TERNS
PHARMACEUTICALS

Company Overview

NASDAQ: TERN

May 2024

Forward-Looking Statements and Disclaimers

This presentation contains forward-looking statements about Terns Pharmaceuticals, Inc. (the “Company,” “we,” “us,” or “our”) and its industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this presentation, including statements regarding the Company’s strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management and expected market growth, are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “could,” “design,” “due,” “estimate,” “expect,” “goal,” “intend,” “may,” “objective,” “plan,” “positioned,” “potential,” “predict,” “seek,” “should,” “target,” “will,” “would” and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology. The Company has based these forward-looking statements largely on its current expectations, estimates, forecasts and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. In light of the significant uncertainties in these forward-looking statements, you should not rely upon forward-looking statements as predictions of future events. Although the Company believes that it has a reasonable basis for each forward-looking statement contained in this presentation, it cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. For a detailed discussion of the risk factors that could affect our actual results, please refer to the risk factors identified in our Securities and Exchange Commission ("SEC") reports, including but not limited to our Annual Report on Form 10-K for the year ended December 31, 2023. These risks are not exhaustive. New risk factors emerge from time to time and it is not possible for our management to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in, or implied by, any forward-looking statements. Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this presentation.

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TERNS PHARMACEUTICALS

Developing small molecule medicines, with clinically validated mechanisms of action, to address oncology and metabolic diseases with large unmet medical need

Terns Investment Highlights and Strategic Approach

Each of Terns' molecules meet the following strategic criteria:

- ✓ Oral, small molecule compounds
- ✓ Clinically validated mechanisms with opportunities to improve
- ✓ Indications with high unmet needs

Oncology

De-risked and accelerated development pathways

Optionality for in-house full development

Complementary with other assets

Metabolic

Large markets with multiple ways to win (e.g., combinations)

Opportunity to create near-term value before seeking partnership

Strong Balance Sheet

Cash of $241M[1] expected to provide runway into 2026

1. As of March 31, 2024

Terns Pipeline: Broad Rights to Multiple Wholly-owned Opportunities Targeting Serious Diseases

PROGRAM	MECHANISM	INDICATION	PRECLINICAL	EARLY-STAGE CLINICAL DEVELOPMENT	LATE-STAGE CLINICAL DEVELOPMENT	STATUS
Oncology						
TERN-701	Allosteric BCR-ABL Inhibitor	CML	Phase 1 CARDINAL		*Anticipated registrational trial following Ph 1 trial*	**Ph1 CARDINAL Trial initiated** Interim data from initial cohorts in 2H24
Metabolic						
TERN-601	Oral GLP-1R Agonist	Obesity	Phase 1			**Phase 1 initiated** MAD underway; Top-line data (28-day PoC) 2H24
TERN-501 combination	THR-β Agonist + Metabolic Agent	Obesity	Preclinical			**Preclinical activities underway**
TERN-800 Series	GIPR Modulators	Obesity	GIPR Antagonist Lead Opt.			**GIPR antagonist lead optimization underway**

Out-licensed to Hansoh Pharma (HS 10382) in the Greater China region; Ph 1 trial ongoing in China; Terns eligible for up to $ 67M in clinical, regulatory and sales-based milestones, mid single digit percentage royalties on net sales; certain milestones are subject to the availability of additional data and future funding
PoC: Proof of concept

TERNS PHARMACEUTICALS

TERN-701

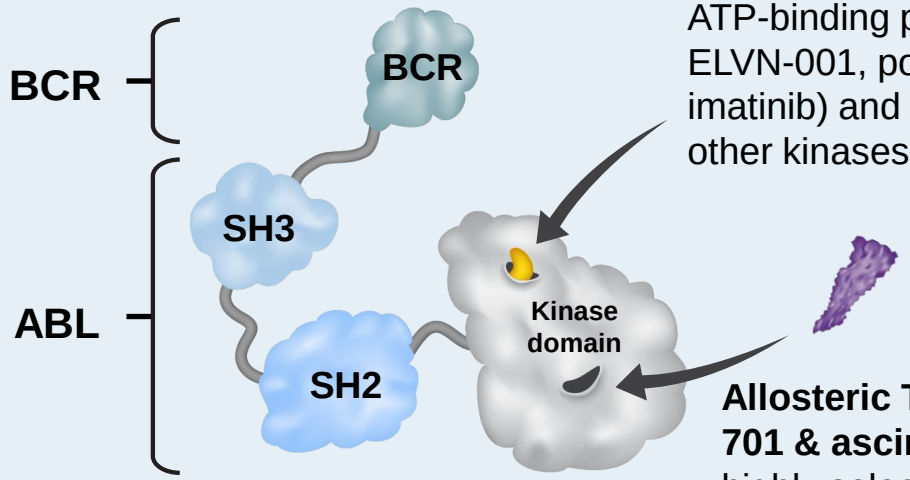
Allosteric BCR-ABL TKI for Chronic Myeloid Leukemia

- Allosteric TKIs have significant efficacy improvement over active-site TKIs
- CML is a $5B orphan indication with need for multiple agents and limited allosteric competition
- TERN-701 Phase 1 trial (CARDINAL) progressing; interim data in 2H24

Allosteric TKI: an Improved Approach for CML Treatment

TERN-701 is an internally-developed allosteric TKI with an expected profile ≥ asciminib

Active BCR-ABL1 ➔ Cell proliferation / reduced apoptosis



Active-site TKIs bind to ATP-binding pocket (e.g., ELVN-001, ponatinib, imatinib) and can inhibit other kinases

Allosteric TKIs (TERN-701 & asciminib) are highly selective for BCR-ABL, binding specifically to the myristoyl pocket

Inactive BCR-ABL1 ➔ Cell death

- CML is a **chronic, orphan indication** with a **sizeable market (>$5B)** and a need for **multiple agents,** driven by lifelong treatment and frequent switching
- **Allosteric** TKIs have shown ~2x efficacy improvement over older standard-of-care active-site TKIs and are better tolerated, with a relative lack of competition in the class
- **Blockbuster expectations** for 1st approved allosteric TKI, asciminib: label in 3L CML expected to expand into 1L
- TERN-701 is the **only other allosteric** in development with the potential to differentiate from asciminib in **efficacy and ease of use** (e.g., food effect)
- **Phase 1 CARDINAL trial progressing** with site activations globally and study-eligible subjects being identified by investigators

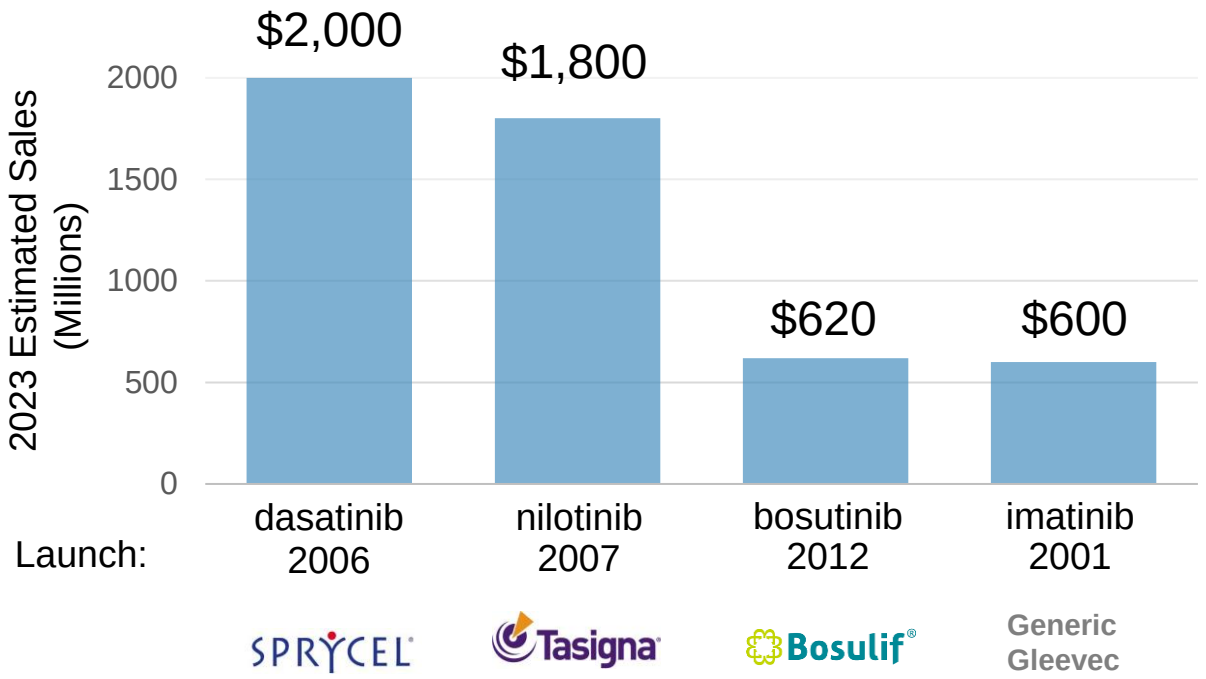
Note: 1L: 1st line; 3L: 3rd line; TKI: tyrosine kinase inhibitor
Source: Réa et al Blood 2021, NVS 2Q 2022 Earnings, Factset estimates

CML is a Sizeable Market With Need for Multiple Agents

CML is a chronic, orphan indication with:

- ~9,280 new cases being diagnosed in the U.S. in 2024[1]
- U.S. CML **prevalence today is ~110K and is expected to triple** by 2040, driven by improved survival[2,3]
- Patients responding to treatment have a **life expectancy almost the same as the general population** and live decades with their disease requiring life-long treatment[4]

Current Standard of Care Active-Site TKIs represent a **~$5B Market**[5]



1. Cancer.org Key Statistics for Chronic Myeloid Leukemia, 2. Huang et al Cancer 2020; 3. Jabbour, Kantarjian, AJH 2020; 4. Bower et al., Journal of Clinical Oncology 2016; 5. Factset estimates (Note: 2023E ponatinib sales of ~$160M)

Frequent Switching Occurs Between TKIs, Most Commonly Due to Intolerance

- **~40%** of people started on a TKI switch to an alternative TKI[1]

- Reasons to switch may include[2]:
  - side effects / intolerance
  - co-morbidity
  - inadequate response
  - drug-drug interaction

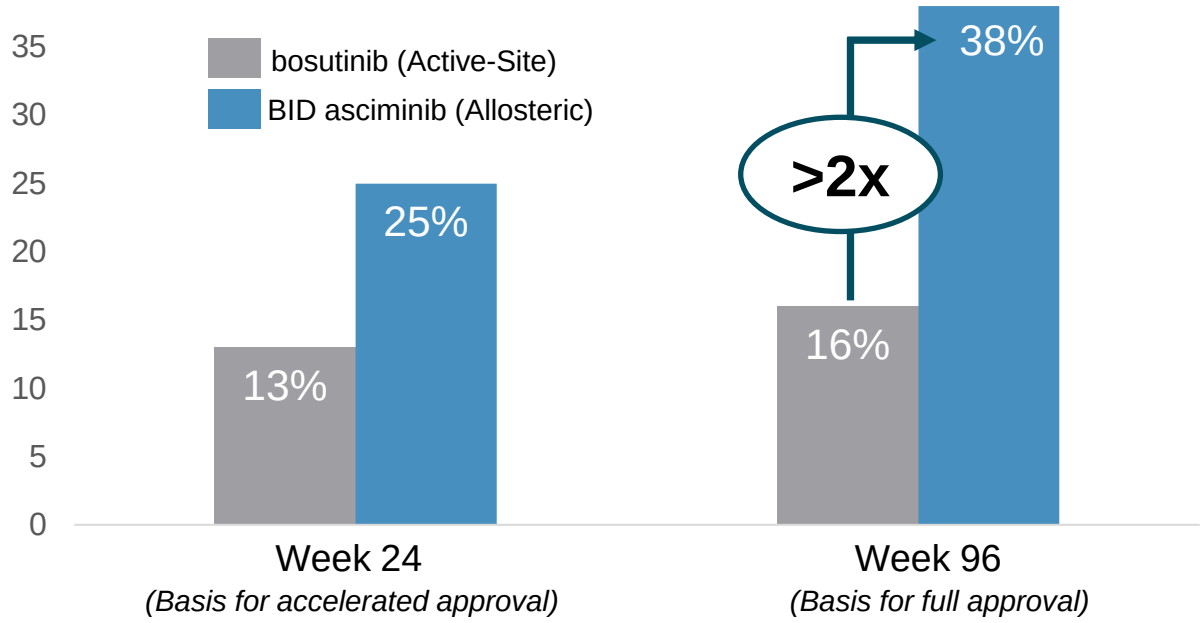
- Physicians are seeking additional novel therapies that are **safe**, **efficacious** and **well-tolerated**

