

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

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

OMB APPROVAL	
OMB Number:	3235-0104
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<b>1. Name and Address of Reporting Person*</b> <u>JANNEY DANIEL</u>  (Last) (First) (Middle) <u>C/O KRystal BIOTECH, INC.</u> <u>2100 WHARTON STREET, SUITE 701</u>  (Street) <u>PITTSBURGH PA 15203</u>  (City) (State) (Zip)	<b>2. Date of Event Requiring Statement (Month/Day/Year)</b> <u>09/19/2017</u>	<b>3. Issuer Name and Ticker or Trading Symbol</b> <u>Krystal Biotech, Inc. [ KRY5 ]</u>	<b>5. If Amendment, Date of Original Filed (Month/Day/Year)</b>
		<b>4. Relationship of Reporting Person(s) to Issuer (Check all applicable)</b> <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)	<b>6. Individual or Joint/Group Filing (Check Applicable Line)</b> <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

**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)
Common Stock	130,590	D	
Series A Convertible Preferred Stock <sup>(1)</sup>	124,456	I	See footnote <sup>(2)</sup>

**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				
Stock Option (Right to Buy)	11/10/2020 <sup>(3)</sup>	11/09/2026	Common Stock 37,894	11.07	D	

**Explanation of Responses:**

- 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.
- Represents shares owned by Alta Bioequities, L.P., an investment entity owned and controlled by the reporting person.
- The options were awarded on November 10, 2016 and vest ratably over a four-year period.

**Remarks:**

Exhibit 24.1 Power of Attorney

/s/ Katherine A. Shaig, as attorney-in-fact for Daniel S. Janney 09/19/2017

\*\* 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.

Know all by these presents, that the undersigned hereby constitutes and appoints each of Krish Krishnan, John W. Campbell, Emiko Kurotsu and Katherine A. Sha

- (1) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer and/or director of Krystal Biotech, Inc., a Delaware corporation (the
- (2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Form 3, 4, or 5, compi
- (3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of any such attorney-in-fact, may be of benefit to, in the l

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, nec

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4, and 5 with respect to the unders

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 18th day of September, 2017.

/s/ Daniel S. Janney

Signature

DANIEL S. JANNEY