.

12. **ESCROW; PLEDGE OF SHARES**. To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit all certificates representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated, and the Committee may cause a legend or legends referencing such restrictions to be placed on the certificates. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of the Participant's obligation to the Company under the promissory note; provided, however, that the Committee may require or accept other or additional forms of collateral to secure the payment of such obligation and, in any event, the Company will have full recourse against the Participant under the promissory note notwithstanding any pledge of the Participant's Shares or other collateral. In connection with any pledge of the Shares, the Participant will be required to execute and deliver a written pledge agreement in such form as the Committee will from time to time approve. The Shares purchasedwith the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

13. **SECURITIES LAW AND OTHER REGULATORY COMPLIANCE**. An Award will not be effective unless such Award is in compliance with all applicable U.S. and foreign federal and state securities and exchange control laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Shares may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue or deliver certificates for Shares under this Plan prior to: (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and/or (b) completion of any registration or other qualification of such Shares under any state or federal or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the registration, qualification or listing requirements of any foreign or state securities laws, exchange control laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

14. **NO OBLIGATION TO EMPLOY**. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Parent, Subsidiary or Affiliate or limit in any way the right of the Company or any Parent, Subsidiary or Affiliate to terminate Participant's Service at any time.

15. **CORPORATE TRANSACTIONS**. In the event of a Corporate Transaction any or all outstanding Awards may be assumed or replaced by the successor corporation, which assumption or replacement shall be binding on all Participants. In the alternative, the successor corporation may substitute equivalent Awards or provide substantially similar consideration to Participants as was provided to stockholders (after taking into account the existing provisions of the Awards). The successor corporation may also issue, in place of outstanding Shares of the Company held by the Participant, substantially similar shares or other property subject to repurchase restrictions no

less favorable to the Participant. In the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, then notwithstanding any other provision in this Plan to the contrary, such Awards will expire on such transaction at such time and on such conditions as the Board will determine, provided, however, that the Board (or, the Committee, if so designated by the Board) may, in its sole discretion, accelerate the vesting of such Awards in connection with a Corporate Transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, the Committee will notify the Participant in writing or electronically that such Award will be exercisable for a period of time determined by the Committee in its sole discretion, and such Award will terminate upon the expiration of such period. Awards need not be treated similarly in a Corporate Transaction

16. **ADOPTION**. This Plan was adopted by the Board on the Effective Date.

17. **TERM OF PLAN/GOVERNING LAW**. Unless earlier terminated as provided herein, this Plan will become effective on the Effective Date and will terminate ten (10) years from the date this Plan is adopted by the Board. This Plan and all Awards granted hereunder shall be governed by and construed in accordance with the laws of the State of Delaware (excluding its conflict of law rules).

18. **AMENDMENT OR TERMINATION OF PLAN**. The Board may at any time terminate or amend this Plan in any respect, including, without limitation, amendment of any form of Award Agreement or instrument to be executed pursuant to this Plan; provided, however, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner that requires such stockholder approval; provided further, that a Participant's Award shall be governed by the version of this Plan then in effect at the time such Award was granted. No termination or amendment of the Plan or any outstanding Award may adversely affect any then outstanding Award without the consent of the Participant, unless such termination or amendment is necessary to comply with applicable law, regulation or rule.

19. **NONEXCLUSIVITY OF THE PLAN**. Neither the adoption of this Plan by the Board, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of stock awards and bonuses otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

20. **INSIDER TRADING POLICY**. Each Participant who receives an Award shall comply with any policy adopted by the Company from time to time covering transactions in the Company's securities by Employees, officers and/or directors of the Company, as well as with any applicable insider trading or market abuse laws to which the Participant may be subject.

21. **ALL AWARDS SUBJECT TO COMPANY CLAWBACK OR RECOUPMENT POLICY**. All Awards, subject to applicable law, shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other service with the Company that is applicable to Employees, directors or other service providers of the Company, and in addition to

any other remedies available under such policy and applicable law, may require the cancellationof outstanding Awards and the recoupment of any gains realized with respect to Awards.

22. DEFINITIONS. As used in this Plan, and except as elsewhere defined herein, thefollowing terms will have the following meanings:

22.1. "***Affiliate***" means (i) any entity that, directly or indirectly, is controlled by, controls or is under common control with, the Company and (ii) any entity in which the Company has a significant equity interest, in either case as determined by the Committee, whether now or hereafterexisting.

22.2. "***Award***" means any award under the Plan, including any Option or Restricted Stock Unit .

22.3. "***Award Agreement***" means, with respect to each Award, the written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award, and country-specific appendix thereto for grants to non-U.S. Participants, which shall be in substantially a form (which need not be the same for each Participant) that the Committee (or in the case of Award agreements that are not used for Insiders, the Committee's delegate(s)) has from time to time approved, and will comply with and be subject to the terms and conditions of this Plan.

22.4. "***Board***" means the Board of Directors of the Company.

22.5. "***Cause***" means (a) Participant's willful failure substantially to perform his or her duties and responsibilities to the Company or deliberate violation of a Company policy; (b) Participant's commission of any act of fraud, embezzlement, dishonesty or any other willful misconduct that has caused or is reasonably expected to result in material injury to the Company;
(c) unauthorized use or disclosure by Participant of any proprietary information or trade secrets ofthe Company or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Company; or (d) Participant's willful breach of any of his or her obligations under any written agreement or covenant with the Company. The determination as to whether a Participant is being terminated for Cause shall be made in good faith by the Company and shall be final and binding on the Participant. The foregoing definition does not in any way limit the Company's ability to terminate a Participant's employment or consulting relationship at any time as provided in Section 14 above, and the term "Company" will be interpreted to include any Subsidiary or Parent, as appropriate. The foregoing definition of "Cause" may, in part or in whole, be modified or replaced in each individual employment agreement, Award Agreement or other applicable agreement with any Participant, provided that such document supersedes the definition provided in this Section 22.5.

22.6. "***Code***" means the United States Internal Revenue Code of 1986, as amended, andthe regulations promulgated thereunder.

22.7. "***Committee***" means the Compensation Committee of the Board or those persons to whom administration of the Plan, or part of the Plan, has been delegated as permitted by law.

22.8. "***Common Stock***" means common stock of the Company.

22.9. "***Company***" means KalVista Pharmaceuticals, Inc., or any successor corporation.

22.10. "***Consultant***" means any natural person, including an advisor or independent contractor, engaged by the Company or a Parent, Subsidiary or Affiliate to render services to such entity.

22.11. "***Corporate Transaction***" means the occurrence of any of the following events: (a) any "Person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total voting power represented by the Company's then-outstanding voting securities; provided, however, that for purposes of this subclause (a) the acquisition of additional securities by any one Person who is considered to own more than fifty percent (50%) of the total voting power of the securities of the Company will not be considered a Corporate Transaction; (b) the consummation of the sale or disposition by the Company of all or substantially all of the Company's assets; (c) the consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation; (d) any other transaction which qualifies as a "corporate transaction" under Section 424(a) of the Code wherein the stockholders of the Company give up all of their equity interest in the Company (except for the acquisition, sale or transfer of all or substantially all of the outstanding shares of capital stock of the Company) or (e) a change in the effective control of the Company that occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by members of the Board whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purpose of this subclause (e), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Corporate Transaction. For purposes of this definition, Persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company. Notwithstanding the foregoing, to the extent that any amount constituting deferred compensation (as defined in Section 409A of the Code) would become payable under this Plan by reason of a Corporate Transaction, such amount shall become payable only if the event constituting a Corporate Transaction would also qualify as a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company, each as defined within the meaning of Code Section 409A, as it has been and may be amended from time to time, and any proposed or final Treasury Regulations and IRS guidance that has been promulgated or may be promulgated thereunder from time to time.

22.12. "***Disability***" means that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months.

22.13. "***Dividend Equivalent Right"*** means the right of a Participant, granted at the discretion of the Committee or as otherwise provided by the Plan, to receive a credit for the account of such Participant in an amount equal to the cash, stock or other property dividends in amounts equal equivalent to cash, stock or other property dividends for each Share represented by an Awardheld by such Participant.

22.14. "***Effective Date***" means [, 2021], the date the Plan was adopted by the Board.

22.15. "***Employee***" means any person, including Officers and Directors, providing services as an employee to the Company or any Parent, Subsidiary or Affiliate. Neither service asa member of the Board nor payment of a director's fee by the Company will be sufficient to constitute "employment" by the Company.

22.16. "***Exchange Act***" means the United States Securities Exchange Act of 1934, asamended.

22.17. "***Exercise Price***" means, with respect to an Option, the price at which a holder maypurchase the Shares issuable upon exercise of an Option.

22.18. "***Fair Market Value***" means, as of any date, the value of a share of the Company'sCommon Stock determined as follows:

(a) if such Common Stock is publicly traded and is then listed on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Common Stock is listed or admitted to trading as reported in *The Wall Street* Journal or such other source as the Committee deems reliable;

(b) if such Common Stock is publicly traded but is neither listed nor admitted to trading on a national securities exchange, the average of the closing bid and asked prices on the date of determination as reported in *The Wall Street Journal* or such other source as the Committeedeems reliable; or

(c) if none of the foregoing is applicable, by the Board or the Committee in good faith.

22.19. "***Insider***" means an officer or director of the Company or any other person whose transactions in the Company's Common Stock are subject to Section 16 of the Exchange Act.

22.20. "***IRS***" means the United States Internal Revenue Service.

22.21. "***Option***" means an award of an option to purchase Shares pursuant to Section 5.

22.22. "***Parent***" means any corporation (other than the Company) in an unbroken chain ofcorporations ending with the Company if each of such corporations other than the Company ownsstock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

22.23. "***Participant***" means a person who holds an Award under this Plan.

22.24. ***"Performance Factors"*** means any of the factors selected by the Committee and specified in an Award Agreement, from among the following objective measures, either individually, alternatively or in any combination, applied to the Company as a whole or any business unit or Subsidiary, either individually, alternatively, or in any combination, on a GAAP or non-GAAP basis, and measured, to the extent applicable on an absolute basis or relative to a pre-established target, to determine whether the performance goals established by the Committee with respect to applicable Awards have been satisfied:

(a) Profit Before Tax;

(b) Billings;

(c) Revenue;

(d) Net revenue;

(e) Earnings (which may include earnings before interest and taxes, earningsbefore taxes, net earnings, stock-based compensation expenses, depreciation and amortization);

(f) Operating income;

(g) Operating margin;

(h) Operating profit;

(i) Controllable operating profit, or net operating profit;

(j) Net Profit;

(k) Gross margin;

(l) Operating expenses or operating expenses as a percentage of revenue;

(m) Net income;

(n) Earnings per share;

(o) Total stockholder return;

(p) Market share;

(q) Return on assets or net assets;

(r) The Company's stock price;

(s) Growth in stockholder value relative to a pre-determined index;

(t) Return on equity;

(u) Return on invested capital;

(v) Cash Flow (including free cash flow or operating cash flows);

(w) Cash conversion cycle;

(x) Economic value added;

(y) Individual confidential business objectives;

(z) Contract awards or backlog;

(aa) Overhead or other expense reduction;
(bb) Credit rating;
(cc) Strategic plan development and implementation; (dd) Succession plan development and implementation;
(ee) Improvement in workforce diversity;
(ff) Customer indicators and/or satisfaction;
(gg) New product invention or innovation;
(hh) Attainment of research and development milestones;

(ii) Improvements in productivity;
(jj) Bookings;
(kk) Attainment of objective operating goals and employee metrics;(ll) Sales;
(mm) Expenses;

(nn) Balance of cash, cash equivalents and marketable securities;(oo) Completion of an identified special project;
(pp) Completion of a joint venture or other corporate transaction;(qq) Employee satisfaction and/or retention;
(rr) Research and development expenses;

(tt) Any other metric that is capable of measurement as determined by the Committee.

(ss) Working-capital targets and changes in working capital; and

The Committee may, in recognition of unusual or non-recurring items such as acquisition- related activities or changes in applicable accounting rules, provide for one or more equitable adjustments (based on objective standards) to the Performance Factors to preserve the Committee's original intent regarding the Performance Factors at the time of the initial award grant. It is within the sole discretion of the Committee to make or not make any such equitable adjustments.

22.25. "***Performance Period***" means one or more periods of time, which may be of varying and overlapping durations, as the Committee may select, over which the attainment of one or more Performance Factors will be measured for the purpose of determining a Participant' rightto, and the payment of, an Award subject to Performance Factors.

22.26. "***Permitted Transferee***" means any child, stepchild, grandchild, parent, stepparent,grandparent, spouse, former spouse, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law (including adoptive relationships) of the Employee, any person sharing the Employee's household (other than a tenant or employee), a trust in which these persons (or the Employee) have more than 50% of the beneficial interest, a foundation in which these persons (or the Employee) control the management of assets, and any other entity in which these persons (or the Employee) own more than 50% of the voting interests.

22.27. "***Plan***" means this KalVista Pharmaceuticals, Inc. 2021 Equity Inducement Plan.

22.28. "***Purchase Price***" means the price to be paid for Shares acquired under the Plan, other than Shares acquired upon exercise of an Option.