1. Schiffer Blood 2021; Cortes 2023; 2. Hochhaus et al, Leukemia 2020

The Only Approved Allosteric TKI for CML has Shown a Benefit Over 2nd Gen Active-site TKIs, Leading to Blockbuster Expectations

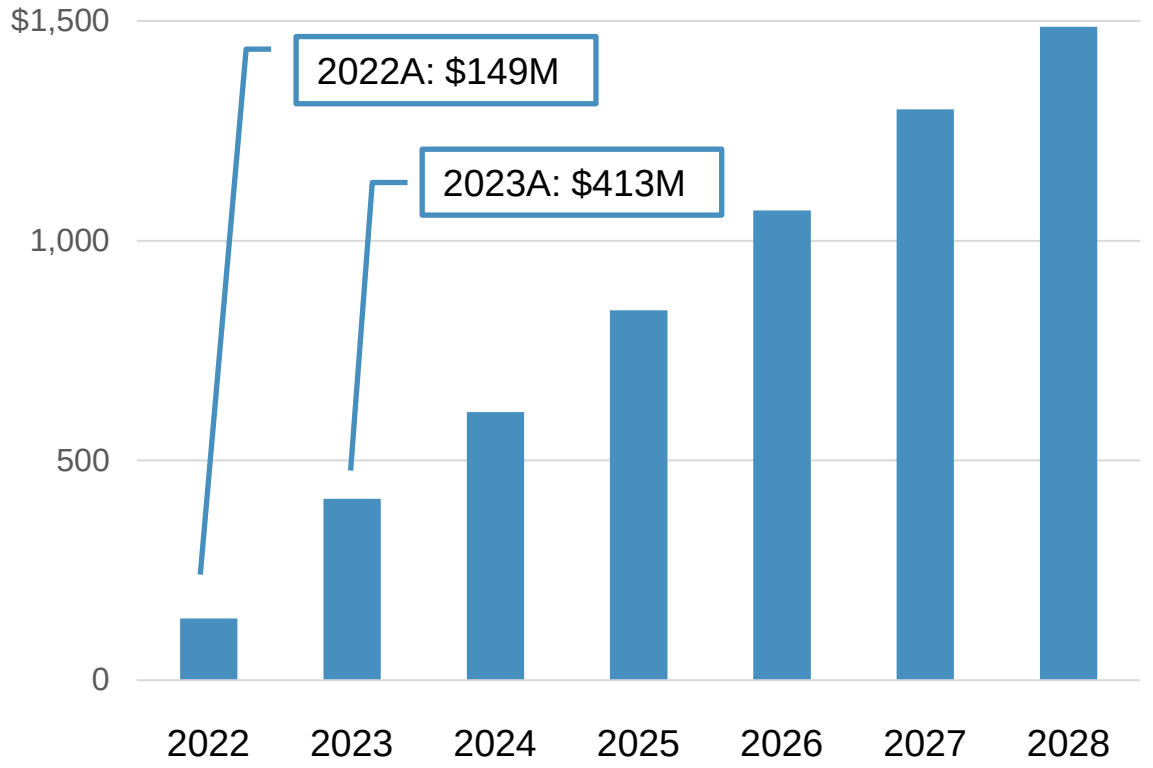
- Asciminib showed **>2x improvement in MMR** in 3L patients over 96 weeks[1] in Phase 3
- Asciminib also had a **~3x lower discontinuation rate** than bosutinib over 96 weeks[2]

% of Patients Achieving MMR



- Analysts expect asciminib to rapidly approach **blockbuster sales**

Consensus Sales Estimates ($mm)[3]

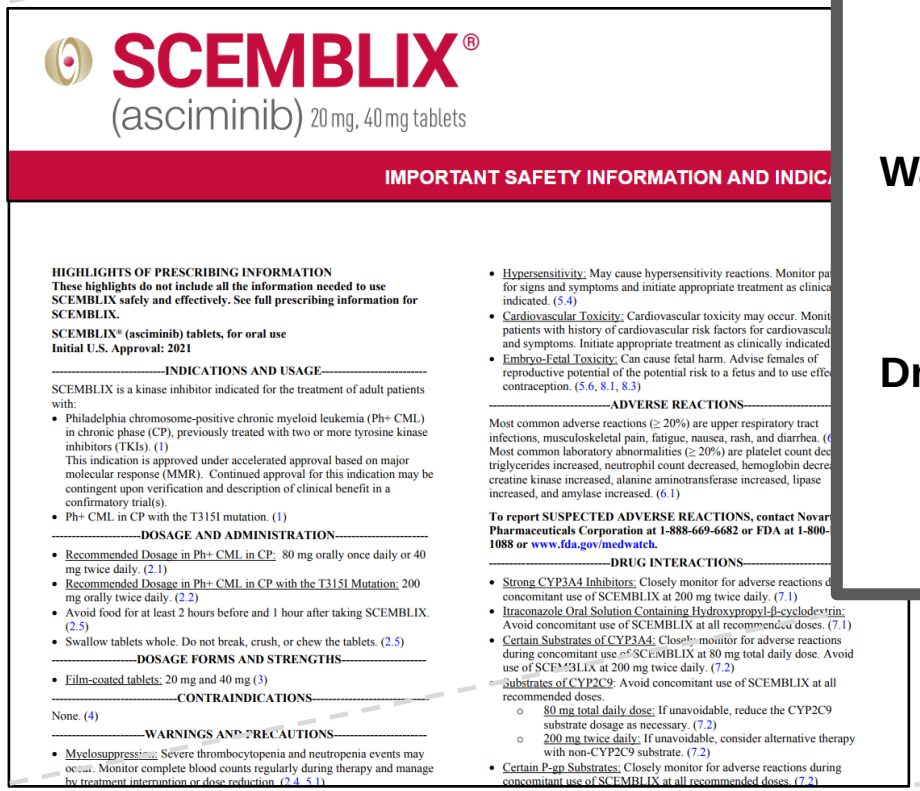


Note: 3L: 3rd line; BID: twice-daily; MMR: major molecular response; Scemblix has 3L+ U.S. market share of NBRx 43%, TRx 22% as of 4Q23 (NVS 4Q23 Earnings)

1. Scemblix Prescribing Information 2. (8% asciminib vs 26% bosutinib) 3. Estimates from EvaluatePharma; may include sales beyond 3L setting

Asciminib (Scemblix) Has Multiple Limitations that Represent Opportunities for TERN-701

TERN-701 has the potential to be a differentiated BCR-ABL inhibitor with advantages over asciminib, including more convenient dosing to improve treatment options and quality of life for people living with CML



SCEMBLIX®
(asciminib) 20 mg, 40 mg tablets

IMPORTANT SAFETY INFORMATION AND INDIC

HIGHLIGHTS OF PRESCRIBING INFORMATION
These highlights do not include all the information needed to use SCEMBLIX safely and effectively. See full prescribing information for SCEMBLIX.

SCEMBLIX® (asciminib) tablets, for oral use
Initial U.S. Approval: 2021

----------INDICATIONS AND USAGE----------

SCEMBLIX is a kinase inhibitor indicated for the treatment of adult patients with:

- Philadelphia chromosome-positive chronic myeloid leukemia (Ph+ CML) in chronic phase (CP), previously treated with two or more tyrosine kinase inhibitors (TKIs). (1)
  This indication is approved under accelerated approval based on major molecular response (MMR). Continued approval for this indication may be contingent upon verification and description of clinical benefit in a confirmatory trial(s).
- Ph+ CML in CP with the T315I mutation. (1)

----------DOSAGE AND ADMINISTRATION----------

- Recommended Dosage in Ph+ CML in CP: 80 mg orally once daily or 40 mg twice daily. (2.1)
- Recommended Dosage in Ph+ CML in CP with the T315I Mutation: 200 mg orally twice daily. (2.2)
- Avoid food for at least 2 hours before and 1 hour after taking SCEMBLIX. (2.5)
- Swallow tablets whole. Do not break, crush, or chew the tablets. (2.5)

----------DOSAGE FORMS AND STRENGTHS----------

- Film-coated tablets: 20 mg and 40 mg (3)

----------CONTRAINDICATIONS----------

None. (4)

----------WARNINGS AND PRECAUTIONS----------

- Myelosuppression: Severe thrombocytopenia and neutropenia events may occur. Monitor complete blood counts regularly during therapy and manage by treatment interruption or dose reduction. (2.4, 5.1)
- Hypersensitivity: May cause hypersensitivity reactions. Monitor pa for signs and symptoms and initiate appropriate treatment as clinica indicated. (5.4)
- Cardiovascular Toxicity: Cardiovascular toxicity may occur. Monit patients with history of cardiovascular risk factors for cardiovascula and symptoms. Initiate appropriate treatment as clinically indicated
- Embryo-Fetal Toxicity: Can cause fetal harm. Advise females of reproductive potential of the potential risk to a fetus and to use effe contraception. (5.6, 8.1, 8.3)

----------ADVERSE REACTIONS----------

Most common adverse reactions (≥ 20%) are upper respiratory tract infections, musculoskeletal pain, fatigue, nausea, rash, and diarrhea. (Most common laboratory abnormalities (≥ 20%) are platelet count dec triglycerides increased, neutrophil count decreased, hemoglobin decre creatine kinase increased, alanine aminotransferase increased, lipase increased, and amylase increased. (6.1)

To report SUSPECTED ADVERSE REACTIONS, contact Novar Pharmaceuticals Corporation at 1-888-669-6682 or FDA at 1-800-1088 or www.fda.gov/medwatch.

----------DRUG INTERACTIONS----------

- Strong CYP3A4 Inhibitors: Closely monitor for adverse reactions d concomitant use of SCEMBLIX at 200 mg twice daily. (7.1)
- Itraconazole Oral Solution Containing Hydroxypropyl-β-cyclodextrin: Avoid concomitant use of SCEMBLIX at all recommended doses. (7.1)
- Certain Substrates of CYP3A4: Closely monitor for adverse reactions during concomitant use of SCEMBLIX at 80 mg total daily dose. Avoid use of SCEMBLIX at 200 mg twice daily. (7.2)
- Substrates of CYP2C9: Avoid concomitant use of SCEMBLIX at all recommended doses.
  - 80 mg total daily dose: If unavoidable, reduce the CYP2C9 substrate dosage as necessary. (7.2)
  - 200 mg twice daily: If unavoidable, consider alternative therapy with non-CYP2C9 substrate. (7.2)
- Certain P-gp Substrates: Closely monitor for adverse reactions during concomitant use of SCEMBLIX at all recommended doses. (7.2)

Dosage and Administration:

- Multiple doses for different BCR-ABL variants
- Requires BID dosing in many clinical settings
- 3-hour fasting requirement (2-hours before, 1-hour after)

