

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

| OMB APPROVAL                                 |           |
|--|-----------|
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|  |   |  |
|--|---|--|
| 1. Name and Address of Reporting Person*<br><u>Ho Carole</u><br><br>(Last) (First) (Middle)<br><u>C/O DENALI THERAPEUTICS INC.</u><br><u>161 OYSTER POINT BLVD.</u><br><br>(Street)<br><u>SOUTH SAN FRANCISCO CA 94080</u><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>Denali Therapeutics Inc. [ DNLI ]</u> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>Chief Medical Officer</u> |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>06/10/2019</u>                   |  |
|  |   | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br><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                    |                                      |  |                                |   |   |            | 46,875                 | D <sup>(1)</sup>  |  |   |
| Common Stock                    |                                      |  |                                |   |   |            | 25,000                 | I   | See footnote <sup>(2)</sup>                              |   |
| Common Stock                    | 06/10/2019                           |  | M                              |   | 711   | A          | \$5.28                 | 711   | D  |   |
| Common Stock                    | 06/10/2019                           |  | S <sup>(3)</sup>               |   | 711   | D          | \$18.62 <sup>(4)</sup> | 0   | D  |   |
| Common Stock                    | 06/10/2019                           |  | M                              |   | 3,906   | A          | \$5.28                 | 3,906   | D  |   |
| Common Stock                    | 06/10/2019                           |  | S <sup>(3)</sup>               |   | 3,906   | D          | \$18.81 <sup>(5)</sup> | 0   | D  |   |
| Common Stock                    | 06/10/2019                           |  | S <sup>(3)</sup>               |   | 12,883  | D          | \$18.78 <sup>(6)</sup> | 90,923  | I  | See footnote <sup>(7)</sup>                           |

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)                | \$5.28   | 06/10/2019                           |  | M                              |   |  | 711   | (8)  | 07/01/2026      | Common Stock  | 711  | \$0.00   | 95,169  | D  |       |
| Stock Option (right to buy)                | \$5.28   | 06/10/2019                           |  | M                              |   |  | 3,906 | (9)  | 03/07/2027      | Common Stock  | 3,906                                      | \$0.00   | 82,033  | D  |       |

Explanation of Responses:

- The shares are held of record by Carole Ho and Rajat Rohatgi.
- The shares are held of record by the Rohatgi-Ho Irrevocable GST Trust, for which Reporting Person serves as trustee.
- The sales reported by the Reporting Person were effected pursuant to a Rule 10b5-1 trading plan.
- The sale price reported in column 4 of Table I represents the weighted average sale price of the shares purchased ranging from \$18.60 to \$18.67 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.
- The sale price reported in column 4 of Table I represents the weighted average sale price of the shares purchased ranging from \$18.55 to \$19.15 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.
- The sale price reported in column 4 of Table I represents the weighted average sale price of the shares purchased ranging from \$18.49 to \$19.23 per share. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.
- The shares are held of record by the Rohatgi-Ho Family 2009 Revocable Trust, for which Reporting Person serves as trustee.
- Of the total 125,000 shares granted, 25% of the shares subject to the option vested on July 2, 2017 and an additional 1/48 of the shares vest monthly thereafter.
- Of the total 187,500 shares granted, 25% of the shares subject to the option vested on March 8, 2018 and an additional 1/48 of the shares vest monthly thereafter.

Remarks:

/s/ Tyler Nielsen, by power of attorney 06/12/2019

\*\* 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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