22.29. "***Restricted Stock Unit***" means an Award granted pursuant to Section 6 of the Plan.

22.30. "***SEC***" means the United States Securities and Exchange Commission.

22.31. "***Securities Act***" means the United States Securities Act of 1933, as amended.

22.32. "***Service***" shall mean service as an Employee, Consultant or member of the Boardto the Company or a Parent, Subsidiary or Affiliate, subject to such further limitations as may be set forth in the Plan or the applicable Award Agreement. An Employee will not be deemed to have ceased to provide Service in the case of (a) sick leave, (b) military leave, or (c) any other leave of absence approved by the Company; provided, that such leave is for a period of not more than 90 days unless reemployment upon the expiration of such leave is guaranteed by contract or statute. Notwithstanding anything to the contrary, an Employee will not be deemed to have ceased to provide Service if a formal policy adopted from time to time by the Company and issued and promulgated to employees in writing provides otherwise. In the case of any Employee on an approved leave of absence or a reduction in hours worked (for illustrative purposes only, a changein schedule from that of full-time to part-time), the Committee may make such provisions

respecting suspension or modification of vesting of the Award while on leave from the employ of

the Company or a Parent, Subsidiary or Affiliate or during such change in working hours as it may deem appropriate, except that in no event may an Award be exercised after the expiration of the term set forth in the applicable Award Agreement. In the event of military or other protected leave, if required by applicable laws, vesting shall continue for the longest period that vesting continues under any other statutory or Company approved leave of absence and, upon a Participant's returning from military leave, he or she shall be given vesting credit with respect to Awards to the same extent as would have applied had the Participant continued to provide Service to the Company throughout the leave on the same terms as he or she was providing Service immediately prior to such leave. An Employee shall have terminated employment as of the date he or she ceases to provide Service (regardless of whether the termination is in breach of local employment laws or is later found to be invalid) and employment shall not be extended by any notice period or garden leave mandated by local law, *provided however*, that a change in status from an Employee to a Consultant, or a member of the Board (or vice versa) shall not terminate Participant's Service, unless determined by the Committee, in its discretion or to the extent set forth in the applicable Award Agreement. The Committee will have sole discretion to determine whether a Participant has ceased to provide Service and the effective date on which the Participant ceased to provide Service.

22.33. "***Shares***" means shares of Common Stock and the common stock of any successor entity.

22.34. "***Subsidiary***" means any corporation (other than the Company) in an unbroken chain of corporations beginning with the Company if each of the corporations other than the last corporation in the unbroken chain owns stock possessing fifty percent (50%) or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

22.35. "***Treasury Regulations***" means regulations promulgated by the United States Treasury Department.

22.36. "***Unvested Shares***" means Shares that have not yet vested or are subject to a right of repurchase in favor of the Company (or any successor thereto).

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLAN NOTICE OF
GLOBAL STOCK OPTION GRANT

Unless otherwise defined herein, the terms defined in the KalVista Pharmaceuticals, Inc. 2021 Equity Inducement Plan (the "***Plan***") will have the same meanings in this Notice of Stock Option Grant and the electronic representation of this Notice of Global Stock Option Grant established and maintained by the Company or a third party designated by the Company (this "***Notice***").

Name:
Address:

You ("***Participant***") have been granted an option to purchase shares of Common Stock of the Company under the Plan subject to the terms and conditions of the Plan, this Notice and the Stock Option Award Agreement (the "***Option Agreement***"), including any applicable country-specific provisions in the appendix attached hereto (the "***Appendix***") which constitutes part of the Option Agreement.

Grant Number:

Date of Grant:

Vesting Commencement Date:

Exercise Price per Share:
Total Number of Shares:
Type of Option: Non-Qualified Stock Option

Expiration Date: , 20__. This Option expires earlier if Participant's Service terminates earlier, as described in the Option Agreement.

Vesting Schedule: Subject to the limitations set forth in this Notice, the Plan and the Agreement, the Options will vest in accordance with the following schedule: [***insert applicable vesting schedule, which may be time- and/or performance- based***]

By accepting (whether in writing, electronically or otherwise) the Option, Participant acknowledges and agrees to the following:

Participant understands that Participant's Service with the Company or a Parent or Subsidiary or Affiliate is for an unspecified duration, can be terminated at any time (*i.e.*, is "at-will"), except where otherwise prohibited by applicable law and that nothing in this Notice, the Option Agreement or the Plan changes the nature of that relationship.

[Signature Page Follows]

Participant acknowledges that the vesting of the Option pursuant to this Notice is earned only by continuing Service (as defined in the Plan). Furthermore, the period during which Participant may exercise the Option after such termination of Service will commence on the date Participant ceases to actively provide Service and will not be extended by any notice period mandated under employment laws in the jurisdiction where Participant is employed or terms of Participant's employment agreement.

Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's service status changes between full- and part-time status in accordance with Company policies relating to work schedules and vesting of awards. Participant also understands that thisNotice is subject to the terms and conditions of both the Option Agreement and the Plan, both of which areincorporated herein by reference.

Participant has read the Company's Insider Trading Policy, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities.

Participant has read both the Option Agreement and the Plan. By accepting this Option, Participant consents to electronic delivery as set forth in the Option Agreement.

PARTICIPANT

By:

Signature:

KALVISTA PHARMACEUTICALS, INC.

Print
Name:

Its:

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLAN STOCK
OPTION AWARD AGREEMENT

Unless otherwise defined in this Stock Option Award Agreement (this "***Option Agreement***"), anycapitalized terms used herein will have the meaning ascribed to them in the KalVista Pharmaceuticals, Inc.2021 Equity Inducement Plan (the "***Plan***").

Participant has been granted an option to purchase Shares (the "***Option***") of KalVista Pharmaceuticals, Inc. (the "***Company***"), subject to the terms and conditions of the Plan, the Notice of Stock Option Grant (the "***Notice***") and this Option Agreement, including any applicable country-specific provisions in the appendix attached hereto (the "***Appendix***") which constitutes part of this Option Agreement.

1. **Vesting Rights**. Subject to the applicable provisions of the Plan and this Option Agreement, this Option may be exercised, in whole or in part, in accordance with the schedule set forth in the Notice. Participant acknowledges and agrees that the Vesting Schedule may change prospectively in the event Participant's service status changes between full and part-time status and/or in the event Participant is on an approved leave of absence in accordance with Company policies relating to work schedules and vesting of awards or as determined by the Committee. Participant acknowledges that the vesting of the Shares pursuant to this Notice and Agreement is earned only by continued Service.

2. **Grant of Option**. Participant has been granted an Option for the number of Shares set forth in the Notice at the exercise price per Share in U.S. Dollars set forth in the Notice (the "***Exercise Price***"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Option Agreement, the terms and conditions of the Plan shall prevail.

3. **Termination Period**.

(a) **General Rule**. If Participant's Service terminates for any reason except death or Disability, and other than for Cause, then this Option will expire at the close of business at Company headquarters on the date three (3) months after Participant's Termination Date (or such shorter time period not less than thirty (30) days or longer time period as may be determined by the Committee). If Participant's Service is terminated for Cause, this Option will expire upon the date of such termination. The Company determines when Participant's Service terminates for all purposes under this Option Agreement.

(b) **Death; Disability**. If Participant dies before Participant's Service terminates (or Participant dies within three months of Participant's termination of Service other than for Cause (as defined in the Plan)), then this Option will expire at the close of business at Company headquarters on the date 12 months after the date of death (or such shorter time period not less than six (6) months or longer time period as may be determined by the Committee, subject to the expiration details in Section 6). If Participant's Service terminates because of Participant's Disability, then this Option will expire at the close of business at Company headquarters on the date 12 months after Participant's Termination Date (or such shorter time period not less than six (6) months or longer time period as may be determined by the Committee, subject to the expiration details in Section 6).

(c) **No Notice**. Participant is responsible for keeping track of these exercise periods following Participant's termination of Service for any reason. The Company will not provide further notice of such periods. In no event shall this Option be exercised later than the Expiration Date set forth in the Notice.

(d) **Termination**. For purposes of this Option, Participant's Service will be considered terminated as of the date Participant is no longer providing Services to the Company, its Parent or one of its Subsidiaries or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any) (the "***Termination Date***"). The Committee shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes of Participant's Option (including whether Participant may still be considered to be providingservices while on an approved leave of absence). Unless otherwise provided in this Option Agreement or determined by the Company, Participant's right to vest in this Option under the Plan, if any, will terminateas of the Termination Date and will not be extended by any notice period (e.g., Participant's period of services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any). Following the Termination Date, Participant may exercise the Option only as set forth in the Notice and this Section, provided that the period (if any) during which Participant may exercise the Option after the Termination Date, if any, will commence on the date Participant ceases to provide services and will not be extended by any notice period mandated under employment laws in the jurisdiction where Participant is employed or terms of Participant's employment agreement, if any. If Participant does not exercise this Option within the termination period set forth in theNotice or the termination periods set forth above, the Option shall terminate in its entirety. In no event, may any Option be exercised after the Expiration Date of the Option as set forth in the Notice.

4. Exercise of Option.

(a) **Right to Exercise**. This Option is exercisable during its term in accordance with the Vesting Schedule set forth in the Notice and the applicable provisions of the Plan and this Option Agreement. In the event of Participant's death, Disability, termination for Cause or other cessation of Service, the exercisability of the Option is governed by the applicable provisions of the Plan, the Notice and this Option Agreement. This Option may not be exercised for a fraction of a Share.

(b) **Method of Exercise**. This Option is exercisable by delivery of an exercise noticein a form specified by the Company (the "***Exercise Notice***"), which will state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "Exercised Shares"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice will be delivered in person, by mail, via electronic mail or facsimile or by other authorized method to the Secretary of the Company or other person designated by theCompany. The Exercise Notice will be accompanied by payment of the aggregate Exercise Price as to allExercised Shares together with any Tax- Related Items (as defined in Section 8 below). This Option will be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price and payment of any Tax-Related Items. No Shares will be issued pursuant to the exercise of this Option unless such issuance and exercise complies with all relevant provisions of law and the requirements of any stock exchange or quotation service upon which the Shares are then listed. Assuming such compliance, for income tax purposes the Exercised Shares will be considered transferred to Participant on the date the Option is exercised with respect to such Exercised Shares.

(c) **Exercise by Another**. If another person wants to exercise this Option after it hasbeen transferred to him or her in compliance with this Agreement, that person must prove to the Company's satisfaction that he or she is entitled to exercise this Option. That person must also complete the proper Exercise Notice form (as described above) and pay the Exercise Price (as described below) and any applicable tax withholding due upon exercise of the Option (as described below).

5. **Method of Payment**. Payment of the aggregate Exercise Price will be by any of thefollowing, or a combination thereof, at the election of Participant:

(a) Participant's personal check (or readily available funds), wire transfer, or a cashier's check;

(b) certificates for shares of Company stock that Participant owns, along with any forms needed to effect a transfer of those shares to the Company; the value of the shares, determined as of the effective date of the Option exercise, will be applied to the Option exercise price. Instead of surrendering shares of Company stock, Participant may attest to the ownership of those shares on a form provided by the Company and have the same number of shares subtracted from the Option shares issued toParticipant. However, Participant may not surrender, or attest to the ownership of, shares of Company stock in payment of the exercise price of Participant's Option if Participant's action would cause the Company to recognize compensation expense (or additional compensation expense) with respect to this Option for financial reporting purposes;

(c) cashless exercise through irrevocable directions to a securities broker approved bythe Company to sell all or part of the Shares covered by this Option and to deliver to the Company from the sale proceeds an amount sufficient to pay the Option exercise price and any withholding taxes. The balance of the sale proceeds, if any, will be delivered to Participant. The directions must be given by signing a special notice of exercise form provided by the Company; or

(d) other method authorized by the Company.

6. **Non-Transferability of Option**. This Option may not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of other than by will or by the laws of descent or distribution or court order and may be exercised during the lifetime of Participant only by Participant or unless otherwise permitted by the Committee on a case-by-case basis. The terms of the Plan and this Option Agreement will be binding upon the executors, administrators, heirs, successors and assigns of Participant.

7. **Term of Option**. This Option will in any event expire on the expiration date set forth in the Notice, which date is 10 years after the Date of Grant.

8. **Tax Consequences**.

(a) **Exercising the Option**. Participant acknowledges that, regardless of any action taken by the Company or a Parent or Subsidiary or Affiliate employing or retaining Participant (the "***Employer***"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax related items related to Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***") is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of anyTax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of thegrant or any aspect of this Option to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. *PARTICIPANT SHOULD CONSULT A TAX ADVISER APPROPRIATELY QUALIFIED IN THE*

COUNTRY OR COUNTRIES IN WHICH PARTICIPANT RESIDES OR IS SUBJECT TO TAXATION BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.

Prior to the relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents,at their discretion, to satisfy the obligations with regard to all Tax- Related Items by one or a combination of the following:

(i) withholding from Participant's wages or other cash compensation paid toParticipant by the Company and/or the Employer; or

(ii) withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization) without further consent; or

(iii) withholding in Shares to be issued upon exercise of the Option, provided the Company only withholds from the amount of Shares necessary to satisfy the applicable statutory withholding amount;

(iv) Participant's payment of a cash amount (including by check representing readily available funds or a wire transfer); or

(v) any other arrangement approved by the Committee;

all under such rules as may be established by the Committee and in compliance with the Company's InsiderTrading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i)-(v) above, and the Committee shall establish the method prior to the Tax- Related Items withholding event.