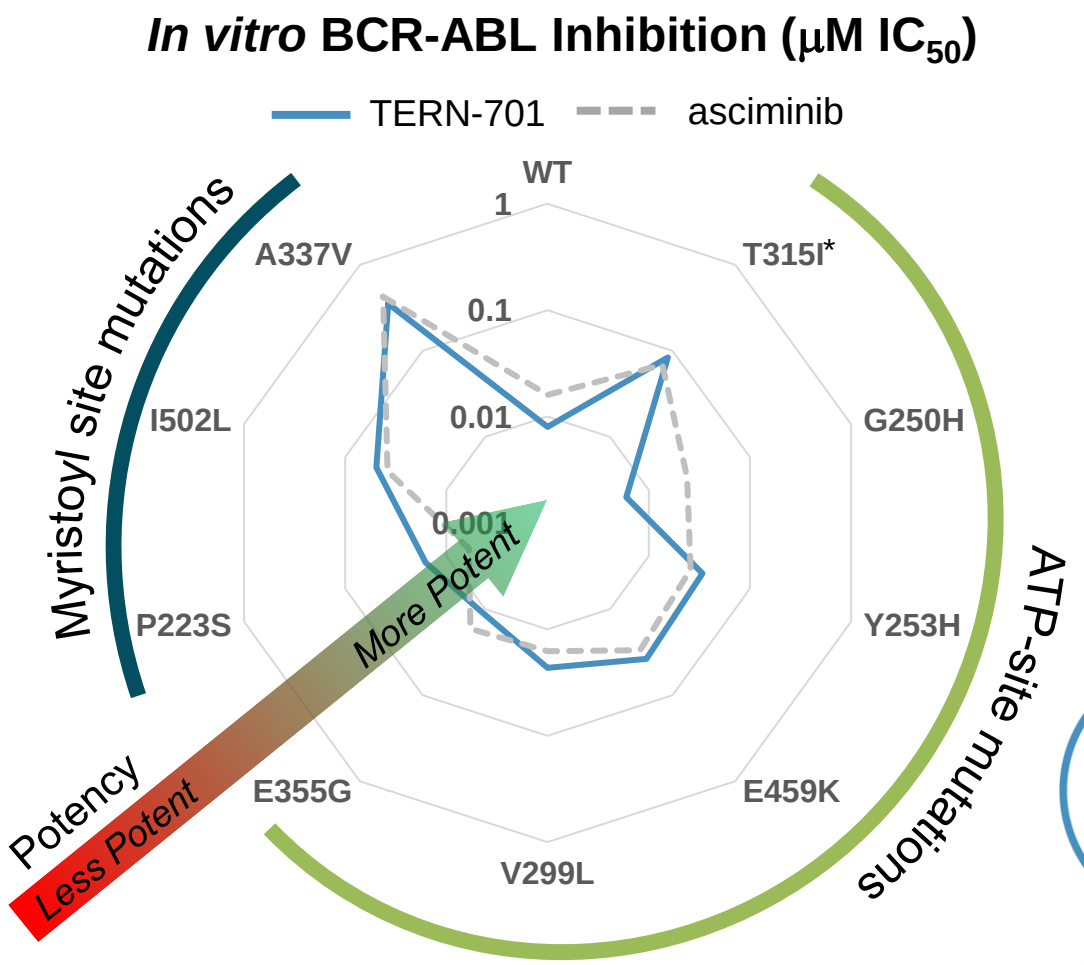
Warnings and Precautions:

- Pancreatic toxicity
- Cardiovascular toxicity

Drug Interactions:

- CYP3A4 inhibitors/substrates
- CYP2C9 substrates
- P-gp substrates

TERN-701 Potency Suggests Anti-Tumor Activity Comparable to asciminib; With Opportunities to Differentiate



In non-clinical assays, **TERN-701 demonstrated a similar profile to asciminib** including high potency against:

- wild type BCR-ABL, and
- most-common mutations occurring in patients treated with active-site TKIs

TERN-701 could have optimized dosing & easier use vs asciminib

Note: WT (wild-type) and BCR-ABL mutations were evaluated in an ABL auto-phosphorylation assay
* T315i mutation was evaluated in a cell proliferation assay

TERN-701 PK Supports Once-daily Dosing Without Regard to Food

Dosing with or without food is a key differentiator within the allosteric BCR-ABL class

Favorable TERN-701 Pharmacokinetic Profile

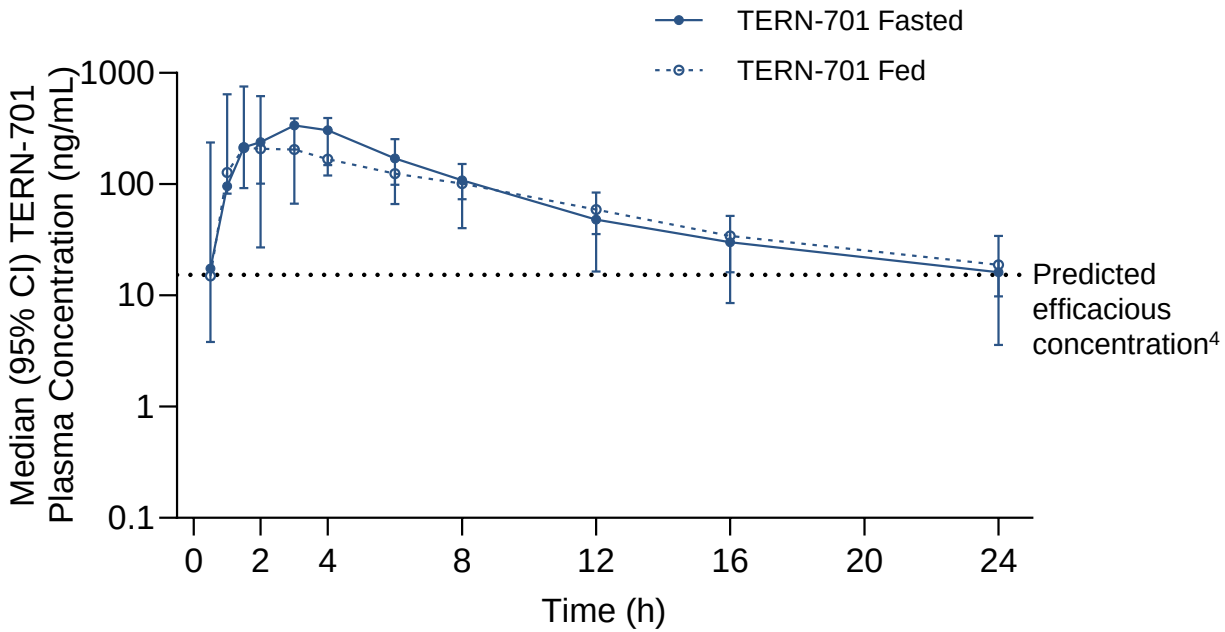
- Linear PK with approximately **dose proportional increase in exposure**[1]
- Median half-life of **8-12 hours supporting QD dosing**

Consistent PK Across Populations

- PK profile of TERN-701 in Western healthy volunteers were **generally consistent** with that observed in the Phase 1 clinical study in Chinese CML patients[2]

No TERN-701 Food Effect

- **No clinically significant difference in TERN-701 exposure (AUC)** when dosed fasted or with a high-fat meal[3]



1. Across single dose TERN-701 range of 20 mg to 160 mg
2. Phase 1 study evaluating same doses led by Hansoh, Terns' corporate partner in China
3. TERN-701 80 mg dose; asciminib (40mg) change in exposure (ΔAUC_{inf}) from fed relative to fasted was (62%)
4. Effective plasma IC90 for the native BCR-ABL KCL-22 cell line

Phase 1 CARDINAL Trial Design, Interim Data Expected in 2H24

Starting dose appears safe and clinically active based on emerging early clinical data from partner's ongoing Phase 1 trial in China

TERN-701

CARDINAL Trial Design

Population

- CP **2L and 3L** CML patients
- Treatment failure / suboptimal response to at least **one prior 2nd gen active-site TKI**† (i.e., 2L)
- Intolerance on current TKI (including asciminib)

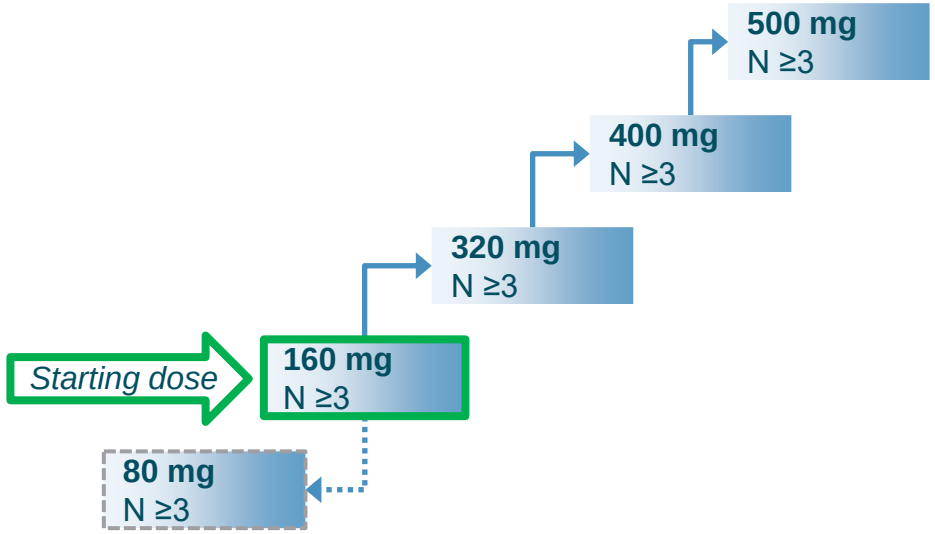
Endpoints For Part 1

- Primary: Safety and tolerability
- Secondary: PK, efficacy (BCR-ABL transcript level Δ)

Part 1 Dose Escalation

TERN-701 Once-daily Monotherapy (N≈24-36)

BOIN design with optional backfill cohorts

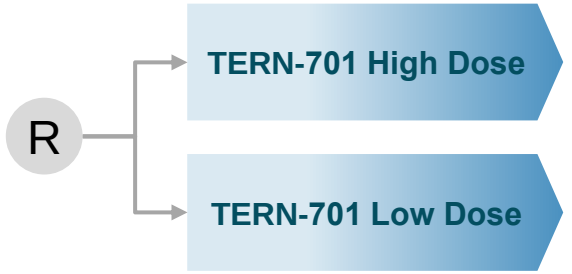


RDE Selection*

Part 2 Dose Expansion

TERN-701 Once-daily Monotherapy (N≈40)

At least 2 dose levels will be selected



Endpoints For Part 2

- Primary: Efficacy (hematologic, molecular responses)
- Secondary: Safety, tolerability, PK

Patients may continue therapy beyond primary endpoint measures, through the end of study

Note: Terns starting dose represents 4X that of the 40mg starting dose in the China Phase 1 trial of TERN-701
† 2nd gen active-site TKI = dasatinib, nilotinib, or bosutinib
*RDE = recommended doses for expansion; will be selected following a Part 1 interim analysis; CP: Chronic phase, BOIN: Bayesian optimal interval

Next Steps for TERN-701 in CML

Anticipated pivotal trial following Phase 1 CARDINAL trial

1H24

Phase 1 Global
~1-2 yrs*

- CARDINAL trial is progressing
- Interim data from initial cohorts expected in 2H24

Phase 3 Registrational Trial
2-3 years*

Evaluating multiple options for pivotal trial(s) including frontline patients and second line:

Phase 3 Monotherapy
Frontline CML patients

Phase 3 Monotherapy
2L+ CML patients

*Trial durations estimated based on enrollment projections from asciminib development program
Note: TERN-701 trial-in-progress poster (ASCO 2023) and non-clinical xenograft activity poster (ASPET 2023, SOHO 2023 and John Goldman 2023) available on Terns' scientific publication website

TERNS
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Our Approach for Metabolic

Focused on the discovery and development of oral, small-molecule candidates within established MoAs for building future, *best-in-class oral combination therapies* for the treatment of obesity

TERN-601

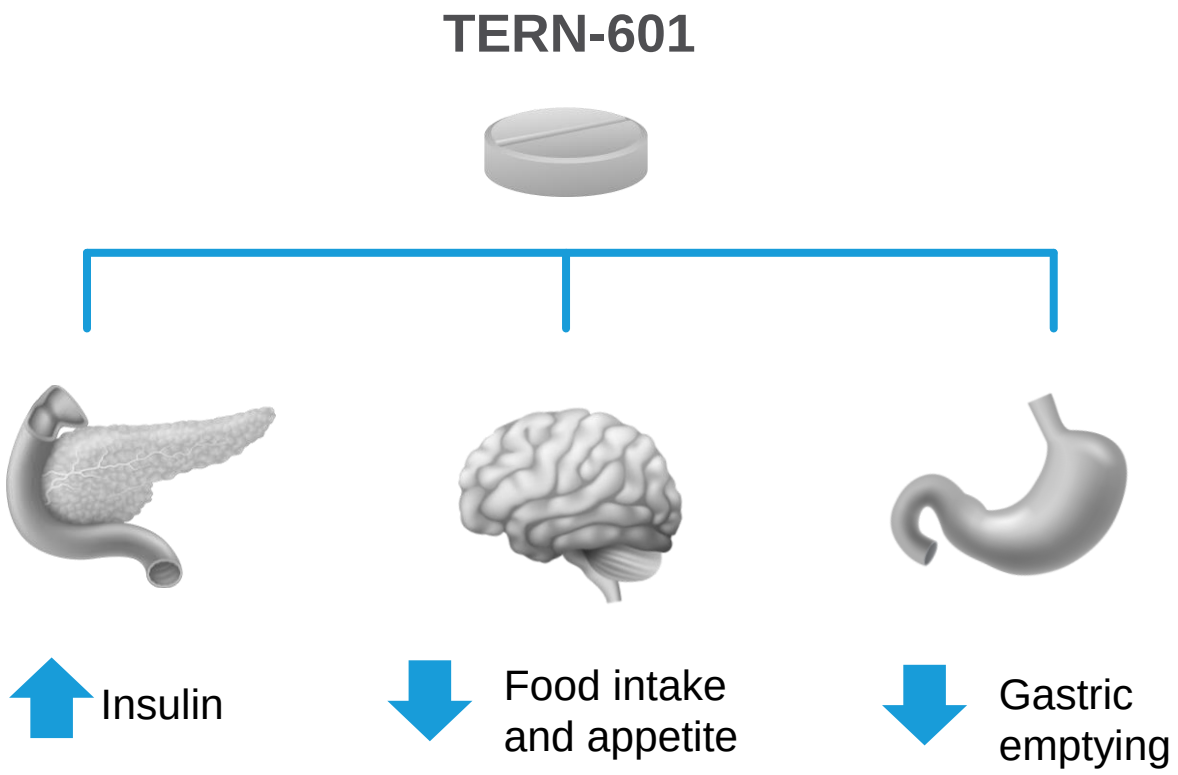
Oral GLP-1 Agonist with Differentiated Profile for Obesity

