

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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>Flynn James E</u> <hr/> (Last) (First) (Middle) 345 PARK AVENUE SOUTH, 12TH FLOOR <hr/> (Street) NEW YORK NY 10010 <hr/> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Fractyl Health, Inc. [ GUTS ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) Possible Members of 10% Group
	3. Date of Earliest Transaction (Month/Day/Year) 02/06/2024	
4. If Amendment, Date of Original Filed (Month/Day/Year)		
Rule 10b5-1(c) Transaction Indication <input type="checkbox"/> Check this box to indicate that a transaction was made pursuant to a contract, instruction or written plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). See Instruction 10.		

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/06/2024		C		757,548	A	(1)	757,548	I	Through Deerfield Private Design Fund III, L.P.(2)(3)
Common Stock	02/06/2024		C		76,706	A	(4)	834,254	I	Through Deerfield Private Design Fund III, L.P.(2)(3)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series C-2 Preferred Stock	(1)	02/06/2024		C		1,625,699		(1)	(1)	Common Stock	757,548	(1)	0	I	Through Deerfield Private Design Fund III, L.P.(2)(3)
Series D Preferred Stock	(4)	02/06/2024		C		164,612		(4)	(4)	Common Stock	76,706	(4)	0	I	Through Deerfield Private Design Fund III, L.P.(2)(3)

1. Name and Address of Reporting Person\*  
Flynn James E  


---

 (Last) (First) (Middle)  
 345 PARK AVENUE SOUTH, 12TH FLOOR  


---

 (Street)  
 NEW YORK NY 10010  


---

 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
Deerfield Mgmt III, L.P.  


---

 (Last) (First) (Middle)

345 PARK AVENUE SOUTH, 12TH FLOOR

(Street)

NEW YORK NY 10010

(City)

(State)

(Zip)

1. Name and Address of Reporting Person\*

Deerfield Private Design Fund III, L.P.

(Last)

(First)

(Middle)

345 PARK AVENUE SOUTH, 12TH FLOOR

(Street)

NEW YORK NY 10010

(City)

(State)

(Zip)

1. Name and Address of Reporting Person\*

DEERFIELD MANAGEMENT COMPANY, L.P.  
(SERIES C)

(Last)

(First)

(Middle)

345 PARK AVENUE SOUTH, 12TH FLOOR

(Street)

NEW YORK NY 10010

(City)

(State)

(Zip)

**Explanation of Responses:**

1. Each share of Series C-2 Preferred Stock automatically converted into 0.46598 shares of the Issuer's common stock upon the closing of the Issuer's initial public offering (on an adjusted basis after giving effect to the 1-for-2.146 reverse split of the Issuer's common stock effected by the Issuer on January 26, 2024).
2. This Form 4 is being filed by the undersigned as well as the entities listed on the Joint Filer Information Statement attached as an exhibit hereto (the "Reporting Persons"). Deerfield Mgmt III, L.P. is the general partner of Deerfield Private Design Fund III, L.P. (the "Fund"). Deerfield Management Company, L.P. is the investment manager of the Fund. James E. Flynn is the sole member of the general partner of each of Deerfield Mgmt III, L.P. and Deerfield Management Company, L.P.
3. In accordance with Instruction 4(b)(iv) to Form 4, the entire amount of the Issuer's securities held by the Fund is reported herein. For purposes of Section 16 of the Securities Exchange Act of 1934, as amended, each Reporting Person disclaims beneficial ownership of any such securities, except to the extent of his/its indirect pecuniary interest therein, if any, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of such securities for purposes of Section 16 or otherwise.
4. Each share of Series D Preferred Stock automatically converted into 0.46598 shares of the Issuer's common stock upon the closing of the Issuer's initial public offering (on an adjusted basis after giving effect to the 1-for-2.146 reverse split of the Issuer's common stock effected by the Issuer on January 26, 2024).

**Remarks:**

Jonathan Isler, Attorney-in-Fact: Power of Attorney, which is hereby incorporated by reference to Exhibit 24 to a Form 4 with regard to DA32 Life Science Tech Acquisition Corp. filed with the Securities and Exchange Commission on August 3, 2021 by Deerfield Partners, L.P., Deerfield Mgmt, L.P., Deerfield Management Company, L.P. and James E. Flynn

/s/ Jonathan Isler, Attorney-in-  
Fact 02/06/2024

\*\* 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 4 (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.

Joint Filer Information

Names: Deerfield Mgmt III, L.P., Deerfield Management Company, L.P. and Deerfield Private Design Fund III, L.P.  
Address: 345 Park Avenue South, 12th Floor  
New York, NY 10010  
Designated Filer: James E. Flynn  
Issuer and Ticker Symbol: Fractyl Health, Inc. [GUTS]  
Date of Earliest Transaction Required To be Reported: February 6, 2024

The undersigned, Deerfield Mgmt III, L.P., Deerfield Management Company, L.P. and Deerfield Private Design Fund III, L.P. are jointly filing the attached Statement of Changes in Beneficial Ownership on Form 4 with James E. Flynn with respect to the beneficial ownership of securities of Fractyl Health, Inc.

Signatures:

DEERFIELD MGMT III, L.P.  
By: J.E. Flynn Capital III, LLC, General Partner

By: /s/ Jonathan Isler  
Jonathan Isler, Attorney-In-Fact

DEERFIELD PRIVATE DESIGN FUND III, L.P.  
By: Deerfield Mgmt III, L.P., General Partner  
By: J.E. Flynn Capital III, LLC, General Partner

By: /s/ Jonathan Isler  
Jonathan Isler, Attorney-In-Fact

DEERFIELD MANAGEMENT COMPANY, L.P.  
By: Flynn Management LLC, General Partner

By: /s/ Jonathan Isler  
Jonathan Isler, Attorney-In-Fact