Depending on the withholding method, the Company may withhold or account for Tax- Related Items by considering applicable statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case Participant will receive a refund of any over- withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Participant is deemed to havebeen issued the full member of Shares issued upon exercise of the Options; notwithstanding that a memberof the Shares are held back solely for the purpose of paying the Tax-Related Items. The Fair Market Valueof these Shares, determined as of the effective date of the Option exercise, will be applied as a credit against the Tax-Related Items withholding.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax- Related Items that the Company or the Employer may be required to withhold or account for as a result ofParticipant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant failsto comply with his or her obligations in connection with the Tax-Related Items.

9. **Nature of Grant**. By accepting the Option, Participant acknowledges, understands andagrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by thePlan;

(b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted in the past;

(c) all decisions with respect to future Option or other grants, if any, will be at the solediscretion of the Company;

(d) the Option grant and Participant's participation in the Plan will not create a right to employment or be interpreted as forming an employment or service contract with the Company, the Employer or any Parent or Subsidiary or Affiliate;

(e) Participant is voluntarily participating in the Plan;

(f) the Option and any Shares acquired under the Plan are not intended to replace anypension rights or compensation;

(g) the Option and any Shares acquired under the Plan and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(h) the future value of the Shares underlying the Option is unknown, indeterminable, and cannot be predicted with certainty;

(i) if the underlying Shares do not increase in value, the Option will have no value;

(j) if Participant exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the Exercise Price;

(k) no claim or entitlement to compensation or damages will arise from forfeiture of the Option resulting from Participant ceasing to provide employment or other services to the Company or the Employer (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any), and in consideration of the grant of the Option to which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against the Company, anyParent or Subsidiary or Affiliate or the Employer, waives his or her ability, if any, to bring any such claim,and releases the Company, any Parent or Subsidiary or Affiliate and the Employer from any such claim; if,notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant will be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim;

(l) unless otherwise provided in the Plan or by the Company in its discretion, the Option and the benefits evidenced by this Option Agreement do not create any entitlement to have the Option or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(m) the following provisions apply only if Participant is providing services outside the United States:

(i) the Option and the Shares subject to the Option are not part of normal or expected compensation or salary for any purpose;

(ii) Participant acknowledges and agrees that neither the Company, the Employer nor any Parent or Subsidiary or Affiliate will be liable for any foreign exchange rate fluctuation between Participant's local currency andthe United States Dollar that may affect the value of the Option or of any amounts due to Participant pursuant to the exercise of the Option or the subsequent sale of any Shares acquired upon exercise.

10. **No Advice Regarding Grant**. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan beforetaking any action related to the Plan.

11. **Data Privacy**. ***Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of Participant's personal data as described in this Option Agreement and any other Option grant materials by and among, as applicable, the Employer, the Company and any Parent or Subsidiary or Affiliate of for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.***

Participant understands that the Company and the Employer may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.

Participant understands that Data will be transferred to the stock plan service provider as may be designated by the Company from time to time or its affiliates or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country(e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Participant authorizes the Company, the stock plan service provider as may be designated by the Company from time to time, and its affiliates, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing Participant's participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands that if he or she resides outsidethe United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative.

Further, Participant understands that he or she is providing the consents herein on a purely voluntary basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant options or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

12. **Language**. If Participant has received this Option Agreement, or any other document related to the Option and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

13. **Appendix**. Notwithstanding any provisions in this Option Agreement, the Option grant will be subject to any special terms and conditions set forth in any appendix to this Option Agreement for Participant's country. Moreover, if Participant relocates to one of the countries included in the Appendix,the special terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Option Agreement.

14. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Option and on any Shares purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

15. **Acknowledgement**. The Company and Participant agree that the Option is granted under and governed by the Notice, this Option Agreement and by the provisions of the Plan (incorporated herein by reference). Participant

(a) acknowledges receipt of a copy of the Plan and the Plan prospectus;

(b) represents that Participant has carefully read and is familiar with their provisions;

and

(c) hereby accepts the Option subject to all of the terms and conditions set forth hereinand those set forth in the Plan and the Notice.

16. **Entire Agreement; Enforcement of Rights**. This Option Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to this Option Agreement, nor any waiver of any rights under this Option Agreement, will be effective unless in writing and signed by the parties to this Option Agreement. The failure by either party to enforce any rightsunder this Option Agreement will not be construed as a waiver of any rights of such party.

17. **Compliance with Laws and Regulations**. The issuance of Shares and any restriction onthe sale of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state, federal and local laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the

time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the Common Stock with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Option Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this Option Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

18. **Severability**. If one or more provisions of this Option Agreement are held to be unenforceable, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision will be excluded from this Option Agreement, (b) the balance of this Option Agreement will be interpreted as if such provision were so excluded and (c) the balance of this Option Agreement will be enforceable in accordance with its terms.

19. **Governing Law and Venue**. This Option Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto will be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

Any and all disputes relating to, concerning or arising from this Option Agreement, or relating to, concerning or arising from the relationship between the parties evidenced by the Plan or this Option Agreement, will be brought and heard exclusively in the United States District Court for the District of Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

20. **No Rights as Employee, Director or Consultant**. Nothing in this Option Agreement will affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary or Affiliate, to terminate Participant's Service, for any reason, with or without Cause.

21. **Consent to Electronic Delivery of all Plan Documents and Disclosures**. By Participant's signature and the signature of the Company's representative on the Notice, Participant and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan, the Notice and this Option Agreement. Participant has reviewed the Plan, the Notice and this Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Notice, and fully understands all provisions of the Plan, the Notice and this Option Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and the Option Agreement. Participant further agrees to notify the Company upon any change in the residence address indicated on the Notice. By acceptance of this Option, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, this Option Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the Option and current or future participation in the Plan. Electronic delivery may include the delivery of

a link to the Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e- mail or such other delivery determined at the Company's discretion. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost if Participant contacts the Company by telephone, through a postal service or electronic mail to Stock Administration. Participant further acknowledges that Participant will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, Participant understands that Participant must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, Participant understands that Participant's consent may be revoked or changed, including any changein the electronic mail address to which documents are delivered (if Participant has provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail through Stock Administration. Finally, Participant understands that Participant is not required to consent to electronic delivery if local laws prohibit such consent.

22. **Insider Trading Restrictions/Market Abuse Laws**. Participant acknowledges that, depending on Participant's country, Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell the Shares or rights to Shares under thePlan during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant is advised to speak to Participant's personal advisor on this matter.

23. **Award Subject to Company Clawback or Recoupment**. To the extent permitted by applicable law, the Option shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to Participant. In addition to any other remedies available under such policy, applicable law may require the cancellation of Participant's Option (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's Option.

BY ACCEPTING THIS OPTION, PARTICIPANT AGREES TO ALL OF THE TERMSAND CONDITIONS DESCRIBED ABOVE AND IN THIS PLAN.

APPENDIX

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLAN STOCK
OPTION AWARD AGREEMENT

COUNTRY SPECIFIC PROVISIONS FOR EMPLOYEES OUTSIDE THE U.S.

Terms and Conditions

This Appendix includes additional terms and conditions that govern the Option granted to Participant under the Plan if Participant resides and/or works in one of the countries below. This Appendixforms part of the Option Agreement. Any capitalized term used in this Appendix without definition will have the meaning ascribed to it in the Notice, the Option Agreement or the Plan, as applicable.

If Participant is a citizen or resident of a country, or is considered resident of a country, other thanthe one in which Participant is currently working, or Participant transfers employment and/or residency between countries after the Date of Grant, the Company will, in its sole discretion, determine to what extentthe additional terms and conditions included herein will apply to Participant under these circumstances.

Notifications

This Appendix also includes information relating to exchange control and other issues of which Participant should be aware with respect to Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2021, if applicable. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Participant not rely on the information herein as the only source of information relating to the consequences of Participant's participation in the Plan because the information may be out of date atthe time that Participant exercises the Option or sells Shares acquired under the Plan.

In addition, the information is general in nature and may not apply to Participant's particular situation, and the Company is not in a position to assure Participant of any particular result. Accordingly, Participant is advised to seek appropriate professional advice as to how the relevant laws in Participant's country may apply to Participant's situation.

Finally, if Participant is a citizen or resident of a country, or is considered resident of a country, other than the one in which Participant is currently working, or Participant transfers employment and/or residency after the Date of Grant, the information contained herein may not apply to Participant in the same manner.

UNITED STATES

There are no country-specific provisions.

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLAN NOTICE OF RESTRICTED STOCK UNIT AWARD
GRANT NUMBER:

Unless otherwise defined herein, the terms defined in the KalVista Pharmaceuticals, Inc. 2021 Equity Inducement Plan (the "***Plan***") will have the same meanings in this Notice of Restricted Stock Unit Award and the electronic representation of this Notice of Restricted Stock Unit Award established and maintained by the Company or a third party designated by the Company (this "***Notice***").

Name:
Address:

You ("***Participant***") have been granted an award of Restricted Stock Units ("***RSUs***") under the Plan subject to the terms and conditions of the Plan, this Notice and the attached Restricted Stock Unit Award Agreement (hereinafter the "***Agreement***"), including any applicable country-specific provisions in the appendix attached hereto (the "***Appendix***"), which constitutes part of this Agreement.

Number of RSUs:

Date of Grant:

Vesting Commencement Date:

Expiration Date: The earlier to occur of: (a) the date on which settlement ofall RSUs granted hereunder occurs and (b) the tenth anniversary of the Date of Grant. This RSU expires earlier if Participant's Service terminates earlier, as described in the Agreement.

Vesting Schedule: Subject to the limitations set forth in this Notice, the Plan and the Agreement, the RSUs will vest in accordance with the following schedule: [***insert applicable vesting schedule, which may be time- and/or performance- based***]

By accepting (whether in writing, electronically or otherwise) the RSUs, Participant acknowledges and agrees to the following:

Participant understands that Participant's employment with the Company or a Parent or Subsidiary or Affiliate is for an unspecified duration, can be terminated at any time (i.e., is "at-will"), except where otherwise prohibited by applicable law and that nothing in this Notice, the Agreement or the Plan changes the nature of that relationship. Participant acknowledges that the vesting of the RSUs pursuant to this Notice is earned only by continuing Service (as defined in the Plan) . Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's service status changes between full- and part-time status and/or in the event Participant is on a leave of absence, in accordance with Company policies relating to work schedules and vesting of awards or as determined by the Committee

[Signature Page Follows]

to the extent permitted by applicable law. Participant also understands that this Notice is subject to the terms and conditions of both the Agreement and the Plan, both of which are incorporated herein by reference. Participant has read both the Agreement and the Plan. By accepting the RSUs, Participant consents to electronic delivery as set forth in the Agreement.

Participant has read the Company's Insider Trading Policy, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities.

PARTICIPANT

By:

Signature:

KALVISTA PHARMACEUTICALS, INC.

Print
Name:

Its:

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLAN RESTRICTED
STOCK UNIT AWARD AGREEMENT

Unless otherwise defined herein, the terms defined in the KalVista Pharmaceuticals, Inc. 2021 Equity Inducement Plan (the "***Plan***") will have the same defined meanings in this Restricted Stock Unit Award Agreement (this "***Agreement***").

Participant has been granted Restricted Stock Units ("***RSUs***") subject to the terms, restrictions andconditions of the Plan, the Notice of Restricted Stock Unit Award (the "***Notice***") and this Agreement, including any applicable country-specific provisions in the appendix attached hereto (the "***Appendix***"), which constitutes part of this Agreement.

1. **Settlement**. Settlement of RSUs will be made within 30 days following the applicable date of vesting under the vesting schedule set forth in the Notice. Settlement of RSUs will be in Shares. No fractional RSUs or rights for fractional Shares shall be created pursuant to this Agreement.

2. **No Stockholder Rights**. Unless and until such time as Shares are issued in settlement of vested RSUs, Participant will have no ownership of the Shares allocated to the RSUs and will have no rightsto dividends or to vote such Shares.

3. **Dividend Equivalents**. Dividends, if any (whether in cash or Shares), will not be creditedto Participant.

4. **Non-Transferability of RSUs**. The RSUs and any interest therein will not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than by will orby the laws of descent or distribution or court order or unless otherwise permitted by the Committee on a case- by-case basis.

5. **Termination**. If Participant's Service terminates for any reason, all unvested RSUs will be forfeited to the Company forthwith, and all rights of Participant to such RSUs will immediately terminate without payment of any consideration to Participant. Participant's Service will be considered terminated as of the date Participant is no longer providing services (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any) and will not, subject to the laws applicable to Participant's Award, be extended by any notice period mandated under local laws(e.g., Service would not include a period of "garden leave" or similar period). Participant acknowledges and agrees that the Vesting Schedule may change prospectively in the event Participant's service status changes between full- and part-time status and/or in the event Participant is on an approved leave of absence in accordance with Company policies relating to work schedules and vesting of awards or as determined by the Committee. Participant acknowledges that the vesting of the Shares pursuant to this Notice and Agreement is earned only by continued Service. In case of any dispute as to whether termination of Servicehas occurred, the Committee will have sole discretion to determine whether such termination of Service hasoccurred and the effective date of such termination (including whether Participant may still be considered to be providing services while on an approved leave of absence).