- Small molecule (non-peptide) with oral once-daily dosing
- Suitable for combination and co-formulation
- Ph 1 top-line data (28-day proof of concept) expected in 2H24

GLP-1 Background and Terns' Discovery Approach

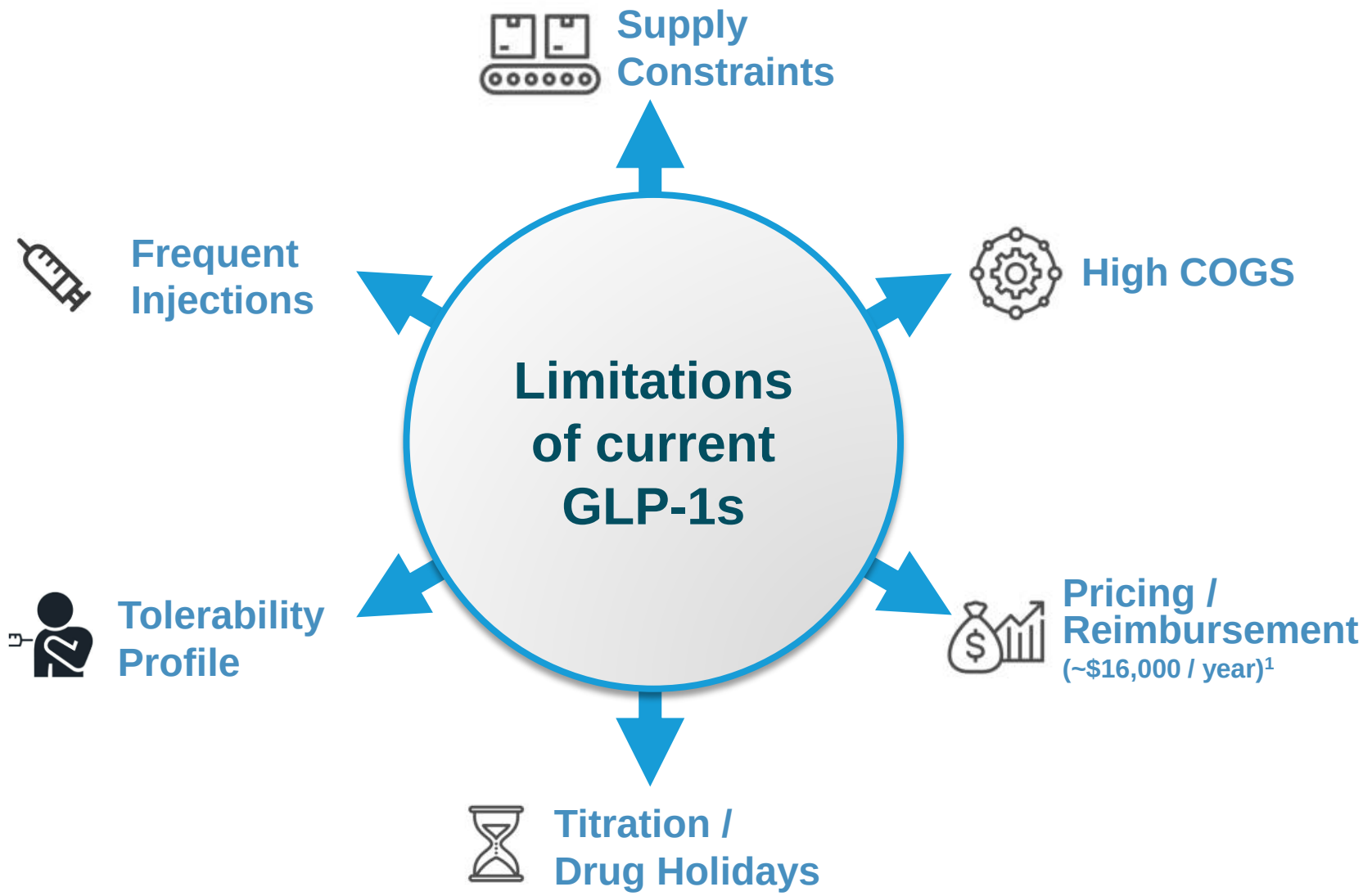
GLP-1 has demonstrated broad metabolic benefits in obesity and Type 2 Diabetes

- Oral GLP-1 agonists have demonstrated efficacy on weight loss, HbA1c over 28-days[1], but are limited by dosing / tolerability
- Terns' GLP-1 agonist program focused on:
  - Potent, safe and effective small molecule (non-peptide) with **oral once-daily dosing**
  - Suitable for **combination / co-formulation**
  - Applicability to obesity and other indications
- Ph 1 trial ongoing; **top-line data (28-day PoC) expected in 2H24**
  - SAD completed; MAD underway with once-daily dosing
  - Blinded Phase 1 SAD/MAD safety unremarkable to date; no observations of liver enzyme elevations or drug induced liver injury



Source (left): Kalra, S., Das, A.K., Sahay, R.K. et al; Reference standard source (right): Saxena 2021; PubChem
1. Nature - danuglipron Phase 1 results; PoC: Proof of concept; SAD: single ascending dose; MAD: multiple ascending dose

Oral, Small-Molecule GLP-1s May Address Limitations of Current Injectable GLP-1s



1. Novocare: Wegovy has a list price of $1,349 / package * 12 pkgs/year

Phase 1 28-Day Weight Loss Data in Expected in 2H24

MAD underway; blinded safety findings unremarkable to date with no liver enzyme elevations, drug induced liver injury or discontinuations due to adverse events

TERN-601

Ph 1 Trial Design

Population
- Healthy adults with obesity or overweight

Endpoints
- Primary: Safety and tolerability
- Secondary / exploratory: PK, **Δ in body weight over 28-days**, etc.

Part 1 Single Ascending Dose

TERN-601 Once-daily Monotherapy (N≈ 40-48)

Up to 6 SAD cohorts, 30 mg starting dose (N=8 per cohort)

✓ **SAD completed;** MAD underway with once-daily dosing

Up to 6 MAD cohorts (N=12 per cohort)

Initial cohorts characterize PK and tolerability to optimize starting dose for titration cohorts

Part 2 Multiple Ascending Dose

TERN-601 Once-daily Monotherapy (N≈ 72)

Subsequent 28-day dose titration cohorts (≥3 cohorts) to assess weight loss

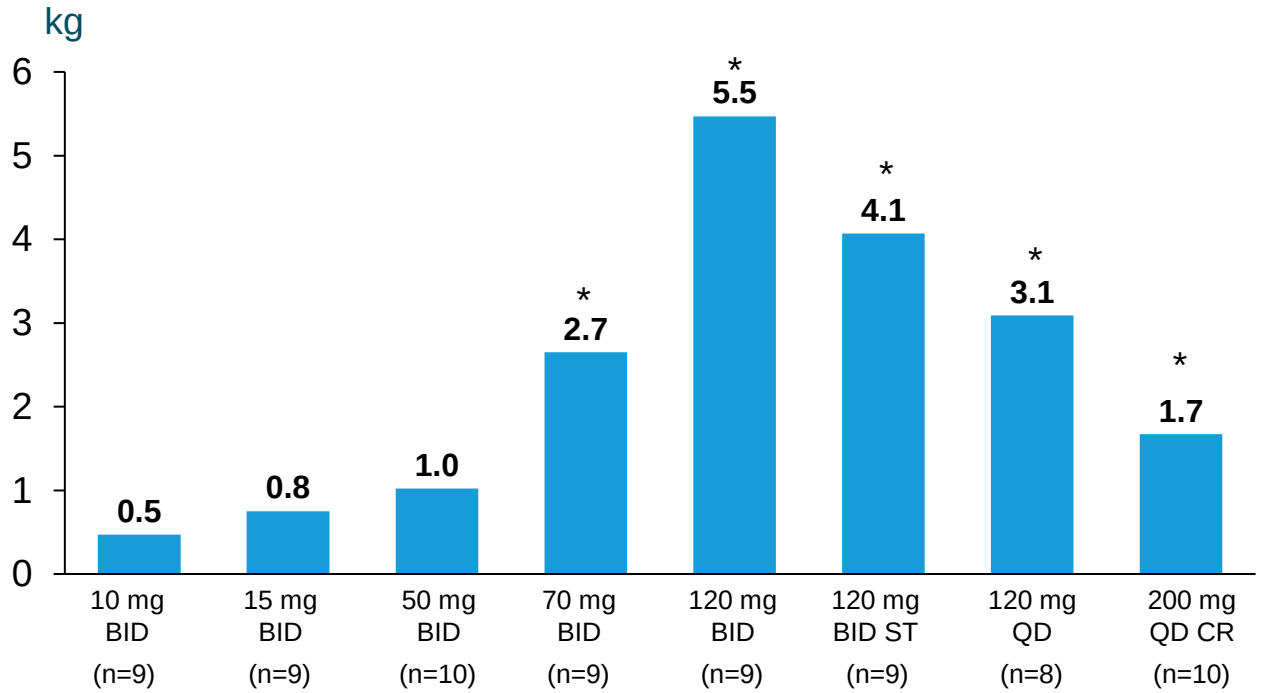
Top-line 28-day weight loss data **expected in 2H24**

DSAD participants with Body Mass Index (BMI) of ≥ 25 to < 40 kg/m^2; MAD participants with BMI of ≥ 27 to < 40 kg/m^2

Oral, Small Molecule GLP-1RAs Can Demonstrate Proof-of-Concept Weight Loss in Trials as Short as 1 Month

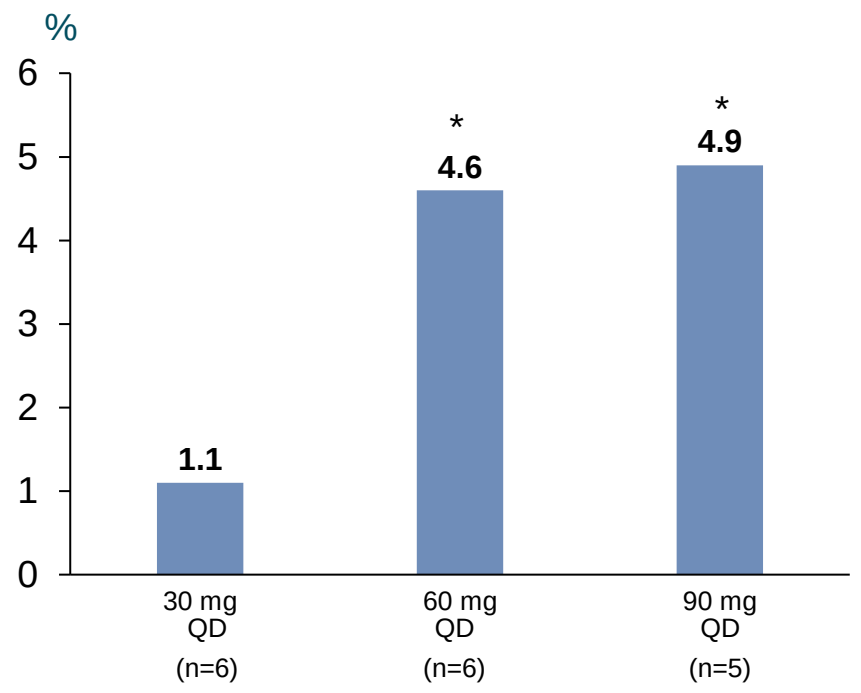
danuglipron 28-day Phase 1 Results

Placebo-adjusted mean body weight loss (kg)



