

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL	
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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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>ORBIMED ADVISORS LLC</u> (Last) (First) (Middle) 601 LEXINGTON AVENUE, 54TH FLOOR (Street) NEW YORK NY 10022 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 02/04/2021	3. Issuer Name and Ticker or Trading Symbol <u>Terns Pharmaceuticals, Inc.</u> [TERN]	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> 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 B Preferred Stock	(1)	(1)	Common Stock	714,285 ⁽¹⁾⁽²⁾	(1)	I	See footnotes ⁽³⁾⁽⁵⁾
Series B Preferred Stock	(1)	(1)	Common Stock	1,071,428 ⁽¹⁾⁽²⁾	(1)	I	See footnotes ⁽⁴⁾⁽⁵⁾
Series C Preferred Stock	(6)	(6)	Common Stock	612,196 ⁽²⁾⁽⁶⁾	(6)	I	See footnotes ⁽³⁾⁽⁵⁾
Series C Preferred Stock	(6)	(6)	Common Stock	918,295 ⁽²⁾⁽⁶⁾	(6)	I	See footnotes ⁽⁴⁾⁽⁵⁾

1. Name and Address of Reporting Person* <u>ORBIMED ADVISORS LLC</u> (Last) (First) (Middle) 601 LEXINGTON AVENUE, 54TH FLOOR (Street) NEW YORK NY 10022 (City) (State) (Zip)

1. Name and Address of Reporting Person* <u>OrbiMed Capital GP VII LLC</u> (Last) (First) (Middle) 601 LEXINGTON AVENUE, 54TH FLOOR (Street)
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NEW YORK NY 10022

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[OrbiMed Asia GP III, L.P.](#)

(Last) (First) (Middle)

601 LEXINGTON AVENUE, 54TH FLOOR

(Street)

NEW YORK NY 10022

(City) (State) (Zip)

1. Name and Address of Reporting Person*

[OrbiMed Advisors III Ltd](#)

(Last) (First) (Middle)

601 LEXINGTON AVENUE, 54TH FLOOR

(Street)

NEW YORK NY 10022

(City) (State) (Zip)

Explanation of Responses:

1. Each share of Series B Preferred Stock will automatically convert on a 1-for-2.2 basis into Common Stock immediately prior to the closing of the Issuer's initial public offering. Such conversion is reflected in the amount of common stock underlying the security.

2. Reflects a 1-for-14 reverse stock split of the Issuer's outstanding securities effected prior to the effectiveness of the Issuer's S-1 Registration Statement.

3. These securities are held of record by OrbiMed Asia Partners III, L.P. ("OAP III"). OrbiMed Asia GP III, L.P. ("Asia GP") is the general partner of OAP III and OrbiMed Advisors III Limited ("Advisors III") is the general partner of Asia GP. OrbiMed Advisors LLC ("OrbiMed Advisors") is the advisory company of OAP III. By virtue of such relationships, Asia GP, Advisors III, and OrbiMed Advisors may be deemed to have voting power and investment power over the securities held by OAP III and as a result, may be deemed to have beneficial ownership over such securities. OrbiMed Advisors exercises voting and investment power through a management committee comprised of Carl L. Gordon, Sven H. Borho, and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the shares held by OAP III.

4. These securities are held of record by OrbiMed Private Investments VII, LP ("OPI VII"). OrbiMed Capital GP VII LLC ("OrbiMed GP") is the general partner of OPI VII and OrbiMed Advisors LLC ("OrbiMed Advisors") is the managing member of OrbiMed GP. By virtue of such relationships, OrbiMed GP and OrbiMed Advisors may be deemed to have voting power and investment power over the securities held by OPI VII and as a result, may be deemed to have beneficial ownership over such securities. OrbiMed Advisors exercises voting and investment power through a management committee comprised of Carl L. Gordon, Sven H. Borho, and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the shares held by OPI VII.

5. This report on Form 3 is jointly filed by OrbiMed Advisors, OrbiMed GP, Advisors III, and Asia GP. Each of the Reporting Persons disclaims beneficial ownership of the securities reported herein for purposes of Rule 16a-1(a) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), except to the extent of its pecuniary interest therein, if any. The Reporting Persons have designated a representative, Carl Gordon, a member of OrbiMed Advisors, to serve on the Issuer's board of directors. This report shall not be deemed an admission that any such entity or person is a beneficial owner of such securities for purpose of Section 16 of the Exchange Act, or for any other purpose.

6. Each share of Series C Preferred Stock will automatically convert on a 1-for-1 basis into Common Stock immediately prior to the closing of the Issuer's initial public offering.

[OrbiMed Advisors LLC](#)

[By: /s/ Douglas Coon,](#) [02/04/2021](#)
[Chief Compliance Officer](#)

[OrbiMed Capital GP VII](#)

[LLC By: /s/ Douglas](#) [02/04/2021](#)
[Coon, Chief Compliance](#)
[Officer](#)

[OrbiMed Advisors III Ltd](#)

[By: /s/ Douglas Coon,](#) [02/04/2021](#)
[Chief Compliance Officer](#)

[OrbiMed Asia GP III, L.P.](#)

[By: /s/ Douglas Coon,](#) [02/04/2021](#)
[Chief Compliance Officer](#)

** 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 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.