6. **Withholding Taxes**. Participant acknowledges that, regardless of any action taken by the Company or, if different, Participant's employer (the "***Employer***") the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***"), is and

remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant, vesting or settlement of the RSUs and the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (2) donot commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction between the date of grant and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold oraccount for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at theirdiscretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from Participant's wages or other cash compensation paid toParticipant by the Company and/or the Employer; or

(ii) withholding from proceeds of the sale of Shares acquired upon settlement of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization); or

(iii) withholding in Shares to be issued upon settlement of the RSUs, provided the Company only withholds the amount of Shares necessary to satisfy the applicable statutory withholding amounts;

(iv) Participant's payment of a cash amount (including by check representing readily available funds or a wire transfer); or

(v) any other arrangement approved by the Committee;

all under such rules as may be established by the Committee and in compliance with the Company's InsiderTrading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i)-(v) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding amounts, including maximum applicable rates, in which caseParticipant will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax- Related Items is satisfied by withholding in Shares, for tax purposes, Participant is deemed to have been issued the full number of Shares subject to the vestedRSUs, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. The Fair Market Value of these Shares, determined as of the effective date when taxes otherwise would have been withheld in cash, will be applied as a credit against the Tax-Related Items withholding.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant fails to comply with Participant's obligations in connection with the Tax-Related Items.

7. **Nature of Grant**. By accepting the RSUs, Participant acknowledges, understands andagrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature andit may be modified, amended, suspended or terminated by the Company at any time, to the extent permittedby the Plan;

(b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past;

(c) all decisions with respect to future RSU or other grants, if any, will be at the sole discretion of the Company;

(d) the RSU grant and Participant's participation in the Plan will not create a right to employment or be interpreted as forming an employment or services contract with the Company, the Employer or any Parent or Subsidiary or Affiliate;

(e) Participant is voluntarily participating in the Plan;

(f) the RSUs and the Shares subject to the RSUs are not intended to replace any pension rights or compensation;

(g) the RSUs and the Shares subject to the RSUs, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of- service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages will arise from forfeiture of the RSUs resulting from Participant's termination of Service, and in consideration of the grant of the RSUsto which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against the Company, or any Parent or Subsidiary or Affiliate or the Employer, waives his or her ability, if any, to bring any such claim, and releases the Company, any Parent or Subsidiary or Affiliate and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant will be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissalor withdrawal of such claim;

(j) unless otherwise provided in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any Corporate Transaction affecting the Shares; and

(k) the following provisions apply only if Participant is providing services outside the United States:

(i) the RSUs and the Shares subject to the RSUs are not part of normal or expected compensation or salary for any purpose;

(ii) Participant acknowledges and agrees that neither the Company, the Employer nor any Parent or Subsidiary or Affiliate will be liable for any foreign exchange rate fluctuation between Participant's local currency andthe United States Dollar that may affect the value of the RSUs or of any amounts due to Participant pursuant to the settlement of the RSUs or the subsequent sale of any Shares acquired upon settlement.

8. **No Advice Regarding Grant**. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan beforetaking any action related to the Plan.

9. **Data Privacy**. Participant hereby explicitly and unambiguously consents to the collection,use and transfer, in electronic or other form, of Participant's personal data as described in this Agreement and any other RSU grant materials by and among, as applicable, the Employer, the Company and any Parent or Subsidiary or Affiliate for the exclusive purpose of implementing, administering and managing Participant's participation in the Plan.

Participant understands that the Company and the Employer may hold certain personal information about Participant, including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all RSUs or anyother entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan.

Participant understands that Data will be transferred to the stock plan service provider as may be designated by the Company from time to time, which is assisting the Company with the implementation, administration and management of the Plan. Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipients' country(e.g., the United States) may have different data privacy laws and protections than Participant's country. Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. Participant authorizes the Company, the stock plan service provider as may be designated by the Company from time to time, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing his or her participation in the Plan. Participant understands that Data will be held only as long as is necessary to implement, administer and manage Participant's participation in the Plan. Participant understands if he or she resides outside the United States, he or she may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing his or her local human resources representative.Further, Participant understands that he or she is providing the consents herein on a purely voluntary

basis. If Participant does not consent, or if Participant later seeks to revoke his or her consent, his or her employment status or service and career with the Employer will not be adversely affected; the only adverse consequence of refusing or withdrawing Participant's consent is that the Company would not be able to grant Participant RSUs or other equity awards or administer or maintain such awards. Therefore, Participant understands that refusing or withdrawing his or her consent may affect Participant's ability to participate in the Plan. For more information on the consequences of Participant's refusal to consent or withdrawal of consent, Participant understands that he or she may contact his or her local human resources representative.

10. **Language**. If Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

11. **Appendix**. Notwithstanding any provisions in this Agreement, the RSU grant will be subject to any special terms and conditions set forth in any appendix to this Agreement for Participant's country. Moreover, if Participant relocates to one of the countries included in the Appendix, the special terms and conditions for such country will apply to Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendix constitutes part of this Agreement.

12. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the RSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

13. **Acknowledgement**. The Company and Participant agree that the RSUs are granted underand governed by the Notice, this Agreement and the provisions of the Plan. Participant: (a) acknowledges receipt of a copy of the Plan and the Plan prospectus, (b) represents that Participant has carefully read and is familiar with their provisions, and (c) hereby accepts the RSUs subject to all of the terms and conditionsset forth herein and those set forth in the Plan and the Notice.

14. **Entire Agreement; Enforcement of Rights**. This Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to thisAgreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement will not be construed as a waiver of any rights of such party.

15. **Compliance with Laws and Regulations**. The issuance of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state and federal laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the Common Stock with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this RSU Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this RSU Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

16. **Severability**. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision will be excluded from this Agreement, (b) the balance of this Agreement will be interpreted as if such provision were so excluded and (c) the balance of this Agreement will be enforceable in accordance with its terms.

17. **Governing Law and Venue**. This Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto will be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

Any and all disputes relating to, concerning or arising from this Agreement, or relating to, concerning or arising from the relationship between the parties evidenced by the Plan or this Agreement, will be brought and heard exclusively in the United States District Court for the District of New Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

18. **No Rights as Employee, Director or Consultant**. Nothing in this Agreement will affect in any manner whatsoever the right or power of the Company, or a Parent or Subsidiary or Affiliate of the Company, to terminate Participant's Service, for any reason, with or without Cause.

19. **Consent to Electronic Delivery of All Plan Documents and Disclosures**. By Participant's acceptance (whether in writing, electronically or otherwise) of the Notice, Participant and the Company agree that the RSUs are granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement. Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company upon any change in Participant's residence address. By acceptance of the RSUs, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, this Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission,
U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the RSUs and current or future participation in the Plan. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e- mail or such other delivery determined at the Company's discretion. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost if Participant contacts the Company by telephone, through a postal service or electronic mail to Stock Administration. Participant further acknowledges that Participant will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, Participant understands that Participant must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, Participant understands that Participant's consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered

(if Participant has provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail through Stock Administration. Finally, Participant understands that Participant is not required to consent to electronic delivery if local laws prohibit such consent.

20. **Insider Trading Restrictions/Market Abuse Laws**. Participant acknowledges that, depending on Participant's country, Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell the Shares or rights to Shares under the Plan during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant is advised to speak to Participant's personal advisor on this matter.

21. **Code Section 409A**. For purposes of this Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Internal Revenue Code and the regulations thereunder ("***Section 409A***"). Notwithstanding anything else provided herein, to the extent any payments provided under this RSU Agreement in connection with Participant's termination of employment constitute deferred compensation subject to Section 409A, and Participant is deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six-month period measured from Participant's separation from service from the Company or (ii) the date of Participant's death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to Participant including, without limitation, the additional tax for which Participant would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. To the extent any payment under this RSU Agreement may be classified as a "short-term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

22. **Award Subject to Company Clawback or Recoupment**. The RSUs shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to executive officers, Employees, directors or other service providers of the Company, and in addition to any other remedies available under such policy and applicable law may require the cancellation of Participant's RSUs (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's RSUs.

BY ACCEPTING THIS AWARD OF RSUS, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN.

APPENDIX

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLAN RESTRICTED
STOCK UNIT AWARD AGREEMENT

COUNTRY SPECIFIC PROVISIONS FOR EMPLOYEES OUTSIDE THE U.S.

Terms and Conditions

This Appendix includes additional terms and conditions that govern the RSUs granted to Participant under the Plan if Participant resides and/or works in one of the countries below. This Appendix forms partof the Agreement. Any capitalized term used in this Appendix without definition will have the meaning ascribed to it in the Notice, the Agreement or the Plan, as applicable.

If Participant is a citizen or resident of a country, or is considered resident of a country, other thanthe one in which Participant is currently working, or Participant transfers employment and/or residency between countries after the Date of Grant, the Company will, in its sole discretion, determine to what extentthe additional terms and conditions included herein will apply to Participant under these circumstances.

Notifications

This Appendix also includes information relating to exchange control and other issues of which Participant should be aware with respect to Participant's participation in the Plan. The information is based on the securities, exchange control and other laws in effect in the respective countries as of July 2021, if applicable. Such laws are often complex and change frequently. As a result, the Company strongly recommends that Participant not rely on the information herein as the only source of information relating to the consequences of Participant's participation in the Plan because the information may be out of date atthe time that Participant vests in the RSUs or sells Shares acquired under the Plan.

In addition, the information is general in nature and may not apply to Participant's particular situation, and the Company is not in a position to assure Participant of any particular result. Accordingly, Participant is advised to seek appropriate professional advice as to how the relevant laws in Participant's country may apply to Participant's situation.

Finally, if Participant is a citizen or resident of a country, or is considered resident of a country, other than the one in which Participant is currently working, or Participant transfers employment and/or residency after the Date of Grant, the information contained herein may not apply to Participant in the same manner.

UNITED STATES

There are no country-specific provisions.

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLANUK
SUB-PLAN
NOTICE OF STOCK OPTION GRANT

Unless otherwise defined herein, the terms defined in the KalVista Pharmaceuticals, Inc. (the "***Company***") 2021 Equity Inducement Plan (the "***Plan***") and the UK Sub-Plan to the Plan (the "***UK Sub-Plan***") will have the same meanings in this Notice of Stock Option Grant and the electronic representation of this Notice of Stock Option Grant established and maintained by the Company or a third party designated by the Company (this "***Notice***").

Name:

Address:

You (the "***Participant***") have been granted an option to purchase shares of Common Stock of the Company under the UK Sub-Plan subject to the terms and conditions of the Plan and the UK Sub-Plan, this Notice and the Stock Option Award Agreement (the "***Option Agreement***").

Grant Number:

Date of Grant:

Vesting Commencement Date:

Exercise Price per Share:

Total Number of Shares:

Type of Option: Non-Qualified Stock Option

Expiration Date: , 20_; This Option expires earlier if Participant's Service terminatesearlier, as described in the Option Agreement.

Vesting Schedule: Subject to the limitations set forth in this Notice, the Planand the Agreement, the Options will vest in accordance with the following schedule: ***[insert applicablevesting schedule, which may be time- and/or performance-based]***

By accepting (whether in writing, electronically or otherwise) the Option, Participant acknowledges and agrees to the following:

Participant acknowledges that the vesting of the Options pursuant to this Notice is earned only by continuing Service as anEmployee or Director. Furthermore, the period during which Participant may exercise the Option after such termination ofService will commence on the date Participant ceases to actively provide Service and will not be extended by any notice period mandated under employment laws in the jurisdiction where Participant is employed or terms of Participant's employment agreement.

Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's service status changes between full- and part-time status in accordance with Company policies relating to work schedules and vesting of awards. Participant also understands that this Notice is subject to the terms and conditions of the Option Agreement, the Plan and the UK Sub-Plan, all of which are incorporated herein by reference.

Participant has read the Company's Insider Trading Policy, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities.

Participant has read the Option Agreement, the Plan and the UK Sub-Plan. By accepting this Option, Participant consents to electronic delivery as set forth in the Option Agreement.

PARTICIPANT **KALVISTA PHARMACEUTICALS, INC.**

Signature:	By:
Print Name:	Its:

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLANUK
SUB-PLAN
STOCK OPTION AWARD AGREEMENT

Unless otherwise defined in this Stock Option Award Agreement (this "***Option Agreement***"), anycapitalized terms used herein will have the meaning ascribed to them in the KalVista Pharmaceuticals, Inc.2021 Equity Inducement Plan (the "***Plan***") and the UK Sub-Plan to the Plan (the "***UK Sub-Plan***").

Participant has been granted an option to purchase Shares (the "***Option***") of KalVista Pharmaceuticals, Inc. (the "***Company***"), subject to the terms and conditions of the Plan and the UK Sub- Plan (referred for the purposes of this Option Agreement together as the "***Plan***") the Notice of Stock Option Grant (the "***Notice***") and this Option Agreement.