GSBR-1290 28-day Phase 1b Results

Placebo-adjusted mean body weight loss (%)



Source: Nature and Company press releases
QD, once daily; BID, twice daily; ST, slow titration; CR, controlled-release; HbA1c, glycated hemoglobin
* Statistically significant vs placebo

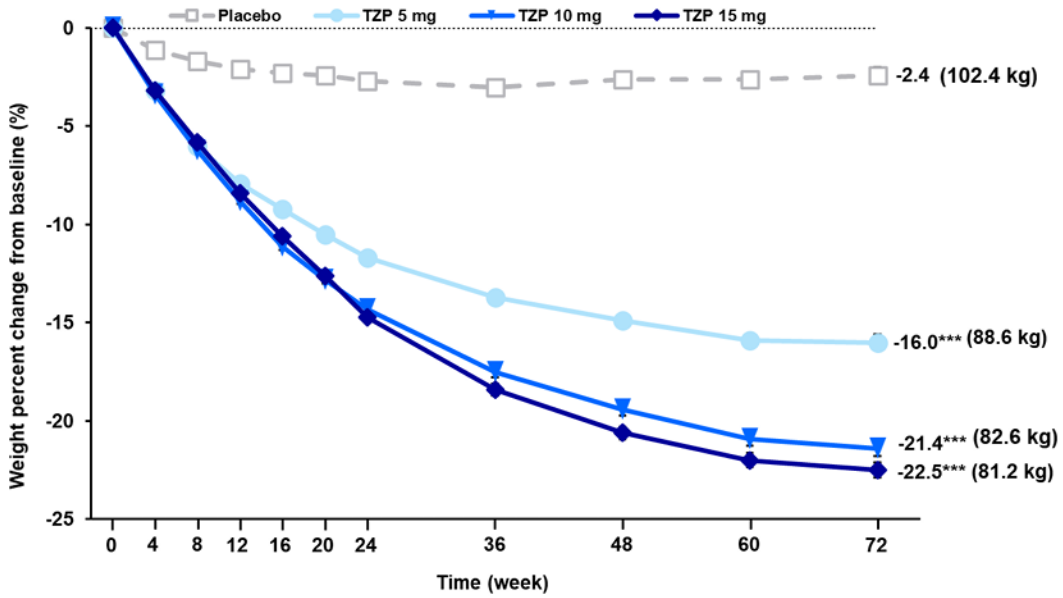
TERN-800 Series

- Prioritizing efforts on nominating a GIPR antagonist development candidate
- Candidate nomination activities ongoing
- Focused on potential first-in-class GIPR modulators

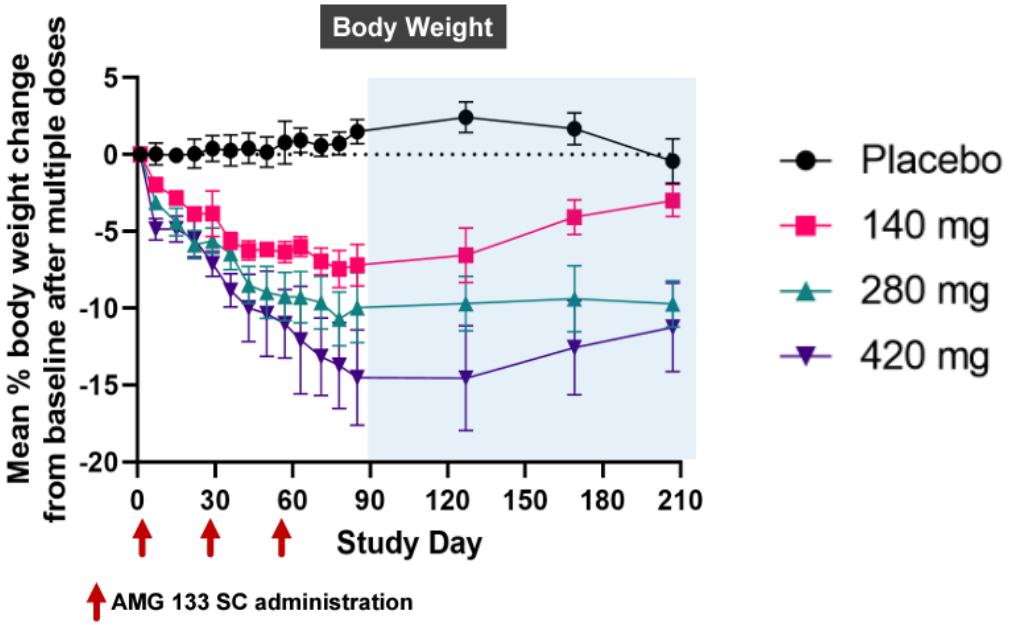
GIPR Modulators Have Shown High Potential in Weight Loss (~15% - ~20%)

Terns' GIPR discovery efforts are ongoing; prioritizing GIPR antagonist for candidate nomination

tirzepatide, a GLP-1 / GIPR *agonist*, showed ~20% mean weight loss over 72 weeks:



AMG-133, a GLP-1 agonist / GIPR *antagonist*, also showed significant weight loss up to 150 days:



Source: Campbell Mol Metab. 2021 Apr; 46: 101139; AMGN data disclosure; LLY data disclosure

TERN-800 Series is Underway: Prioritizing Efforts Towards Nominating a GIPR Antagonist Candidate

GIPR Antagonist in Lead Optimization

- Prioritizing efforts on nominating a GIPR antagonist development candidate based on in house discoveries and growing scientific rationale supporting GLP-1 agonist & GIPR antagonist combos for obesity

GIPR Modulator Discovery Efforts Ongoing

- Combining internal chemistry expertise with external synthesis teams to develop initial set of ‘800 series compounds based on improving known scaffolds
- Supplementing efforts with computational approach to virtually screen 9 billion compounds *in silico* to identify additional GIPR modulators
- Focused on modulators that can be combined with GLP-1s

TERN-501

Highly-Selective THR-β Agonist

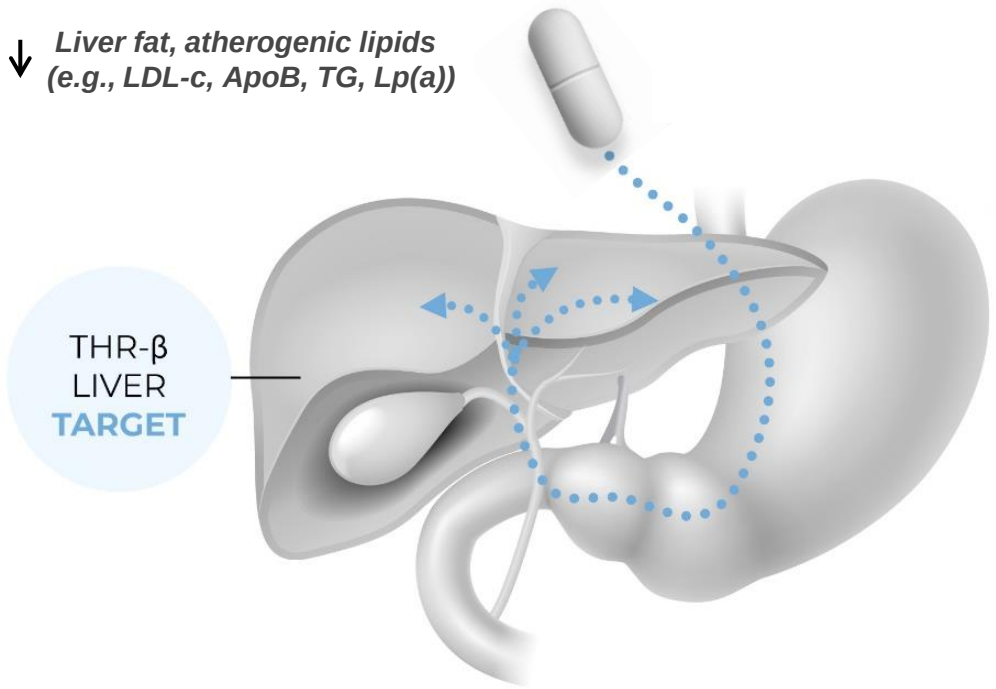
- Potential best-in-class THR-β agonist on efficacy and tolerability based on Phase 2 clinical data
- Emerging superior profile for combinations with GLP-1s to enhance weight loss and metabolic health
- Evaluating opportunities to further develop TERN-501 as a partner therapy for cardiometabolic disease

TERN-501: A Differentiated THR-β Agonist

THR-β regulates key aspects of energy metabolism (e.g., fatty acid & lipid synthesis, liver fat removal through fatty acid oxidation)

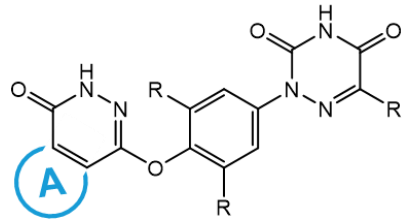
↑ *Sex hormone binding globulin*

↓ *Liver fat, atherogenic lipids (e.g., LDL-c, ApoB, TG, Lp(a))*



Other THR-β agonists face limitations with off-target effects, unpredictable PK, or need for CYP metabolism

- TERN-501 was screened for **a differentiated, potentially best-in-class profile**:



TERN-501

- High β/α selectivity → low dose, broad therapeutic window, low CV side effects and improved efficacy
- Better gastrointestinal profile vs peer molecules → improved tolerability
- Predictable PK, once-daily dosing with low drug-drug interaction potential → attractive partner for combinations

- **Positive top-line DUET results** announced August 2023: compelling profile of **efficacy, tolerability & combinability** vs peers

Source: Sinha et al. Thyroid (2019); TERN-501 EASL 2020 Poster

TERN-501 Has Best-in-Class Potential

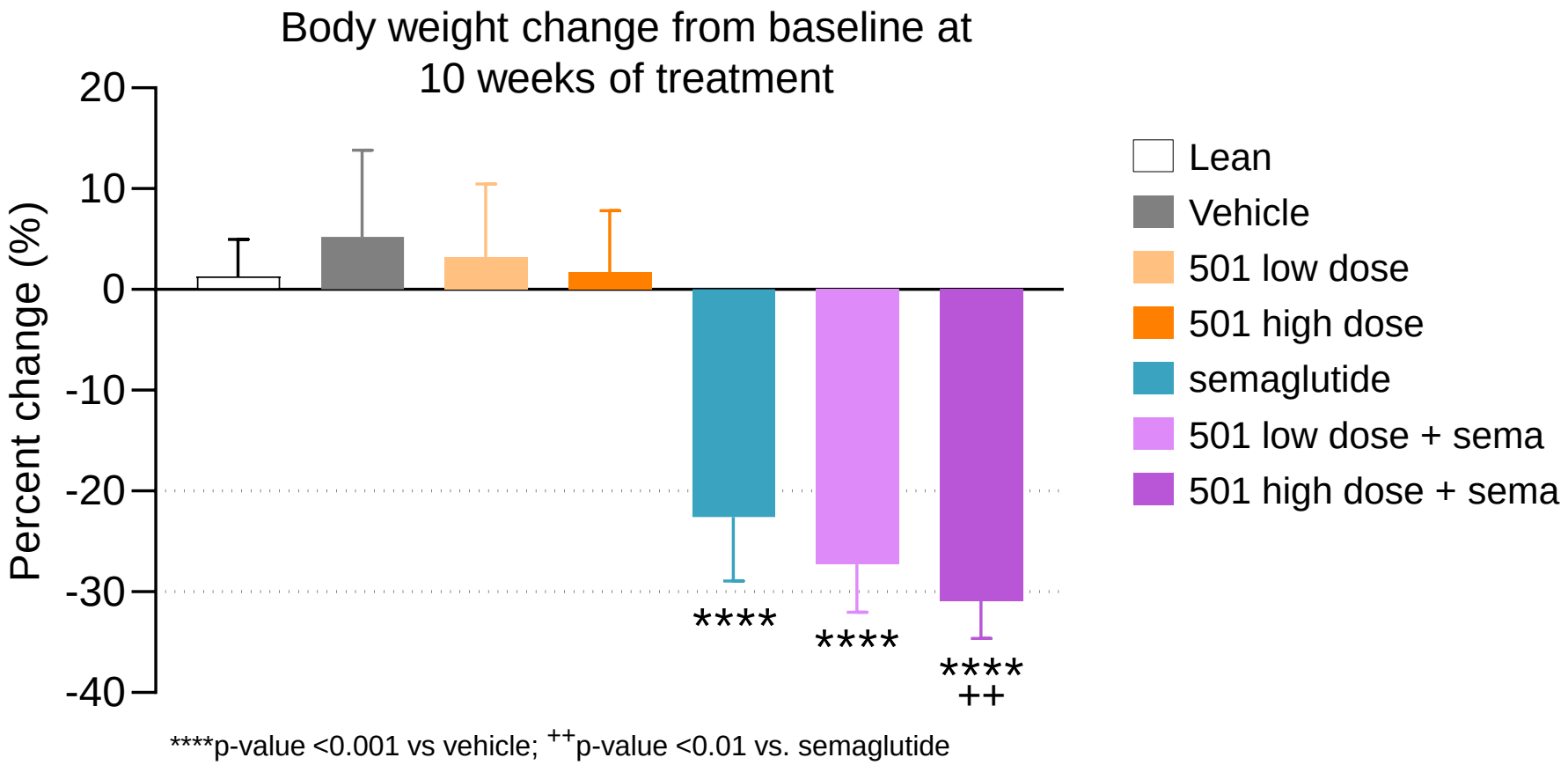
Comparison of THR-βs	TERN-501	Resmetirom	VK2089	ALG-055009	ASC41
Class Leading Liver Fat Reductions	✓	-	✓-	?	-
Once-Daily Dosing	✓	✓	?	✓	✓
Safe/Efficacious @ Low Dose	✓	-	?	-	-
High THR-β / α Selectivity	✓	✓	-	✓	-
Combinability (Linear, Non-variable PK)	✓	-	-	✓	-
Not Metabolized by CyP	✓	-	-	✓	-
Lack of Cardiovascular AEs	✓	✓	-	✓	✓
Lack of Central Thyroid Effects	✓	✓	-	-	-
Lack of GI Adverse Events	✓	-	✓	-	✓
Total Score	**9**	4	2	5	3

