

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>Chin Richard</u> (Last) (First) (Middle) C/O KINDRED BIOSCIENCES, INC. 1555 BAYSHORE HIGHWAY, SUITE 200 (Street) BURLINGAME CA 94010 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Kindred Biosciences, Inc. [KIN]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Chief Executive Officer
	3. Date of Earliest Transaction (Month/Day/Year) 08/27/2021	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

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	08/27/2021		D		1,709,271 ⁽¹⁾	D	\$9.25	0	D	
Common Stock	08/27/2021		D		2,000 ⁽²⁾	D	\$9.25	0	I	By reporting person as custodian for son
Common Stock	08/27/2021		D		2,000 ⁽²⁾	D	\$9.25	0	I	By reporting person as custodian for daughter
Common Stock	08/27/2021		D		2,000 ⁽²⁾	D	\$9.25	0	I	By reporting person as custodian for son
Common Stock	08/27/2021		D		2,000 ⁽²⁾	D	\$9.25	0	I	By reporting person as custodian for daughter

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
Stock Option (right to buy)	\$0.36	08/27/2021		D			400,000	(3)	02/04/2023	Common Stock	400,000	\$8.89 ⁽³⁾	0	D	
Stock Option (right to buy)	\$16.52	08/27/2021		D			350,000	(4)	02/04/2024	Common Stock	350,000	\$0 ⁽⁴⁾	0	D	
Stock Option (right to buy)	\$6.46	08/27/2021		D			197,771	(5)	02/05/2025	Common Stock	197,771	\$2.79 ⁽⁵⁾	0	D	
Stock Option (right to buy)	\$3.45	08/27/2021		D			197,771	(6)	01/08/2026	Common Stock	197,771	\$5.8 ⁽⁶⁾	0	D	

**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 of Number of Shares				
Stock Option (right to buy)	\$6.4	08/27/2021		D			175,000	(7)	01/23/2027	Common Stock	175,000	\$2.85 ⁽⁷⁾	0	D	
Stock Option (right to buy)	\$8.75	08/27/2021		D			175,000	(8)	01/22/2028	Common Stock	175,000	\$0.5 ⁽⁸⁾	0	D	
Stock Option (right to buy)	\$9.91	08/27/2021		D			400,000	(9)	01/31/2029	Common Stock	400,000	\$0 ⁽⁹⁾	0	D	
Stock Option (right to buy)	\$9.84	08/27/2021		D			300,000	(10)	01/16/2030	Common Stock	300,000	\$0 ⁽¹⁰⁾	0	D	
Stock Option (right to buy)	\$4.44	08/27/2021		D			394,000	(11)	01/19/2031	Common Stock	394,000	\$4.81 ⁽¹¹⁾	0	D	

Explanation of Responses:

- Represents 1,709,271 shares of common stock that were disposed of at the effective time of the merger (the "Merger") contemplated by the agreement and plan of merger, dated as of June 15, 2021, by and among the Elanco Animal Health Incorporated, Knight Merger Sub, Inc., and Kindred Biosciences, Inc. (the "Merger Agreement") in exchange for a cash payment of \$9.25 per share. Certain of these securities were restricted stock units ("RSUs") that represented the reporting person's right to receive the Kindred Biosciences, Inc.'s common stock. Pursuant to the Merger Agreement, the RSUs were subject to acceleration of vesting, cancelled and converted automatically into the right to receive a cash payment of \$9.25 per share, subject to any required withholding of taxes.
- Disposed of pursuant to the Merger Agreement in exchange for cash payment of \$9.25 per share.
- This option, which vested 25% of the total number of shares underlying the option ("Option Shares") on the annual anniversary of February 4, 2013, with the remaining Option Shares vested in equal monthly installments over the following three years, subject to continued employment on each such vesting date, was cancelled pursuant to the Merger Agreement in exchange for a cash payment of \$3,556,000, representing the difference between the per share exercise price of the option and the merger consideration of \$9.25 per share.
- This option, which vested 25% of the Option Shares on the annual anniversary of February 4, 2014, with the remaining Option Shares vested in equal monthly installments over the following three years, subject to continued employment on each such vesting date, was cancelled pursuant to the Merger Agreement in exchange for no consideration.
- This option, which vested 25% of the Option Shares on the annual anniversary of February 5, 2015, with the remaining Option Shares vested in equal monthly installments over the following three years, subject to continued employment on each such vesting date, was cancelled pursuant to the Merger Agreement in exchange for a cash payment of \$551,781.09, representing the difference between the per share exercise price of the option and the merger consideration of \$9.25 per share.
- This option, which vested 25% of the Option Shares on the annual anniversary of January 8, 2016, with the remaining Option Shares vested in equal monthly installments over the following three years, subject to continued employment on each such vesting date, was cancelled pursuant to the Merger Agreement in exchange for a cash payment of \$1,147,071.80, representing the difference between the per share exercise price of the option and the merger consideration of \$9.25 per share.
- This option, which vested 25% of the Option Shares on the annual anniversary of January 23, 2017, with the remaining Option Shares vested in equal monthly installments over the following three years, subject to continued employment on each such vesting date, was cancelled pursuant to the Merger Agreement in exchange for a cash payment of \$498,750.00, representing the difference between the per share exercise price of the option and the merger consideration of \$9.25 per share.
- This option vested 25% of the Option Shares on the annual anniversary of January 22, 2018, with the remaining Option Shares vesting in equal monthly installments over the following three years, subject to continued employment on each such vesting date. Pursuant to the Merger Agreement, the unvested portion of this option was subject to acceleration of vesting. This option was cancelled pursuant to the Merger Agreement in exchange for a cash payment of \$87,500.00, representing the difference between the per share exercise price of the option and the merger consideration of \$9.25 per share.
- This option vested 25% of the Option Shares on the annual anniversary of February 1, 2019, with the remaining Option Shares vesting in equal monthly installments over the following three years, subject to continued employment on each such vesting date. Pursuant to the Merger Agreement, the unvested portion of this option was subject to acceleration of vesting. This option was cancelled pursuant to the Merger Agreement in exchange for no consideration.
- This option vested 25% of the Option Shares on the annual anniversary of January 17, 2020, with the remaining Option Shares vesting in equal monthly installments over the following three years, subject to continued employment on each such vesting date. Pursuant to the Merger Agreement, the unvested portion of this option was subject to acceleration of vesting. This option was cancelled pursuant to the Merger Agreement in exchange for no consideration.
- This option provided for vesting of 25% of the Option Shares on the annual anniversary of January 20, 2021, with the remaining Option Shares vesting in equal monthly installments over the following three years, subject to continued employment on each such vesting date. Pursuant to the Merger Agreement, the unvested portion of this option was subject to acceleration of vesting. This option was cancelled pursuant to the Merger Agreement in exchange for a cash payment of \$1,895,140.00, representing the difference between the per share exercise price of the option and the merger consideration of \$9.25 per share.

/s/ Richard Chin

08/30/2021

** 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.

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