1. **Vesting Rights.** Subject to the applicable provisions of the Plan and this Option Agreement, this Option may be exercised, in whole or in part, in accordance with the schedule set forth in the Notice. Participant acknowledges and agrees that the Vesting Schedule may change prospectively in the event Participant's service status changes between full and part-time status and/or in the event Participant is on an approved leave of absence in accordance with Company policies relating to work schedules and vesting of awards or as determined by the Committee. Participant acknowledges that the vesting of the Shares pursuant to this Notice and Agreement is earned only by continued Service.

2. **Grant of Option.** Participant has been granted an Option for the number of Shares set forth in the Notice at the exercise price per Share in U.S. Dollars set forth in the Notice (the "***Exercise Price***"). In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of this Option Agreement, the terms and conditions of the Plan shall prevail.

3. **Termination Period.**

(a) General Rule. If Participant's Service terminates for any reason except death or Disability, and other than for Cause, then this Option will expire at the close of business at Company headquarters on the date three (3) months after Participant's Termination Date (or such shorter time period not less than thirty (30) days or longer time period as may be determined by the Committee, with any exercise beyond three (3) months after the date Participant's Service terminates deemed to be the exerciseof an NSO). If Participant's Service is terminated for Cause, this Option will expire upon the date of suchtermination. The Company determines when Participant's Service terminates for all purposes under this Option Agreement.

(b) Death; Disability. If Participant dies before Participant's Service terminates (or Participant dies within three months of Participant's termination of Service other than for Cause (as definedin the Plan)), then this Option will expire at the close of business at Company headquarters on the date 12 months after the date of death (or such shorter time period not less than six (6) months or longer time periodas may be determined by the Committee, subject to the expiration details in Section 6). If Participant's Service terminates because of Participant's Disability, then this Option will expire at the close of business at Company headquarters on the date 12 months after Participant's Termination Date (or such shorter timeperiod not less than six (6) months or longer time period as may be determined by the Committee, subject to the expiration details in Section 6).

(c) No Notice. Participant is responsible for keeping track of these exercise periods following Participant's termination of Service for any reason. The Company will not provide further notice of such periods. In no event shall this Option be exercised later than the Expiration Date set forth in the Notice.

(d) Termination. For purposes of this Option, Participant's Service will be consideredterminated as of the date Participant is no longer providing Services to the Company, its Parent or one of its Subsidiaries or Affiliates (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any) (the "***Termination Date***"). The Committee shall have the exclusive discretion to determine when Participant is no longer actively providing services for purposes ofParticipant's Option (including whether Participant may still be considered to be providing services while on an approved leave of absence). Unless otherwise provided in this Option Agreement or determined by the Company, Participant's right to vest in this Option under the Plan, if any, will terminate as of the Termination Date and will not be extended by any notice period (*e.g.*, Participant's period of services would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any). Following the Termination Date, Participant may exercise the Option only as set forth in the Notice and this Section, provided that the period (if any) during which Participant may exercise the Option after the Termination Date, if any, will commence on the date Participant ceases to provide services and will not be extended by any notice period mandated under employment laws in the jurisdiction where Participant is employed or terms of Participant's employment agreement, if any. If Participant does not exercise this Option within the termination period set forth in the Notice or the termination periods set forth above, the Option shall terminate in its entirety. In no event, may any Optionbe exercised after the Expiration Date of the Option as set forth in the Notice.

4. Exercise of Option.

(a) Right to Exercise. This Option is exercisable during its term in accordance with the Vesting Schedule set forth in the Notice and the applicable provisions of the Plan and this Option Agreement. In the event of Participant's death, Disability, termination for Cause or other cessation of Service, the exercisability of the Option is governed by the applicable provisions of the Plan, the Notice and this Option Agreement. This Option may not be exercised for a fraction of a Share.

(b) Method of Exercise. This Option is exercisable by delivery of an exercise notice in a form specified by the Company (the "***Exercise Notice***"), which will state the election to exercise the Option, the number of Shares in respect of which the Option is being exercised (the "***Exercised Shares***"), and such other representations and agreements as may be required by the Company pursuant to the provisions of the Plan. The Exercise Notice will be delivered in person, by mail, via electronic mail or facsimile or by other authorized method to the Secretary of the Company or other person designated by theCompany. The Exercise Notice will be accompanied by payment of the aggregate Exercise Price as to all Exercised Shares together with any Tax-Related Items (as defined in Section 8 below). This Option will be deemed to be exercised upon receipt by the Company of such fully executed Exercise Notice accompanied by such aggregate Exercise Price and payment of any Tax-Related Items. No Shares will be issued pursuant to the exercise of this Option unless such issuance and exercise complies with all relevant provisions of law and the requirements of any stock exchange or quotation service upon which the Shares are then listed. Assuming such compliance, for income tax purposes the Exercised Shares will be considered transferred to Participant on the date the Option is exercised with respect to such Exercised Shares.

(c) Exercise by Another. If another person wants to exercise this Option after it has been transferred to him or her in compliance with this Agreement, that person must prove to the Company's satisfaction that he or she is entitled to exercise this Option. That person must also complete the proper Exercise Notice form (as described above) and pay the Exercise Price (as described below) and any applicable tax withholding due upon exercise of the Option (as described below).

5. **Method of Payment.** Payment of the aggregate Exercise Price will be by any of thefollowing, or a combination thereof, at the election of Participant:

(a) Participant's personal check (or readily available funds), wire transfer, or a cashier's check;

(b) other method authorized by the Company.

6. **Non-Transferability of Option.** This Option may not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of other than on death to Participant's personal representative and may be exercised during the lifetime of Participant only by Participant.

7. **Term of Option.** This Option will in any event expire on the expiration date set forth in the Notice, which date is 10 years after the Date of Grant.

8. **Tax Consequences.**

(a) **Exercising the Option.** Participant acknowledges that, regardless of any action taken by the Company or a Parent or Subsidiary or Affiliate employing or retaining Participant (the "***Employer***"), the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax related items related to Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***") is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of anyTax-Related Items in connection with any aspect of this Option, including, but not limited to, the grant, vesting or exercise of this Option, the subsequent sale of Shares acquired pursuant to such exercise and the receipt of any dividends; and (ii) do not commit to and are under no obligation to structure the terms of thegrant or any aspect of this Option to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction. *PARTICIPANT SHOULD CONSULT A TAX ADVISER APPROPRIATELY QUALIFIED IN THE COUNTRY OR COUNTRIES IN WHICH PARTICIPANT RESIDES OR IS SUBJECT TO TAXATION BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.*

Prior to the relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents,at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from Participant's wages or other cash compensation paid to Participant by the Company and/or the Employer; or

(ii) withholding from proceeds of the sale of Shares acquired at exercise of this Option either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization) without further consent; or

(iii) withholding in Shares to be issued upon exercise of the Option, provided the Company only withholds from the amount of Shares necessary to satisfy the applicable statutory withholding amount;

(iv) Participant's payment of a cash amount (including by check representing readily available funds or a wire transfer); or

(v) any other arrangement approved by the Committee;

all under such rules as may be established by the Committee and in compliance with the Company's Insider Trading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i)-(v) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event.

Depending on the withholding method, the Company may withhold or account for Tax- Related Items by considering applicable statutory withholding amounts or other applicable withholding rates, including maximum applicable rates, in which case Participant will receive a refund of any over- withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax-Related Items is satisfied by withholding in Shares, for tax purposes, Participant is deemed to havebeen issued the full member of Shares issued upon exercise of the Options; notwithstanding that a memberof the Shares are held back solely for the purpose of paying the Tax-Related Items. The Fair Market Valueof these Shares, determined as of the effective date of the Option exercise, will be applied as a credit against the Tax-Related Items withholding.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax- Related Items that the Company or the Employer may be required to withhold or account for as a result ofParticipant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant failsto comply with his or her obligations in connection with the Tax-Related Items.

(b) **UK Tax Liabilities**. As a condition of the exercise of the Option, Participantunconditionally and irrevocably agrees:

(i) to place the Company in funds and indemnify the Company in respect of (1)all liability to UK income tax which the Company is liable to account for on Participant's behalf directly to HM Revenue & Customs; (2) all liability to national insurance contributions which the Company is liable to account foron Participant's behalf to HM Revenue & Customs (including secondary class 1 (employer's) national insurance contributions for which Participant is liable); and (3) to the extent legally permitted, all liability to national insurance contributions for which the Company is liable, which in all cases arise as a consequence of or in connection with the vesting or exercise of the Option, Participant entering into of any tax election as detailed below or Participant's ownership of Shares by virtue of such exercise including, without limitation, in respect of any liability arising under or in connection with Part 7 or Part 7A of the Income Tax (Earnings and Pensions) Act 2003("***ITEPA***") (the "***UK Tax Liability***"); or

(ii) to permit the Company to sell at the best price which it can reasonably obtain such number of Shares allocated or allotted to Participant following exercise as will provide the Company with an amount equal to the UK Tax Liability;and to permit the Company to withhold an amount not exceeding the UK Tax Liability from any payment made to Participant (including, but not limited to, salary); and

(iii) if so required by the Company, and to the extent permitted by law, to enter into a joint election or other arrangements under which the liability for all or

part of employer's national insurance contributions liability is transferred toParticipant; and

(iv) if so required by the Company, to enter into a joint election within Section 431 of ITEPA in respect of computing any tax charge on the acquisition of Restricted Securities; and

(v) to sign, promptly, all documents, required by the Company to effect the terms of this provision, and references in this provision to "the Company" shall, if applicable, be construed as also referring to any Affiliate.

9. **Nature of Grant.** By accepting the Option, Participant acknowledges, understands andagrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature, and may be amended, suspended or terminated by the Company at any time, to the extent permitted by thePlan;

(b) the grant of the Option is voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted in the past;

(c) all decisions with respect to future Option or other grants, if any, will be at the solediscretion of the Company;

(d) the Option grant and Participant's participation in the Plan will not create a right to employment or be interpreted as forming an employment or service contract with the Company, the Employer or any Parent or Subsidiary or Affiliate;

(e) Participant is voluntarily participating in the Plan;

(f) the Option and any Shares acquired under the Plan are not intended to replace anypension rights or compensation;

(g) the Option and any Shares acquired under the Plan and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(h) the future value of the Shares underlying the Option is unknown, indeterminable, and cannot be predicted with certainty;

(i) if the underlying Shares do not increase in value, the Option will have no value;

(j) if Participant exercises the Option and acquires Shares, the value of such Shares may increase or decrease in value, even below the Exercise Price;

(k) no claim or entitlement to compensation or damages will arise from forfeiture of the Option resulting from Participant ceasing to provide employment or other services to the Company or the Employer (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any), and in consideration of the grant of the Option to which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against the Company, anyParent or Subsidiary or Affiliate or the Employer, waives his or her ability, if any, to bring any such claim,and releases the Company, any Parent or Subsidiary or Affiliate and the Employer from any such claim; if,

notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant will be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claim;

(l) unless otherwise provided in the Plan or by the Company in its discretion, the Option and the benefits evidenced by this Option Agreement do not create any entitlement to have the Option or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and

(m) the following provisions apply only if Participant is providing services outside the United States:

(i) the Option and the Shares subject to the Option are not part of normal or expected compensation or salary for any purpose;

(ii) Participant acknowledges and agrees that neither the Company, the Employer nor any Parent or Subsidiary or Affiliate will be liable for any foreign exchange rate fluctuation between Participant's local currency and the United States Dollar that may affect the value of the Option or of any amounts due to Participant pursuant to the exercise of the Option or the subsequent sale of any Shares acquired upon exercise.

(n) Participant hereby waives all and any rights to compensation or damages in consequence of Participant's termination of employment for any reason whatsoever (whether lawful or unlawful and including, without prejudice to the generality of the foregoing, in circumstances giving rise to a claim for wrongful dismissal) insofar as those rights arise or may arise from Participant ceasing to haverights under or being entitled to exercise the Option as a result of such termination, or from the loss or diminution in value of such rights or entitlements.

10. **No Advice Regarding Grant.** The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan beforetaking any action related to the Plan.

11. **Data Privacy.** Participant understands that the Company and the Employer may hold certain personal information about Participant including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all Options or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor (the "***Personal Data***"). Certain Personal Data may also constitute "***Sensitive Personal Data***" or similar classification under applicable local law and be subject to additional restrictions on collection, processing and use of the same under such laws. The Company and the Employer may collect, hold, and process any such Personal Data for the purpose of performing this Option Agreement and such collection, holding and processing is necessary for such performance. The Company and the Employer may retain such Personal Data for as long as necessary to perform this Option Agreement. The Company and the Employer may transfer any such Personal Data outside the country in which Participant is employedor retained, including the United States which does not provide for an adequate level of data protection based on an EU Commission decision. As an appropriate safeguard for such Personal Data, and also as thelegal basis for such transfer, the Company will collect and process the information in accordance with the privacy notice provided to Participant. The legal persons with whom such Personal Data may be shared arethe Company and any broker company providing services to the Company in connection with the administration of the Plan. Participant has the right, in certain circumstances, to access, correct, restrict the processing of, erase and port his Personal Data and also to object to the processing of his Personal Data and/or automated decision-making using his Personal Data. Participant also has the right to complain to

his local data protection supervisory authority. For details as to how Participant can exercise his rights please contact the Company representative identified on the Grant Notice.