Scoring based on publicly available data; comparisons were not done on a head-to-head basis and includes cross-trial and/or cross-phase comparisons; AEs refer to treatment-related AEs; references available upon request.

Non-clinical Data Suggests TERN-501 May Augment Weight Loss Effects of GLP-1R Agonist

Preliminary data in diet-induced obese (DIO) NASH mice[1]; study remains ongoing

- Semaglutide induces significant body weight loss after 10-weeks of treatment
- TERN-501 **significantly enhances** body weight loss effects of semaglutide



****p-value <0.001 vs vehicle; $^{++}$p-value <0.01 vs. semaglutide

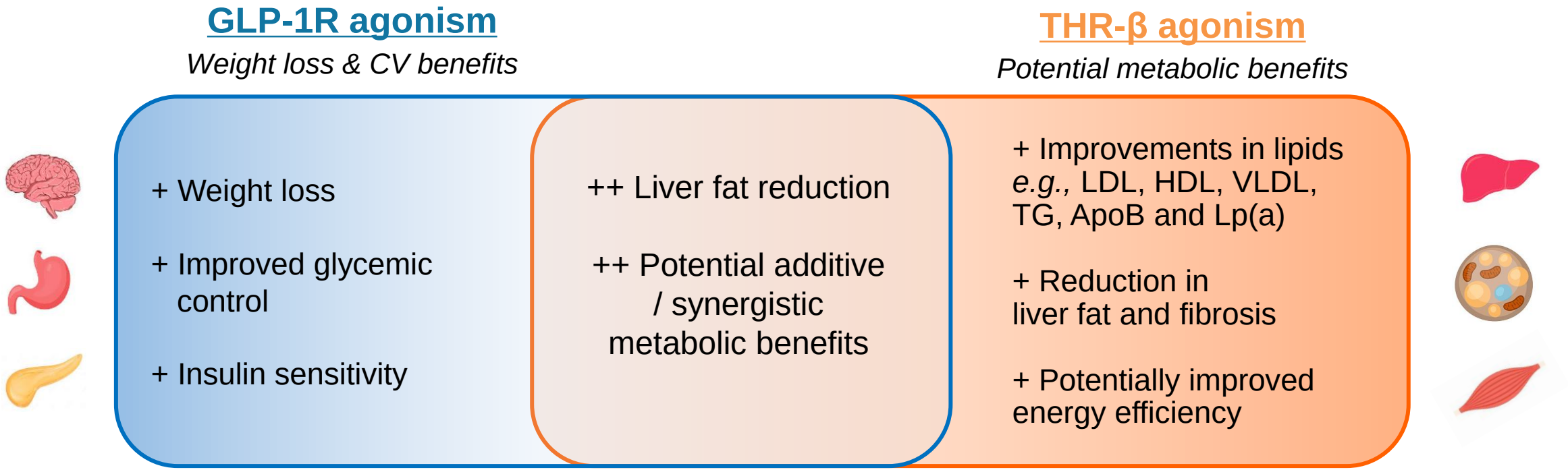
1. Body weight change after 10-weeks of treatment; mice on Gubra amylin high fat, cholesterol, and fructose diet for >35-weeks prior to study start

Note: TERN-501 dosed orally, once-daily; semaglutide dosed subcutaneously, once-daily. The same doses of TERN-501 and semaglutide monotherapy arms were used in combination arms

Combination of GLP-1 and THR-β Has the Potential to Improve Multiple Metabolic Disorders

Potential beneficial effects of simultaneously targeting multiple pathways involved in weight control and metabolism

- Terns is uniquely positioned to develop an oral GLP-1 + THR-β combination



Conclusions

- Strong Balance Sheet
- Multiple upcoming milestones

Strong Financial Position Supports Upcoming Milestones

* As of March 31, 2024; shares include common stock and prefunded warrants

Key Completed and Upcoming Milestones

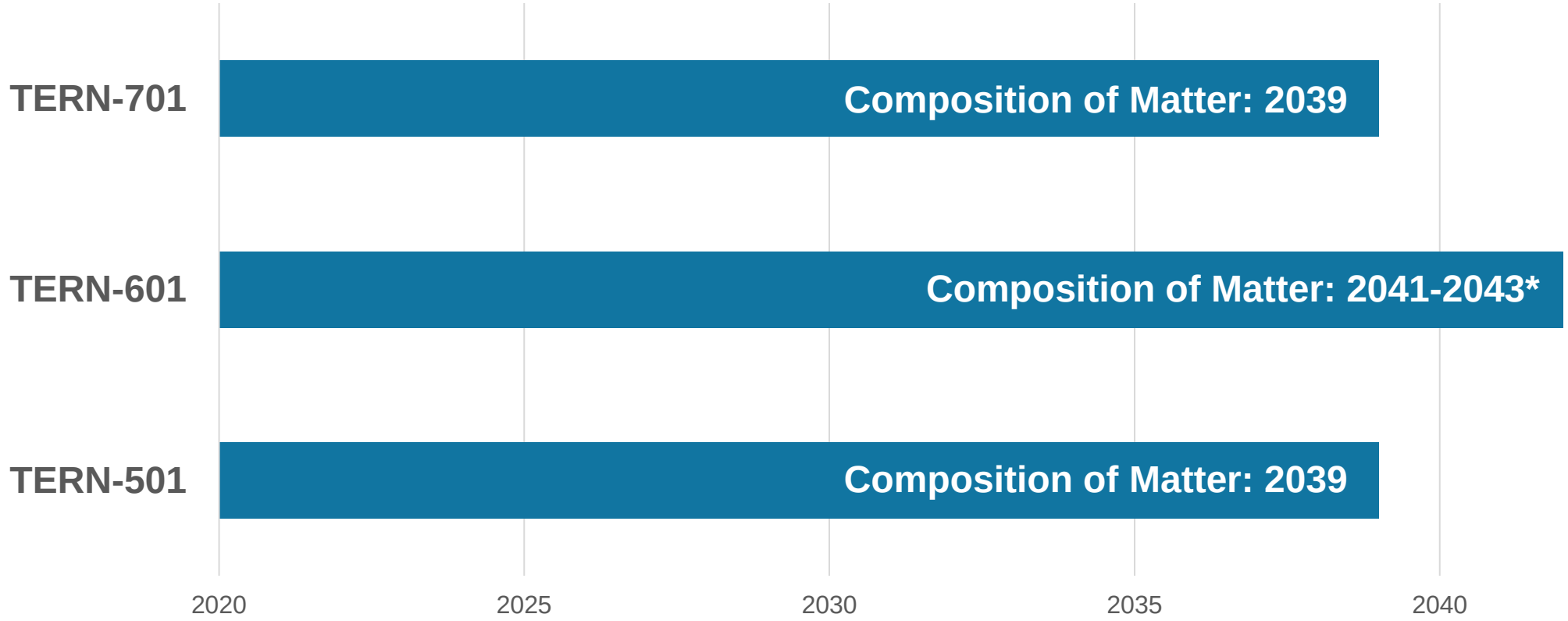
Multiple clinical milestones expected across Terns' pipeline

	1H 2023	2H 2023	1H 2024	2H 2024
TERN-701 (Allosteric BCR-ABL)		✓ U.S. Ph 1 Trial initiated (Dec 2023)		CARDINAL **Interim data from initial Phase 1 cohorts** (2H24)
TERN-601 (GLP-1 Agonist)		✓ Phase 1 trial initiated (Nov 2023)		**Phase 1 top-line data** (2H24)
TERN-501 (THR-β Agonist)		✓ DUET MASH Phase 2a combo trial top-line data (Aug 2023)		

Note: Check mark (✓) denotes completed milestones, all other milestones are anticipated future milestones. Relative position of completed or expected milestones on illustration does not denote or imply chronological order

Terns: Robust Intellectual Property

In addition to patents, 5-year NCE exclusivity (plus 30 month stay) expected to apply after approval
Patent applications cover polymorphs, drug product formulation and combo approach



All figures above denote US timelines only, similar coverage periods assumed for other territories. * We own multiple composition of matter patent application families directed to our GLP-1R agonist compounds, including TERN-601, for which claims have not yet been granted. Any patents that may issue from applications in these families are generally projected to expire in 2041-2043, not including any patent term adjustments and/or patent term extensions that may be available.

Mission. Vision. Core Values.

MISSION

To advance transformative medicines that address serious diseases

VISION

To pioneer significant innovations across the lifecycle of drug development

TRUST
EVOLVE
RESPECT
NURTURE
SOAR

Trust: empowered and accountable to do the right thing

Evolve: learning and growing from our successes, failures and changes in the environment

Respect: celebrating the diversity of our backgrounds, opinions and experiences

Nurture: fostering internal and external relationships

Soar: aiming high and being your best

Appendix

CARDINAL Design Features Multiple Differentiation Opportunities for TERN-701 in the CML Landscape

Improved ability to dose optimize TERN-701

- Starting dose that appears safe and clinically active
- Opportunity to efficiently develop TERN-701 as a dose-optimized allosteric inhibitor for CML

Inclusion of 2L chronic phase CML patients

- Better positions Terns to move directly to a 2L (or earlier line) pivotal study
- No allosteric inhibitor currently approved for 2L CML patients

Allosteric MoA excitement

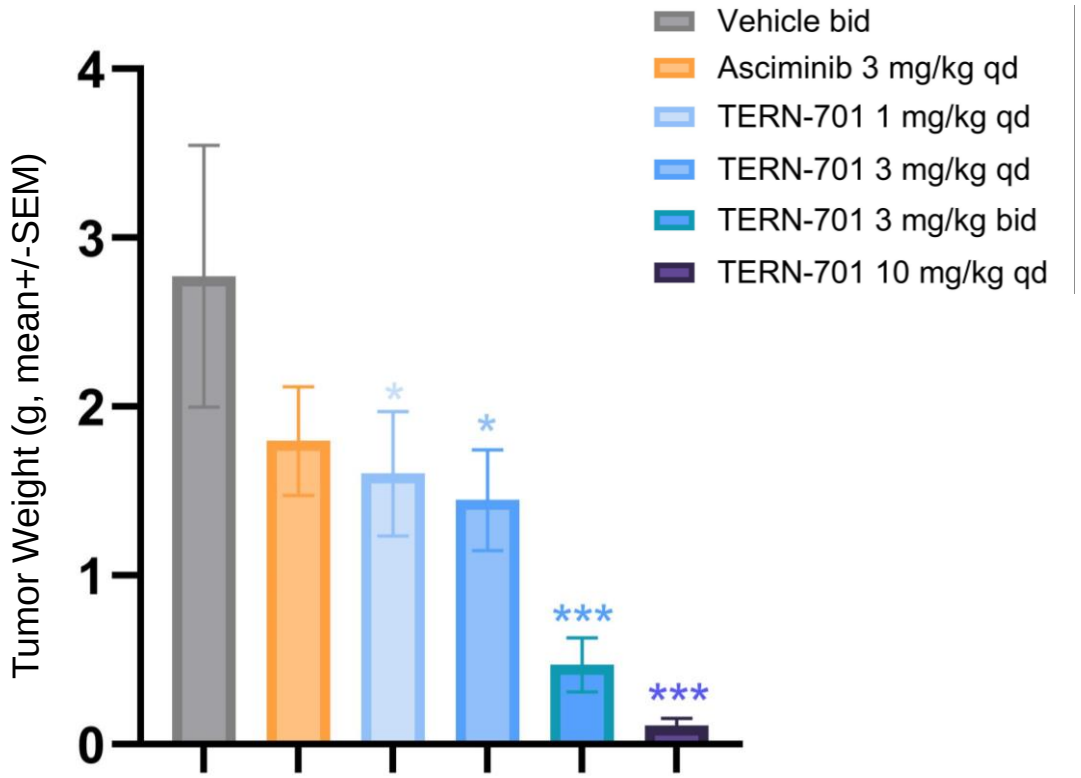
- High interest given limited allosteric inhibitor treatment options
- Reduced competition for trial enrollment

