

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>JANNEY DANIEL</u> (Last) (First) (Middle) <u>C/O KRYSAL BIOTECH, INC.</u> <u>2100 WHARTON STREET, SUITE 701</u> (Street) <u>PITTSBURGH PA 15203</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>09/19/2017</u>	3. Issuer Name and Ticker or Trading Symbol <u>Krystal Biotech, Inc. [KRYS]</u> 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year) <u>09/19/2017</u> 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person
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Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>130,590</u>	<u>I⁽¹⁾</u>	<u>See footnotes⁽²⁾⁽³⁾</u>

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
<u>Series A Convertible Preferred Stock⁽⁴⁾</u>	<u>(4)</u>	<u>(4)</u>	<u>Common Stock</u>	<u>124,456⁽⁵⁾</u>	<u>(4)</u>	<u>I</u>	<u>See footnotes⁽²⁾⁽³⁾</u>
<u>Stock Option (Right to Buy)</u>	<u>11/10/2020⁽⁶⁾</u>	<u>11/09/2026</u>	<u>Common Stock</u>	<u>37,894</u>	<u>2.46⁽⁷⁾</u>	<u>D</u>	

Explanation of Responses:

1. These shares were incorrectly reported as being owned directly in the reporting person's original Form 3, filed September 19, 2017.
2. Directly beneficially owned by Alta Bioequities, L.P.
3. Alta Bioequities Management, LLC is the general partner of Alta Bioequities, L.P. and may be deemed to have sole voting and investment power over the shares beneficially owned by Alta Bioequities, L.P. The reporting person is the Managing Director of Alta Bioequities Management, LLC. The reporting person disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein.
4. The Series A convertible preferred stock will automatically convert on a one-to-one basis into 124,456 shares of common stock upon the closing of Krystal Biotech, Inc.'s initial public offering.
5. These shares were incorrectly included in the Non-Derivative Securities table in the reporting person's original Form 3, filed September 19, 2017.
6. The options were awarded on November 10, 2016 and vest ratably over a four-year period.
7. The exercise price was incorrectly reported in the reporting person's original Form 3, filed September 19, 2017.

Remarks:

/s/ Katherine A. Shaia, as
attorney-in-fact for Daniel S. Janney 09/25/2017

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.