12. **Language.** If Participant has received this Option Agreement, or any other document related to the Option and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

13. **Imposition of Other Requirements.** The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the Option and on any Shares purchased upon exercise of the Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

14. **Acknowledgement.** The Company and Participant agree that the Option is granted under and governed by the Notice, this Option Agreement and by the provisions of the Plan (incorporated herein by reference). Participant: (a) acknowledges receipt of a copy of the Plan and the Plan prospectus,
(b) represents that Participant has carefully read and is familiar with their provisions, and (c) hereby accepts the Option subject to all of the terms and conditions set forth herein and those set forth in the Plan and theNotice.

15. **Entire Agreement; Enforcement of Rights.** This Option Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to thisOption Agreement, nor any waiver of any rights under this Option Agreement, will be effective unless in writing and signed by the parties to this Option Agreement. The failure by either party to enforce any rightsunder this Option Agreement will not be construed as a waiver of any rights of such party.

16. **Compliance with Laws and Regulations.** The issuance of Shares and any restriction onthe sale of Shares will be subject to and conditioned upon compliance by the Company and Participant withall applicable state, federal and local laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Shares may be listed or quoted at the time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the Common Stock with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Company shall have unilateral authority to amend the Plan and this Option Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this Option Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

17. **Severability.** If one or more provisions of this Option Agreement are held to be unenforceable, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision will be excluded from this Option Agreement, (b) the balance of this Option Agreement will be interpretedas if such provision were so excluded and (c) the balance of this Option Agreement will be enforceable in accordance with its terms.

18. **Governing Law and Venue.** This Option Agreement and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto will be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

Any and all disputes relating to, concerning or arising from this Option Agreement, or relating to,concerning or arising from the relationship between the parties evidenced by the Plan or this Option Agreement, will be brought and heard exclusively in the United States District Court for the District of New

Delaware or the Delaware Superior Court, New Castle County. Each of the parties hereby represents and agrees that such party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from such dispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have beenbrought in an inconvenient forum.

19. **No Rights as Employee or Director.** Nothing in this Option Agreement will affect in anymanner whatsoever the right or power of the Company, or a Parent or Subsidiary or Affiliate, to terminateParticipant's Service, for any reason, with or without Cause.

20. **Consent to Electronic Delivery of all Plan Documents and Disclosures.** By Participant's signature and the signature of the Company's representative on the Notice, Participant and the Company agree that this Option is granted under and governed by the terms and conditions of the Plan, the Notice and this Option Agreement. Participant has reviewed the Plan, the Notice and this Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing the Notice, and fully understands all provisions of the Plan, the Notice and this Option Agreement. Participanthereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and the Option Agreement. Participant further agrees to notify the Company upon any change in the residence address indicated on the Notice. By acceptance of this Option, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, this Option Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission, U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including,without limitation, annual reports and proxy statements) or other communications or information related tothe Option and current or future participation in the Plan. Electronic delivery may include the delivery of a link to the Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other delivery determined at the Company's discretion. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost if Participant contacts the Company by telephone, through a postal service or electronic mail to Stock Administration. Participant further acknowledges that Participant will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, Participant understands that Participant must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, Participant understands that Participant's consent may be revoked or changed, including any changein the electronic mail address to which documents are delivered (if Participant has provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail through Stock Administration. Finally, Participant understands that Participant is not required to consent to electronic delivery if local laws prohibit such consent.

21. **Insider Trading Restrictions/Market Abuse Laws.** Participant acknowledges that, depending on Participant's country, Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell the Shares or rights to Shares under thePlan during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant is advised to speak to Participant's personal advisor on this matter.

22. **Award Subject to Company Clawback or Recoupment.** To the extent permitted by applicable law, the Option shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to Participant. In addition to any other remedies available

under such policy, applicable law may require the cancellation of Participant's Option (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's Option.

BY ACCEPTING THIS OPTION, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN (INCLUDING THE UK SUB- PLAN).

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLANUK
SUB-PLAN
NOTICE OF RESTRICTED STOCK UNIT AWARDGRANT
NUMBER:

Unless otherwise defined herein, the terms defined in the KalVista Pharmaceuticals, Inc. 2021 Equity Inducement Plan (the "***Plan***") and the UK Sub-Plan to the Plan (the "***UK Sub-Plan***") will have thesame meanings in this Notice of Restricted Stock Unit Award and the electronic representation of this Notice of Restricted Stock Unit Award established and maintained by the Company or a third party designated by the Company (this "***Notice***").

Name:
Address:

You ("***Participant***") have been granted an award of Restricted Stock Units ("***RSUs***") under the UKSub-Plan subject to the terms and conditions of the Plan and the UK Sub-Plan, this Notice and the attached Restricted Stock Unit Award Agreement (hereinafter the "***Agreement***").

Number of RSUs:

Date of Grant:

Vesting Commencement Date:

Expiration Date: The earlier to occur of: (a) the date on which settlement ofall RSUs granted hereunder occurs and (b) the tenth anniversary of the Date of Grant. This RSU expires earlier if Participant's Service terminates earlier, as described in the Agreement.

Vesting Schedule: Subject to the limitations set forth in this Notice, the Plan and the Agreement, the RSUs will vest in accordance with the following schedule: [***insert applicable vesting schedule, which may be time- and/or performance- based***]

By accepting (whether in writing, electronically or otherwise) the RSUs, Participant acknowledges and agrees to the following:

Participant acknowledges that the vesting of the RSUs pursuant to this Notice is earned only by continuing Service (as defined in the Plan) as an Employee or Director. Participant agrees and acknowledges that the Vesting Schedule may change prospectively in the event that Participant's service status changes between full- and part-time status and/or in the event Participant is on a leave of absence, inaccordance with Company policies relating to work schedules and vesting of awards or as determined by the Committee to the extent permitted by applicable law. Participant also understands that this Notice is subject to the terms and conditions of the Agreement, the Plan and the UK Sub-Plan, all of which are

[Signature Page Follows]

incorporated herein by reference. Participant has read the Agreement the Plan and the UK Sub-Plan. Byaccepting the RSUs, Participant consents to electronic delivery as set forth in the Agreement.

Participant has read the Company's Insider Trading Policy, and agrees to comply with such policy, as it may be amended from time to time, whenever Participant acquires or disposes of the Company's securities.

KALVISTA PHARMACEUTICALS, INC.

PARTICIPANT

By:

Signature:

Print Name:

Its:

[Signature Page to 2021 Equity Inducement Plan Notice of Restricted Stock Unit Award]

KALVISTA PHARMACEUTICALS, INC.
2021 EQUITY INDUCEMENT PLAN RESTRICTED
STOCK UNIT AWARD AGREEMENT

Unless otherwise defined herein, the terms defined in the KalVista Pharmaceuticals, Inc. 2021 Equity Inducement Plan (the "***Plan***") and the UK Sub-Plan to the Plan (the "***UK Sub-Plan***") will have the same defined meanings in this Restricted Stock Unit Award Agreement (this "***Agreement***").

Participant has been granted Restricted Stock Units ("***RSUs***") subject to the terms, restrictions andconditions of the Plan and the UK Sub-Plan (referred for purposes of this Agreement together as the "***Plan***"), the Notice of Restricted Stock Unit Award (the "***Notice***") and this Agreement.

1. **Settlement**. Settlement of RSUs will be made within 30 days following the applicable date of vesting under the vesting schedule set forth in the Notice. Notwithstanding Section 6.2 of the Plan, settlement of RSUs awarded to United Kingdom Employees will be in Shares only. No fractional RSUs orrights for fractional Shares shall be created pursuant to this Agreement.

2. **No Stockholder Rights**. Unless and until such time as Shares are issued in settlement of vested RSUs, Participant will have no ownership of the Shares allocated to the RSUs and will have no rightsto dividends or to vote such Shares.

3. **Dividend Equivalents**. Dividends, if any (whether in cash or Shares), will not be creditedto Participant.

4. **Non-Transferability of RSUs**. The RSUs and any interest therein will not be sold, assigned, transferred, pledged, hypothecated, or otherwise disposed of in any manner other than on death to Participant's personal representative.

5. **Termination**. If Participant's Service terminates for any reason, all unvested RSUs will be forfeited to the Company forthwith, and all rights of Participant to such RSUs will immediately terminate without payment of any consideration to Participant. Participant's Service will be considered terminated as of the date Participant is no longer providing services (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where Participant is employed or the terms of Participant's employment agreement, if any) and will not, subject to the laws applicable to Participant's Award, be extended by any notice period mandated under local laws(e.g., Service would not include a period of "garden leave" or similar period). Participant acknowledges and agrees that the Vesting Schedule may change prospectively in the event Participant's service status changes between full- and part-time status and/or in the event Participant is on an approved leave of absence in accordance with Company policies relating to work schedules and vesting of awards or as determined by the Committee. Participant acknowledges that the vesting of the Shares pursuant to this Notice and Agreement is earned only by continued Service. In case of any dispute as to whether termination of Servicehas occurred, the Committee will have sole discretion to determine whether such termination of Service hasoccurred and the effective date of such termination (including whether Participant may still be considered to be providing services while on an approved leave of absence).

6. **Withholding Taxes**.

(a) Participant acknowledges that, regardless of any action taken by the Company or, if different, Participant's employer (the "***Employer***") the ultimate liability for all income tax, social insurance, payroll tax, fringe benefits tax, payment on account or other tax-related items related to

Participant's participation in the Plan and legally applicable to Participant ("***Tax-Related Items***"), is and remains Participant's responsibility and may exceed the amount actually withheld by the Company or the Employer. Participant further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including, but not limited to, the grant, vesting or settlement of the RSUs and the subsequent sale of Shares acquired pursuant to such settlement and the receipt of any dividends; and (2) donot commit to and are under no obligation to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result. Further, if Participant is subject to Tax-Related Items in more than one jurisdiction between the date of grant and the date of any relevant taxable or tax withholding event, as applicable, Participant acknowledgesthat the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, Participant agrees to make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, Participant authorizes the Company and/or the Employer, or their respective agents, at theirdiscretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(i) withholding from Participant's wages or other cash compensation paid toParticipant by the Company and/or the Employer; or

(ii) withholding from proceeds of the sale of Shares acquired upon settlement of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on Participant's behalf pursuant to this authorization); or

(iii) withholding in Shares to be issued upon settlement of the RSUs, provided the Company only withholds the amount of Shares necessary to satisfy the applicable statutory withholding amounts;

(iv) Participant's payment of a cash amount (including by check representing readily available funds or a wire transfer); or

(v) any other arrangement approved by the Committee;

all under such rules as may be established by the Committee and in compliance with the Company's InsiderTrading Policy and 10b5-1 Trading Plan Policy, if applicable; provided however, that if Participant is a Section 16 officer of the Company under the Exchange Act, then the Committee (as constituted in accordance with Rule 16b-3 under the Exchange Act) shall establish the method of withholding from alternatives (i)-(v) above, and the Committee shall establish the method prior to the Tax-Related Items withholding event.

Depending on the withholding method, the Company may withhold or account for Tax-Related Items by considering applicable statutory withholding amounts, including maximum applicable rates, in which caseParticipant will receive a refund of any over-withheld amount in cash and will have no entitlement to the Common Stock equivalent. If the obligation for Tax- Related Items is satisfied by withholding in Shares, for tax purposes, Participant is deemed to have been issued the full number of Shares subject to the vestedRSUs, notwithstanding that a number of the Shares are held back solely for the purpose of paying the Tax-Related Items. The Fair Market Value of these Shares, determined as of the effective date when taxes

otherwise would have been withheld in cash, will be applied as a credit against the Tax-Related Itemswithholding.

Finally, Participant agrees to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of Participant's participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares, if Participant fails to comply with Participant's obligations in connection with the Tax-Related Items.

(b) **UK Tax Liabilities**. As a condition of the settlement of the RSU, Participantunconditionally and irrevocably agrees:

(i) to place the Company in funds and indemnify the Company in respect of (1) all liability to UK income tax which the Company is liable to accountfor on Participant's behalf directly to HM Revenue & Customs; (2) all liability to national insurance contributions which the Company is liable to account for on Participant's behalf to HM Revenue & Customs (including secondary class 1 (employer's) national insurance contributionsfor which Participant is liable); and (3) to the extent legally permitted, allliability to national insurance contributions for which the Company is liable, which in all cases arise as a consequence of or in connection with the vesting or settlement of the RSU, Participant entering into of any tax election as detailed below or Participant's ownership of Shares by virtue of such exercise including, without limitation, in respect of any liability arising under or in connection with Part 7 or Part 7A of the Income Tax (Earnings and Pensions) Act 2003 ("***ITEPA***") (the "***UK Tax Liability***"); or

(ii) to permit the Company to sell at the best price which it can reasonably obtain such number of Shares allocated or allotted to Participant followingexercise as will provide the Company with an amount equal to the UK Tax Liability; and to permit the Company to withhold an amount not exceeding the UK Tax Liability from any payment made to Participant (including, but not limited to, salary); and

(iii) if so required by the Company, and to the extent permitted by law, to enterinto a joint election or other arrangements under which the liability for allor part of employer's national insurance contributions liability is transferred to Participant; and

(iv) if so required by the Company, to enter into a joint election within Section 431 of ITEPA in respect of computing any tax charge on the acquisition of Restricted Securities; and

to sign, promptly, all documents, required by the Company to effect the terms of this provision, and references in this provision to "the Company" shall, if applicable, be construed as also referring to anyAffiliate.