Opportunities for TERN-701 to be uniquely positioned → Initial data expected in 2H24

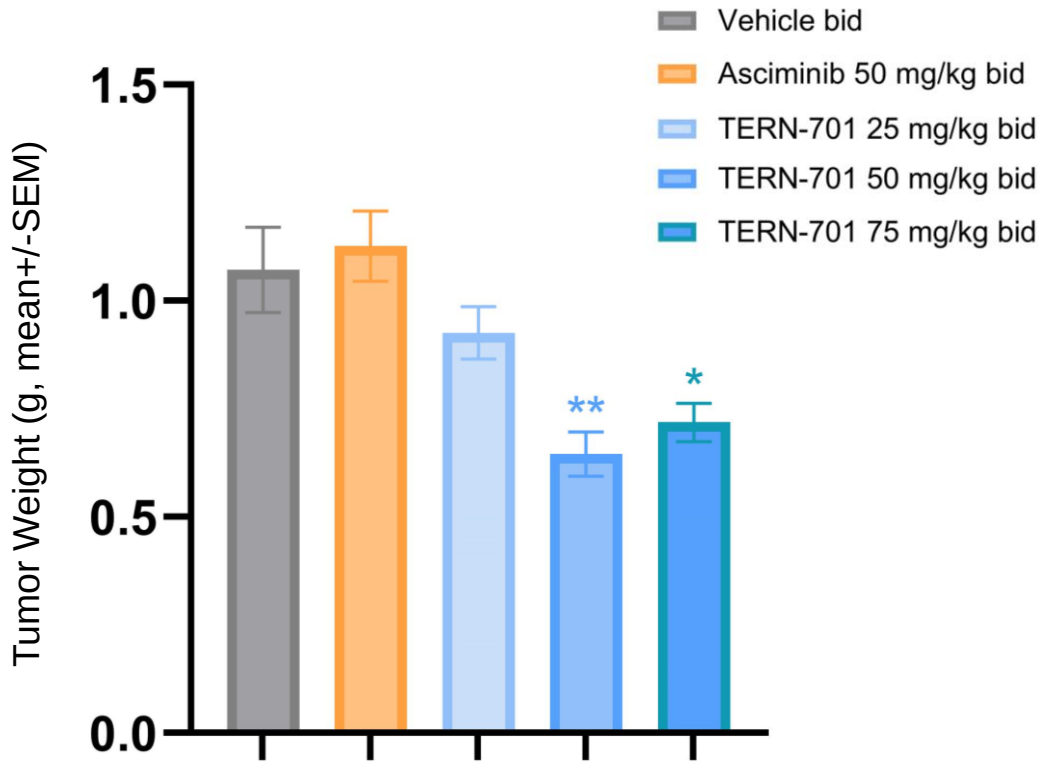
Note: 2L: 2nd line, MoA: mechanism of action

TERN-701 Showed a Greater Anti-Tumor Effect vs. asciminib in Non-clinical Models of CML

K562 Xenograft
(Day 14)



Ba/F3 BCR-ABL1-T315I Allograft
(Day 15)

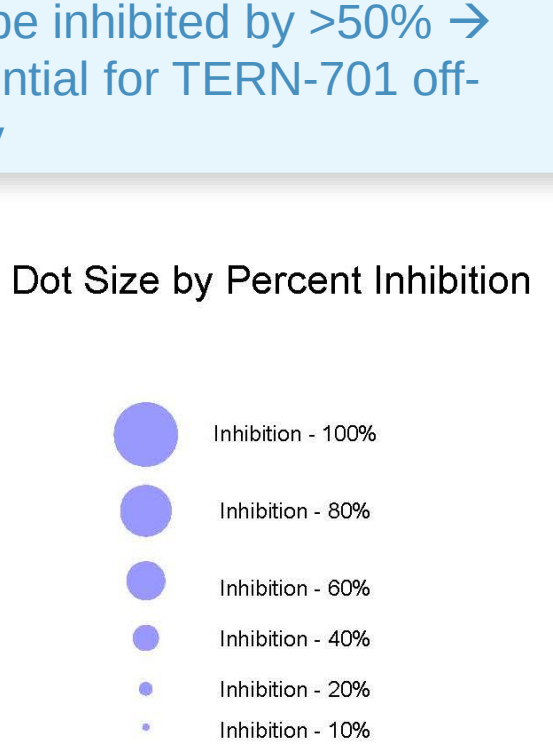


Source: ASPET TERN-701 poster
Note: NOD-SCID (K562) and BALB/c nude mice (Ba/F3T315I) were implanted with CML cells, randomized, and administered the indicated TKIs once tumor volumes reached a mean size of 110 mm. Mean tumor weights for each of the treatment groups at the conclusion of the study. All error bars represent the SEM. *p<0.05, **p<0.01, ***p<0.001.
asciminib was utilized as the free base, TERN-701 was formulated as an optimized salt form

TERN-701 Also Demonstrated High Selectivity on a Broad Kinase Panel, Suggesting Reduced Potential for Off-Target Activity

TERN-701 was assessed at 1 µM against a panel of 375 kinases

No kinase, including wild-type ABL1, was observed to be inhibited by >50% → reduced potential for TERN-701 off-target activity

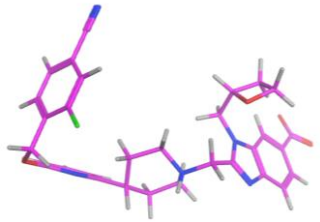


Source: ASPET TERN-701 poster

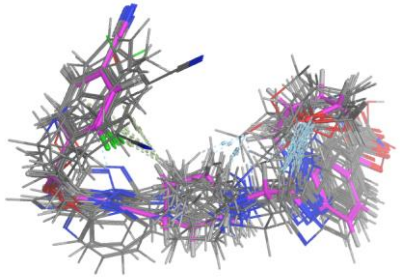
Terns' Proprietary Model Predicts New GLP-1RA Molecular Activity with Greater Accuracy than Physics-based Evaluations

Terns' Discovery Approach for GLP-1

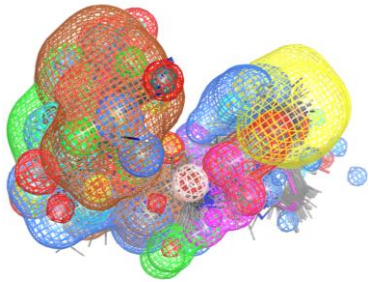
1. Begin with original reference molecule…



2. … overlay with GLP-1 molecules with known EC_{50} (half maximal effective concentration) data and active site binding properties…



3. … to build a 3D QSAR model (Terns' proprietary screening tool)

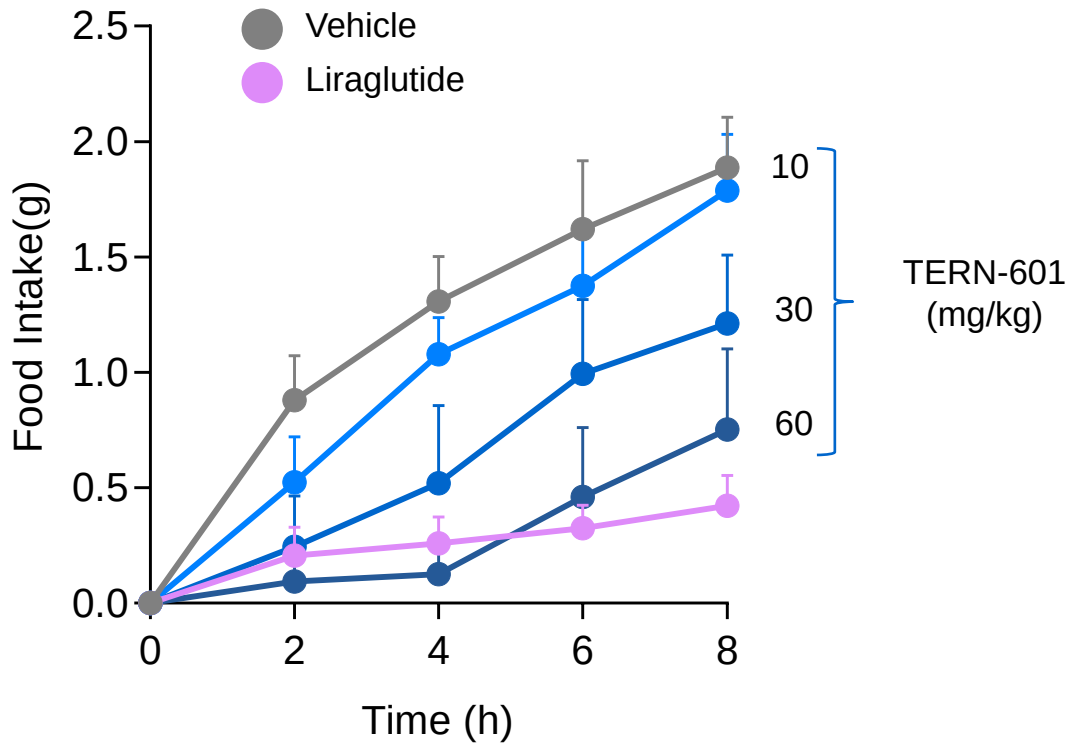


- Terns' GLP-1 scaffolds are designed using our proprietary 3D QSAR model of the GLP-1 receptor
  - Using QSAR, Terns' medicinal chemistry team can predict new GLP-1R molecular activity with **greater accuracy** than physics-based evaluations
- Screened 20,000+ molecular permutations to identify suitable small-molecule scaffolds with potentially improved properties relative to other GLP-1s
- Terns has **synthesized multiple compounds** targeting GLP-1R that exhibit varying degrees of ligand bias towards cAMP and β-arrestin
- Our lead molecule, TERN-601, is a potent GLP-1R agonist partially biased towards cAMP generation

QSAR: Quantitative Structure Activity Relationship

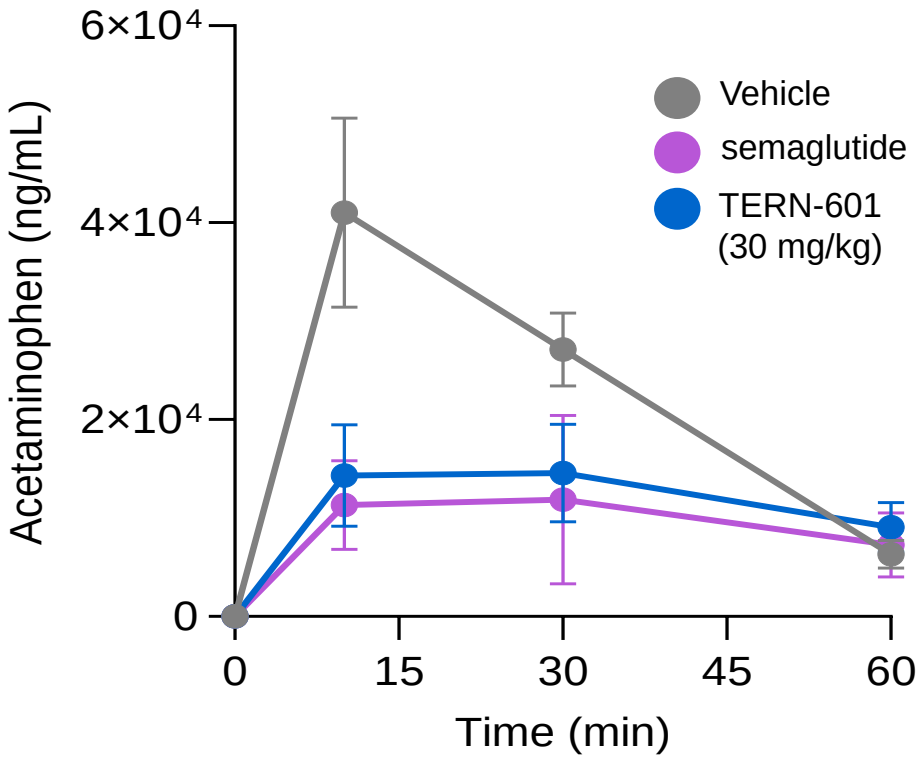
TERN-601 Reduced Food-intake & Slowed Gastric Emptying in Humanized GLP-1R Mice

Cumulative food-intake



Food intake was measured in fasted mice treated with TERN-601 (10, 30, 60 mg/kg, PO) or liraglutide (0.3 mg/kg, SQ), with food available ad libitum 15 minutes post dose. Data presented as mean ±SD (n = 10/group).

