

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
OMB Number:	3235-0104
Estimated average burden hours per response:	0.5

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>CVE, LLC</u> (Last) (First) (Middle) 222 N. LASALLE STREET, SUITE 2000 (Street) CHICAGO IL 60601 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 02/01/2024	3. Issuer Name and Ticker or Trading Symbol <u>Fractyl Health, Inc. [GUTS]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> 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)
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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			
Series D Preferred Stock	(1)	(1)	Common Stock	4,090,872	(1)	D ⁽⁶⁾	
Series E Preferred Stock	(2)	(2)	Common Stock	2,914,228	(2)	D ⁽⁶⁾	
Series F Preferred Stock	(3)	(3)	Common Stock	333,957	(3)	D ⁽⁶⁾	
Common Stock Warrant	07/11/2023	07/11/2033	Common Stock	(4)	(4)	D ⁽⁶⁾	
Convertible Promissory Note	(5)	12/31/2024	Common Stock	(5)	(5)	D ⁽⁶⁾	

1. Name and Address of Reporting Person*
CVE, LLC
 (Last) (First) (Middle)
 222 N. LASALLE STREET, SUITE 2000
 (Street)
 CHICAGO IL 60601
 (City) (State) (Zip)

1. Name and Address of Reporting Person*
HCC Manager LLC
 (Last) (First) (Middle)
 222 N. LASALLE STREET, SUITE 2000
 (Street)
 CHICAGO IL 60601
 (City) (State) (Zip)

(City)

(State)

(Zip)

Explanation of Responses:

1. The Series D Preferred Stock is convertible, at the option of the holder, at any time and from time to time on a 1-for-1 basis for shares of the Issuer's common stock, with such ratio being subject to adjustment from time to time for customary events affecting the preferred stock and common stock. The preferred stock has no stated expiration date. The Series D Preferred Stock will automatically convert to common stock upon consummation of an initial public offering meeting certain criteria.
2. The Series E Preferred Stock is convertible, at the option of the holder, at any time and from time to time on a 1-for-1 basis for shares of the Issuer's common stock, with such ratio being subject to adjustment from time to time for customary events affecting the preferred stock and common stock. The preferred stock has no stated expiration date. The Series E Preferred Stock will automatically convert to common stock upon consummation of an initial public offering meeting certain criteria.
3. The Series F Preferred Stock is convertible, at the option of the holder, at any time and from time to time on a 1-for-1 basis for shares of the Issuer's common stock, with such ratio being subject to adjustment from time to time for customary events affecting the preferred stock and common stock. The preferred stock has no stated expiration date. The Series F Preferred Stock will automatically convert to common stock upon consummation of an initial public offering meeting certain criteria.
4. The Warrant permits CVF, LLC to purchase a number of shares of the Issuer's common stock equal to the quotient of (a) \$10,449,589.04; divided by (b) an amount at CVF, LLC's option equal to (i) \$8.3843, (ii) the lowest original issue price of the shares of the Issuer's preferred stock issued after July 11, 2023 in the next bona fide private preferred equity financing round, (iii) in the event of any convertible note, SAFE or similar convertible security financing, the conversion price contemplated by such convertible security or (iv) in the event of an initial public offering of the Issuer's common stock, the per share offering price of common stock in the initial public offering. The per share exercise price of the warrant is equal to the amount elected by CVF, LLC in the foregoing clause (b).
5. The Convertible Note automatically converts into shares of the Issuer's common stock upon the occurrence of certain additional issuances of the Issuer's capital stock, including in connection with an initial public offering of the Issuer's common stock with gross proceeds of at least \$80,000,000 or a resulting market capitalization of the Issuer's common stock equal to at least \$1,000,000,000. In the event of such an initial public offering, all of the outstanding principal and interest under the convertible note will automatically convert into shares of the Issuer's common stock at a price equal to the lesser of (a) 80% of the per share offering price of common stock in the initial public offering; and (b) the price per share that results when \$770,000,000 is divided by the total number of shares of the Issuer's common stock then outstanding, calculated on a fully diluted basis.
6. HCC Manager LLC, manager of CVF, LLC, exercises voting and investment power with respect to shares held by CVF, LLC. HCC Manager LLC disclaims beneficial ownership of all shares held by CVF, LLC, except to the extent of its pecuniary interest therein.

Remarks:

CVF, LLC, By: HCC
Manager LLC, Its:
Managing Member,
By:/s/Richard H. Robb; 02/01/2024
Name: Richard H. Robb,
Title: Executive Vice
President

HCC Manager LLC,
By:/s/Richard H. Robb,
Name: Richard H. Robb, 02/01/2024
Title: Executive Vice
President

** Signature of Reporting Person	Date
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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.