7. **Nature of Grant**. By accepting the RSUs, Participant acknowledges, understands andagrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature andit may be modified, amended, suspended or terminated by the Company at any time, to the extent permittedby the Plan;

(b) the grant of the RSUs is voluntary and occasional and does not create any contractual or other right to receive future grants of RSUs, or benefits in lieu of RSUs, even if RSUs have been granted in the past;

(c) all decisions with respect to future RSU or other grants, if any, will be at the sole discretion of the Company;

(d) the RSU grant and Participant's participation in the Plan will not create a right to employment or be interpreted as forming an employment or services contract with the Company, the Employer or any Parent or Subsidiary or Affiliate;

(e) Participant is voluntarily participating in the Plan;

(f) the RSUs and the Shares subject to the RSUs are not intended to replace any pension rights or compensation;

(g) the RSUs and the Shares subject to the RSUs, and the income and value of same, are not part of normal or expected compensation for purposes of calculating any severance, resignation, termination, redundancy, dismissal, end-of- service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments;

(h) the future value of the underlying Shares is unknown, indeterminable and cannot be predicted with certainty;

(i) no claim or entitlement to compensation or damages will arise from forfeiture of the RSUs resulting from Participant's termination of Service, and in consideration of the grant of the RSUsto which Participant is otherwise not entitled, Participant irrevocably agrees never to institute any claim against the Company, or any Parent or Subsidiary or Affiliate or the Employer, waives his or her ability, if any, to bring any such claim, and releases the Company, any Parent or Subsidiary or Affiliate and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, Participant will be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissalor withdrawal of such claim;

(j) unless otherwise provided in the Plan or by the Company in its discretion, the RSUs and the benefits evidenced by this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any Corporate Transaction affecting the Shares; and

(k) the following provisions apply only if Participant is providing services outside the United States:

(i) the RSUs and the Shares subject to the RSUs are not part of normal orexpected compensation or salary for any purpose;

(ii) Participant acknowledges and agrees that neither the Company, the Employer nor any Parent or Subsidiary or Affiliate will be liable for any foreign exchange rate fluctuation between Participant's local currency andthe United States Dollar that may affect the value of the RSUs or of any amounts due to Participant pursuant to the settlement of the RSUs or the subsequent sale of any Shares acquired upon settlement.

(l) Participant hereby waives all and any rights to compensation or damages in consequence of Participant's termination of employment for any reason whatsoever (whether lawful or unlawful and including, without prejudice to the generality of the foregoing, in circumstances giving rise to a claim for wrongful dismissal) insofar as those rights arise or may arise from Participant ceasing to haverights under or being entitled to vest in the RSU as a result of such termination, or from the loss or diminution in value of such rights or entitlements.

8. **No Advice Regarding Grant**. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Participant's participation in the Plan, or Participant's acquisition or sale of the underlying Shares. Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan beforetaking any action related to the Plan.

9. **Data Privacy**. Participant understands that the Company and the Employer may hold certain personal information about Participant including, but not limited to, Participant's name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all RSUs or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in Participant's favor (the "***Personal Data***"). Certain Personal Data may also constitute "***Sensitive Personal Data***" or similar classification under applicable local law and be subject to additional restrictions on collection, processing and use of the same under such laws. The Company and the Employer may collect, hold, and process any such Personal Data for the purpose of performing this RSU Agreement and such collection, holding and processing is necessary for such performance. The Company and the Employer may retain such Personal Data for as long as necessary to perform this RSU Agreement. The Company andthe Employer may transfer any such Personal Data outside the country in which Participant is employed orretained, including the United States which does not provide for an adequate level of data protection based on an EU Commission decision. As an appropriate safeguard for such Personal Data, and also as the legal basis for such transfer, the Company will collect and process the information in accordance with the privacy notice provided to Participant. The legal persons with whom such Personal Data may be shared are the Company and any broker company providing services to the Company in connection with the administration of the Plan. Participant has the right, in certain circumstances, to access, correct, restrict theprocessing of, erase and port his Personal Data and also to object to the processing of his Personal Data and/or automated decision-making using his Personal Data. Participant also has the right to complain to his local data protection supervisory authority. For details as to how Participant can exercise his rights please contact the Company representative identified on the Grant Noticed

10. **Language**. If Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

11. **Imposition of Other Requirements**. The Company reserves the right to impose other requirements on Participant's participation in the Plan, on the RSUs and on any Shares acquired under the

Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

12. **Acknowledgement**. The Company and Participant agree that the RSUs are granted underand governed by the Notice, this Agreement and the provisions of the Plan. Participant: (a) acknowledges receipt of a copy of the Plan and the Plan prospectus, (b) represents that Participant has carefully read and is familiar with their provisions, and (c) hereby accepts the RSUs subject to all of the terms and conditionsset forth herein and those set forth in the Plan and the Notice.

13. **Entire Agreement; Enforcement of Rights**. This Agreement, the Plan and the Notice constitute the entire agreement and understanding of the parties relating to the subject matter herein and supersede all prior discussions between them. Any prior agreements, commitments or negotiations concerning the purchase of the Shares hereunder are superseded. No modification of or amendment to thisAgreement, nor any waiver of any rights under this Agreement, will be effective unless in writing and signed by the parties to this Agreement. The failure by either party to enforce any rights under this Agreement will not be construed as a waiver of any rights of such party.

14. **Compliance with Laws and Regulations**. The issuance of Shares will be subject to and conditioned upon compliance by the Company and Participant with all applicable state and federal laws and regulations and with all applicable requirements of any stock exchange or automated quotation system on which the Company's Common Stock may be listed or quoted at the time of such issuance or transfer. Participant understands that the Company is under no obligation to register or qualify the Common Stock with any state, federal or foreign securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of the Shares. Further, Participant agrees that the Companyshall have unilateral authority to amend the Plan and this RSU Agreement without Participant's consent to the extent necessary to comply with securities or other laws applicable to issuance of Shares. Finally, the Shares issued pursuant to this RSU Agreement shall be endorsed with appropriate legends, if any, determined by the Company.

15. **Severability**. If one or more provisions of this Agreement are held to be unenforceable under applicable law, the parties agree to renegotiate such provision in good faith. In the event that the parties cannot reach a mutually agreeable and enforceable replacement for such provision, then (a) such provision will be excluded from this Agreement, (b) the balance of this Agreement will be interpreted as ifsuch provision were so excluded and (c) the balance of this Agreement will be enforceable in accordance with its terms.

16. **Governing Law and Venue**. This Agreement and all acts and transactions pursuant heretoand the rights and obligations of the parties hereto will be governed, construed and interpreted in accordance with the laws of the State of Delaware, without giving effect to principles of conflicts of law.

Any and all disputes relating to, concerning or arising from this Agreement, or relating to, concerning or arising from the relationship between the parties evidenced by the Plan or this Agreement, will be brought and heard exclusively in the United States District Court for the District of New Delawareor the Delaware Superior Court, New Castle County. Each of the parties hereby represents and agrees thatsuch party is subject to the personal jurisdiction of said courts; hereby irrevocably consents to the jurisdiction of such courts in any legal or equitable proceedings related to, concerning or arising from suchdispute, and waives, to the fullest extent permitted by law, any objection which such party may now or hereafter have that the laying of the venue of any legal or equitable proceedings related to, concerning or arising from such dispute which is brought in such courts is improper or that such proceedings have been brought in an inconvenient forum.

17. **No Rights as Employee or Director**. Nothing in this Agreement will affect in any mannerwhatsoever the right or power of the Company, or a Parent or Subsidiary or Affiliate of the Company, to terminate Participant's Service, for any reason, with or without Cause.

18. **Consent to Electronic Delivery of All Plan Documents and Disclosures**. By Participant's acceptance (whether in writing, electronically or otherwise) of the Notice, Participant and the Company agree that the RSUs are granted under and governed by the terms and conditions of the Plan, the Notice and this Agreement. Participant has reviewed the Plan, the Notice and this Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement, and fully understands all provisions of the Plan, the Notice and this Agreement. Participant hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan, the Notice and this Agreement. Participant further agrees to notify the Company uponany change in Participant's residence address. By acceptance of the RSUs, Participant agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company and consents to the electronic delivery of the Notice, this Agreement, the Plan, account statements, Plan prospectuses required by the U.S. Securities and Exchange Commission,
U.S. financial reports of the Company, and all other documents that the Company is required to deliver to its security holders (including, without limitation, annual reports and proxy statements) or other communications or information related to the RSUs and current or future participation in the Plan. Electronic delivery may include the delivery of a link to a Company intranet or the internet site of a third party involved in administering the Plan, the delivery of the document via e- mail or such other delivery determined at the Company's discretion. Participant acknowledges that Participant may receive from the Company a paper copy of any documents delivered electronically at no cost if Participant contacts the Company by telephone, through a postal service or electronic mail to Stock Administration. Participant further acknowledges that Participant will be provided with a paper copy of any documents delivered electronically if electronic delivery fails; similarly, Participant understands that Participant must provide on request to the Company or any designated third party a paper copy of any documents delivered electronically if electronic delivery fails. Also, Participant understands that Participant's consent may be revoked or changed, including any change in the electronic mail address to which documents are delivered (if Participant has provided an electronic mail address), at any time by notifying the Company of such revised or revoked consent by telephone, postal service or electronic mail through Stock Administration. Finally, Participant understands that Participant is not required to consent to electronic delivery if local laws prohibit such consent.

19. **Insider Trading Restrictions/Market Abuse Laws**. Participant acknowledges that, depending on Participant's country, Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect Participant's ability to acquire or sell the Shares or rights to Shares under the Plan during such times as Participant is considered to have "inside information" regarding the Company (as defined by the laws in Participant's country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. Participant acknowledges that it is Participant's responsibility to comply with any applicable restrictions, and Participant is advised to speak to Participant's personal advisor on this matter.

20. **Code Section 409A**. For purposes of this Agreement, a termination of employment will be determined consistent with the rules relating to a "separation from service" as defined in Section 409A of the Internal Revenue Code and the regulations thereunder ("***Section 409A***"). Notwithstanding anything else provided herein, to the extent any payments provided under this RSU Agreement in connection with Participant's termination of employment constitute deferred compensation subject to Section 409A, and Participant is deemed at the time of such termination of employment to be a "specified employee" under Section 409A, then such payment shall not be made or commence until the earlier of (i) the expiration of the six-month period measured from Participant's separation from service from the Company or (ii) the

date of Participant's death following such a separation from service; provided, however, that such deferral shall only be effected to the extent required to avoid adverse tax treatment to Participant including, without limitation, the additional tax for which Participant would otherwise be liable under Section 409A(a)(1)(B) in the absence of such a deferral. To the extent any payment under this RSU Agreement may be classified as a "short- term deferral" within the meaning of Section 409A, such payment shall be deemed a short-term deferral, even if it may also qualify for an exemption from Section 409A under another provision of Section 409A. Payments pursuant to this section are intended to constitute separate payments for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations.

21. **Award Subject to Company Clawback or Recoupment**. The RSUs shall be subject to clawback or recoupment pursuant to any compensation clawback or recoupment policy adopted by the Board or required by law during the term of Participant's employment or other Service that is applicable to executive officers, Employees, directors or other service providers of the Company, and in addition to any other remedies available under such policy and applicable law may require the cancellation of Participant's RSUs (whether vested or unvested) and the recoupment of any gains realized with respect to Participant's RSUs.

BY ACCEPTING THIS AWARD OF RSUS, PARTICIPANT AGREES TO ALL OF THE TERMS AND CONDITIONS DESCRIBED ABOVE AND IN THE PLAN (INCLUDING THE UK SUB-PLAN).

APPENDIX UK
SUB-PLAN
TO THE KALVISTA PHARMACEUTICALS, INC. 2021
EQUITYINDUCEMENT PLAN

This sub-plan (the "**UK Sub-Plan**") to the Kalvista Pharmaceuticals, Inc., 2021 Equity Inducement Plan (the "**Inducement Plan**") governs the grant of Awards to induce the employment of newly hired United Kingdom Employees, and has been adopted in accordance with Section 4.5of the Inducement Plan. The UK Sub-Plan incorporates all the provisions of the Plan except as modified in accordance with the provisions of this UK Sub-Plan.

EMI Options may only be granted for the purpose as set out in paragraph 4 of Schedule 5 (that is, for commercial reasons in order to recruit or retain Eligible Employees and not as part of a scheme or arrangement the main purpose, or one of the main purposes of which, is the avoidanceof tax).

