

| OMB APPROVAL | |
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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>Morningside Venture Investments Ltd</u> (Last) (First) (Middle) <u>2ND FLOOR, LE PRINCE DE GALLES</u> <u>3-5 AVENUE DES CITRONNIERS</u> (Street) <u>MC 98000 O9</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>Kezar Life Sciences, Inc. [KZR]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below) |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>06/25/2018</u> | |
| | 4. If Amendment, Date of Original Filed (Month/Day/Year) | |

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 | 06/25/2018 | | C | | 1,051,630 | A | (1) | 1,051,630 | D(2) | |
| Common Stock | 06/25/2018 | | C | | 1,007,422 | A | (1) | 2,059,052 | D(2) | |
| Common Stock | 06/25/2018 | | P | | 250,000 | A | \$15 | 2,309,052 | D(2) | |

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 A Convertible Preferred Stock | (1) | 06/25/2018 | | C | | | 1,051,630 | (1) | (1) | Common Stock | 1,051,630 | \$0.00 | 0 | D(2) | |
| Series B Convertible Preferred Stock | (1) | 06/25/2018 | | C | | | 1,007,422 | (1) | (1) | Common Stock | 1,007,422 | \$0.00 | 0 | D(2) | |

Explanation of Responses:

- Each share of Series A Convertible Preferred Stock and Series B Convertible Preferred Stock was convertible at any time, at the option of the holder, into Common Stock, on a one-for-one basis, had no expiration date and converted into shares of Common Stock upon the closing of the Issuer's initial public offering.
- Louise Mary Garbarino, Jill Marie Franklin, Peter Stuart Allenby Edwards and Raymond Long Sing Tang, the directors of Morningside Venture Investments Limited ("MVIL"), share voting and dispositive control over the shares held by MVIL.

Remarks:

/s/ Laura Berezin, Attorney-in-Fact 06/27/2018

** 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.