For the purposes of the UK Sub-Plan, the provisions of the Plan shall operate subject to the following modifications:

1. **DEFINITIONS IN THE PLAN**

Any capitalized terms not already defined in the Plan shall be as defined in the UK Sub-Plan.

For the purposes of the UK Sub-Plan, the following definitions in the Plan shall be replaced asset out below:

"**Fair Market Value**" means the market value of a Share as defined in paragraph 55 of Schedule 5 and determined in accordance with paragraph 56 of Schedule 5 and paragraph 5(7) of Schedule5 (in respect of the Individual EMI Limit).

"**Nonqualified Stock Option**" means a right granted or to be granted to an Employee pursuant to the UK Sub-Plan that does not qualify as an EMI Option satisfying the provisions of Schedule 5.

"**Option**" means a Nonqualified Stock Option or an EMI Option to purchase shares of Common Stock granted pursuant to the UK Sub-Plan.

2. **ELIGIBILITY**

Only newly hired Employees (including Directors who are also newly hired Employees) may be granted Awards (other than EMI Options) under the UK Sub-Plan, and only newly hired EligibleEmployees may be granted EMI Options under the UK Sub-Plan and Sections 3 and 5 of thePlan shall be read and construed to take effect accordingly. Consultants and Non-Employee Directors may not be granted Awards under the UK Sub-Plan.

3. **EMI OPTION REQUIREMENTS**

An Option granted under the UK Sub-Plan shall only be an EMI Option if the Shares which may be acquired satisfy the conditions specified in paragraph 35 (1) of Schedule 5 (ordinary shares, fully paid up and not redeemable).

EMI Options may only be granted if at the date of grant of the EMI Option:

(a) the Company is independent in accordance with paragraph 9 of Schedule 5, that is, it isnot:

(i) a 51% Subsidiary of another company; or

(ii) under the Control of another company; or another company and any other personConnected with that company,

and there are no arrangements in existence (except for arrangements with a view to a Qualifying Exchange of Shares) by virtue of which the Company could become within (i)or (ii) above;

(b) the Company, or the Group as the case may be, meets the trading activities requirementsas set out in paragraphs 13 and 14 and read with paragraphs 15 to 23 of Schedule 5;

(c) the Company's subsidiaries are Qualifying Subsidiaries and, where appropriate,qualifying property managing subsidiaries as set out in paragraph 11A of Schedule 5;

(d) the Group meets the requirement as to the number of employees set out in paragraph 12Aof Schedule 5 (currently 250 full-time equivalents); and

(e) the Gross Assets Limit is not exceeded (currently £30 million).

4. **COMMITTEE DISCRETION**

The following additional wording shall be included at the end of Section 4.2 of the Plan:

"Where the Committee is aware that the exercise of any of its powers under the Plan would constitute a Disqualifying Event or would otherwise impact on the tax treatment of an EMI Option or the Shares subject thereto, the Committee shall notify the Participant as such prior to the exercise of its powers."

5. **EMI OPTION AWARD AGREEMENT**

For the purposes of Section 5 of the Plan, EMI Options granted under the UK Sub-Plan shall be made by EMI Option Award Agreement being a written agreement between the Participant and the Company in a form determined by the Committee for the time being, and shall be evidence of the Participant's agreement to the terms of this UK Sub-Plan and shall include all details required pursuant to paragraph 37 of Schedule 5, including:

(a) the Date of Grant;

(b) that the EMI Option is granted under the provisions of Schedule 5;

(c) any conditions that must be met before an EMI Option may be exercised;

(d) the number, or maximum number, of Shares that may be acquired;

(e) the Exercise Price payable or the method by which the Exercise Price is to be determined;

(f) when and how it may be exercised; and

(g) any restrictions that cause the Shares to be Restricted Securities.

6. **EXERCISE PRICE FOR EMI OPTIONS**

In relation to EMI Options, Sections 7(a) to (e) of the Plan shall not apply.

7. **HMRC NOTICE OF GRANT**

The Company shall give notice to HMRC of the grant of an EMI Option in such form as may be required by HMRC from time to time within 92 days thereof.

Failure of the Company to give notice to HMRC of the grant in a proper and timely manner for whatever reason shall result in the Option subsisting as a Nonqualified Stock Option.

The Company does not warrant that any Option qualifies as an EMI Option and the Company does not have any obligation whatsoever to a Participant in the event that an Option is or becomes a Nonqualified Stock Option for any reason whatsoever including any deliberate action on the part of the Company.

8. **NONQUALIFIED STOCK OPTIONS**

If an Option intended to be an EMI Option does not qualify under Schedule 5, the Option shall subsist as a Nonqualified Stock Option.

9. **LIMITATIONS ON GRANTS OF EMI OPTIONS**

(a) Subject to paragraphs (b) and (c) below, the grant of an EMI Option shall be limited and shall take effect so that the Individual EMI Limit and the Individual Three Year EMI Limit are not exceeded;

(b) Where the Committee grants an option intended to be an EMI Option to an Eligible Employee which causes the aggregate Fair Market Value of his unexercised EMI Optionsand CSOP Options granted by reason of his employment within the Group to exceed the Individual EMI Limit, the Option so far as it relates to the excess number of Shares that cause the Individual EMI Limit to be exceeded shall continue to subsist as a NonqualifiedStock Option.

(c) Where the Committee grants an Option intended to be an EMI Option to an Eligible Employee which by virtue of the Individual Three Year EMI Limit is a Nonqualified Stock Option, the Option shall continue to subsist as a Nonqualified Stock Option.

(d) An EMI Option cannot be granted if the Company EMI Limit is already exceeded.

(e) Notwithstanding paragraph (d) above, where the Committee grants one or more options intended to be EMI Options to one or more Eligible Employees when the Company EMI Limit is already exceeded, the Options shall subsist as Nonqualified Stock Options.

(f) Where the Committee grants one or more options intended to be EMI Options to one or more Eligible Employees which either individually or taken together would cause the Company EMI Limit to be exceeded, each option shall, so far as it relates to the excess number of Shares that cause the Company EMI Limit to be exceeded as determined in accordance with paragraph 7(5) of Schedule 5, continue to subsist as a Nonqualified Stock Option.

(g) No option may be exercised as an EMI Option by a person who is excluded from participation in the Plan by virtue of paragraph 29 of Schedule 5 to the Act (interest in more than 30% of ordinary share capital of the Company).

10. **RESTRICTIONS ON TRANSFER ABILITY**

Notwithstanding Section 9 of the Plan, an Award granted under the UK Sub-Plan shall be personal to the Participant to whom it is granted and shall not be capable of being transferred, assigned or charged except that a Participant's Award may be transmitted to the Participant's personal representatives on his death. Participants may not designate a third party to be a beneficiary of his Award after his death.

11. **NO OBLIGATION TO EMPLOY**

The following additional wording shall be included at the end of Section 14 of the Plan:

"A Participant waives all and any rights to compensation or damages under the Plan and the UK Sub-Plan in consequence of the termination of the Participant’s employment with the Company or an Affiliate for any reason whatsoever (whether lawful or unlawful and including, without prejudice to the generality of the foregoing, in circumstances giving rise to a claim for wrongful dismissal)."

12. **WITHHOLDING TAXES**

The following additional wording shall be included at the end of Section 8 of the Plan:

"13.3 UK Tax Liability A Participant shall, unconditionally and irrevocably agree as acondition of the vesting or exercise of his Award (as appropriate):

(a) to place the Company in funds and indemnify the Company in respect of (i) all liability to UK income tax which the Company is liable to account for on behalf of the Participant directly to HM Revenue & Customs; (ii) all liability to national insurance contributions which the Company is liable to account for on behalf of the Participant to HM Revenue & Customs (including secondary class 1 (employer's) national insurance contributions for which the Participant is liable); and (iii) to the extent legally permitted, all liability to national insurance contributions for which theCompany is liable, which in all cases arise as a consequence of or in connection with the vesting or exercise of the Award, the entering into of any tax election as detailed below or the ownership of Shares by virtue of such exercise including, without limitation, in respect of any liability arising under or in connection with Part 7 or Part7A of the Income Tax (Earnings and Pensions) Act 2003 ("**ITEPA**") (the "**UK Tax Liability**"); or

(b) to permit the Company to sell at the best price which it can reasonably obtain such number of Shares allocated or allotted to the Participant following exercise or vesting(as the case may be) of his Award as will provide the Company with an amount equalto the UK Tax Liability; and to permit the Company to withhold an amount not exceeding the UK Tax Liability from any payment made to the Participant (including, but not limited to salary); and

(c) if so required by the Company, and, to the extent permitted by law, to enter into a joint election or other arrangements under which the liability for all or part of such employer's national insurance contributions liability is transferred to the Participant; and

(d) if so required by the Company, to enter into a joint election within Section 431 of ITEPA in respect of computing any tax charge on the acquisition of Restricted Securities; and

(e) to sign, promptly, all documents required by the Company to effect the terms of this Section and references in this Section to "the Company" shall, if applicable, be construed as also referring to any Affiliate."

13. **DEFINITIONS IN THE UK SUB-PLAN**

"Committed Time" means the time an Eligible Employee is required to spend on the business of the Company or any Qualifying Subsidiary (including any time which the Employee would have been so required to spend but for Permitted Absence) as defined in paragraph 26(2) of Schedule 5;

"Company EMI Limit" means the total value of Shares in respect of which unexercised EMI Options exist being not more than £3 million or such other amount as may from time to time be specified in paragraph 7 of Schedule 5;

"**Connected**" has the meaning given by Section 718 of ITEPA;
"**Control**" has the meaning given by Section 719 of ITEPA;
"**CSOP Options**" means an option granted pursuant to Schedule 4 of ITEPA; **"Disqualifying Event"** means an event specified in Sections 534 to 536 inclusive of ITEPA;**"Eligible Employee"** means an individual who at the Date of Grant of an EMI Option is:

(i) a newly hired Employee of the Company or a Qualifying Subsidiary whose Committed Time is at least 25 hours per week, or, if less, 75% of his "working time" as defined in paragraph 27 of Schedule 5; and

(ii) not precluded from such participation by paragraph 28 of Schedule 5 (no material interest);

"EMI Option" means an option granted under this UK Sub-Plan which is a qualifying option for the purposes of the EMI Code as defined in section 527(4) of ITEPA;

"EMI Option Award Agreement" means the written agreement evidencing the grant of an EMI Option containing the terms set out in paragraph 5 of this UK Sub-Plan;

Gross Assets Limit" means £30 million or such other amount as may from time to time be specified in paragraph 12 of Schedule 5;

"**Group**" means the Company and its Qualifying Subsidiaries and the phrase "Group Company" shall be construed accordingly;

"HMRC" means Her Majesty's Revenue and Customs;

"**Individual EMI Limit**" means £250,000 less £1 or such other amount as may from time to time be specified in paragraph 5 of Schedule 5 less £1;

"Individual Three Year EMI Limit" means £250,000 or such other amount as may from time to time be specified in paragraph 6 of ITEPA;

"ITEPA" means the Income Tax (Earnings & Pensions) Act 2003;

"Permitted Absence" means the time spent as set out in paragraph 26(3) of Schedule 5 (summarised as absence from work for injury, ill-health or disability, pregnancy, childbirth, maternity or paternity leave or parental leave, reasonable holiday entitlement or not being required to work during a period of notice of termination of employment);

“Qualifying Exchange of Shares” means arrangements which meet the conditions of paragraph40 of Schedule 5;

“Qualifying Subsidiary” has the meaning given in paragraph 11 of Schedule 5;**“Restricted Securities”** has the meaning given in section 423 of ITEPA; and **“Schedule 5”** means Schedule 5 to ITEPA as amended from time to time.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-215185, 333-217009, 333-228831, and 333-256378 on Form S-3 and Registration Statement Nos. 333-203721, 333-215184, 333-216032, 333-217008, 333-226442, 333-230279, 333-237059, and 333-254178 on Form S-8 of our report dated July 13, 2021, relating to the financial statements of KalVista Pharmaceuticals, Inc. appearing in this Annual Report on Form 10-K of KalVista Pharmaceuticals, Inc. for the year ended April 30, 2021.

/s/ Deloitte & Touche LLP

Boston, Massachusetts
July 13, 2021

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) OR 15d-14(a) UNDER 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 Annual Report on Form 10-K 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: July 13, 2021

By: /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) UNDER 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 Annual Report on Form 10-K 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: July 13, 2021

By: /s/ Benjamin L. Palleiko
Benjamin L. Palleiko
Chief Business Officer & Chief Financial Officer
(Principal Financial 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

I, T. Andrew Crockett, Chief Executive Officer of KalVista Pharmaceuticals, Inc. (the "Company"), do hereby 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:

- this Annual Report on Form 10-K of the Company for the year ended April 30, 2021 (the "Report"), as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

- the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company for the periods presented therein.

Date: July 13, 2021

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

Exhibit 32.2

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

I, Benjamin L. Palleiko, Chief Financial Officer of KalVista Pharmaceuticals, Inc. (the "Company"), do hereby 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:

- this Annual Report on Form 10-K of the Company for the year ended April 30, 2021 (the "Report"), as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company for the periods presented therein.

Date: July 13, 2021

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