Gastric emptying

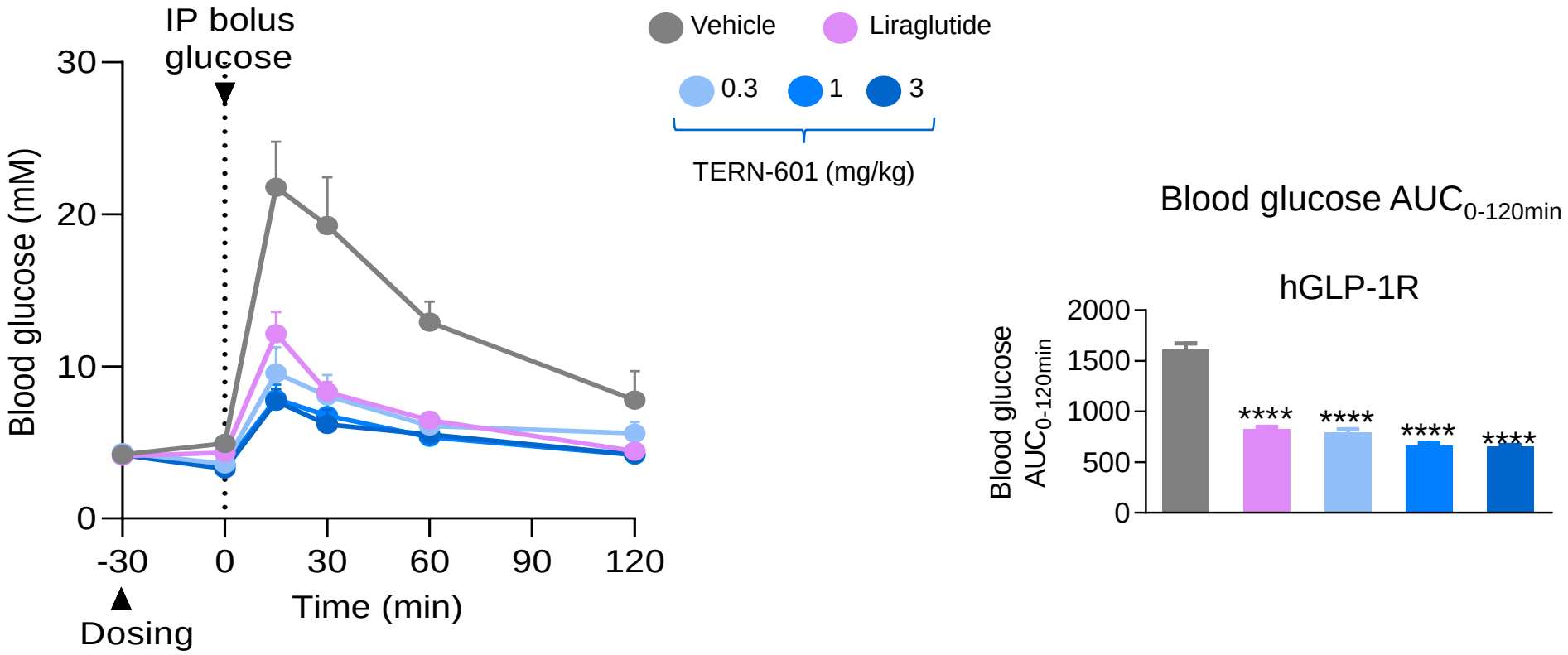


Gastric emptying was assessed using acetaminophen pharmacokinetics as a marker in fasted mice given TERN-601 (30 mg/kg, PO) or semaglutide (10 nmole/kg, SQ), followed by acetaminophen (APAP, 100 mg/kg) and glucose (2 g/kg). Acetaminophen levels in plasma were measured at various time points by LC-MS/MS. Data presented as mean ±SD APAP plasma concentration (n = 5/group)

Source: ADA TERN-601 poster

TERN-601 Demonstrated Similar Activity to Peptide Control on Glucose Tolerance in Humanized GLP-1R mice

Intraperitoneal glucose tolerance test (IPGTT) in hGLP-1R mice



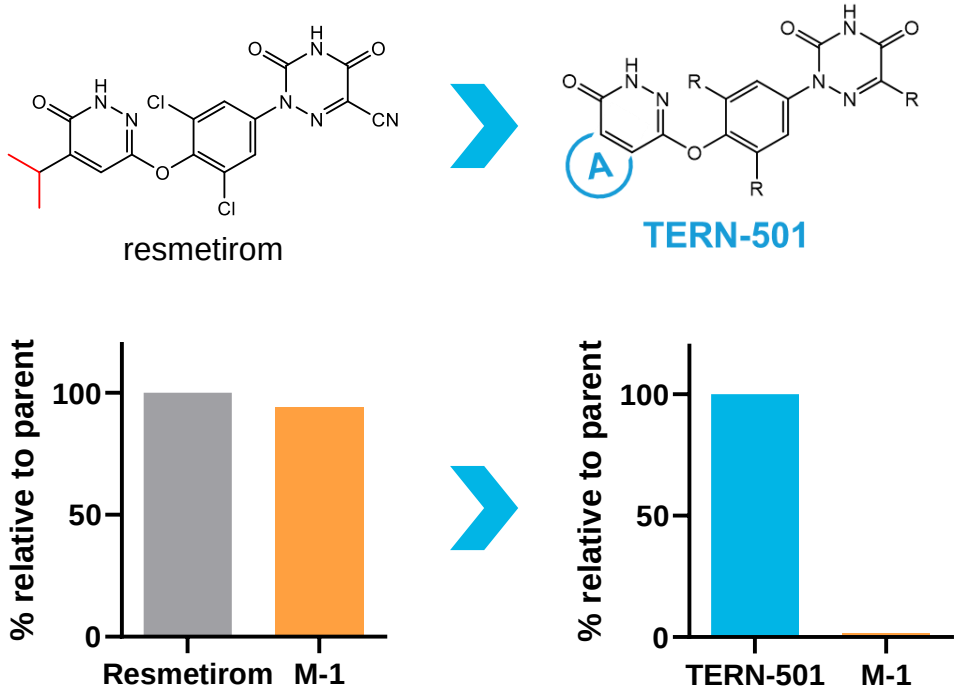
*Fasted hGLP1R and WT mice received TERN-601 (0.3, 1, 3 mg/kg, PO) or liraglutide (0.3 mg/kg, SQ) before glucose challenge (2 g/kg IP) and blood glucose was monitored for 120 minutes. Data presented as mean ±SD (n = 5-7/group) ns= not significant; ****p<0.0001 vs. Vehicle.*

Source: ADA TERN-601 poster

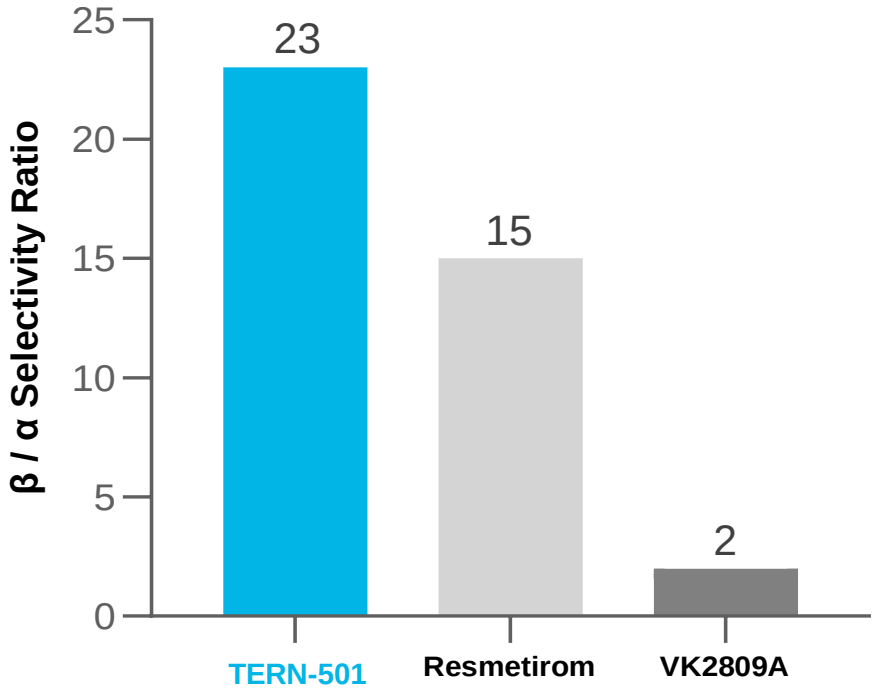
TERN-501 Improved PK & THR-β Selectivity

Differentiated and excellent candidate for co-formulation

TERN-501: Improved Pharmacokinetics



TERN-501: Improved THR-β ratio

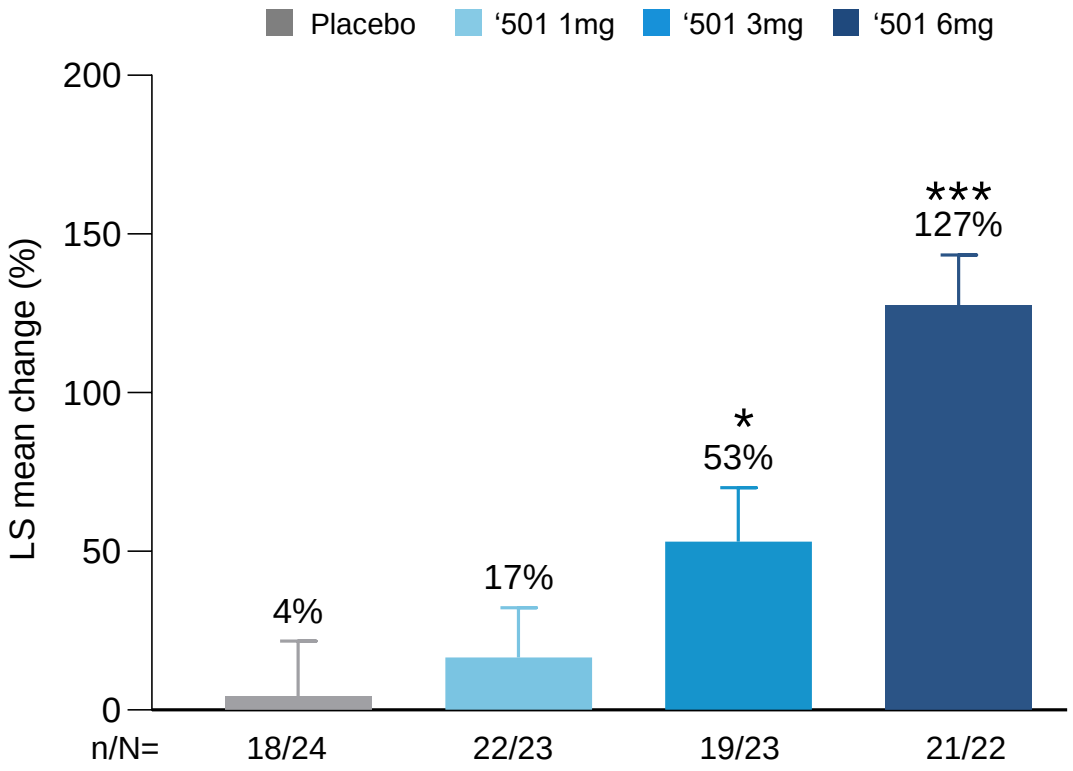


Source: (Left) TERN-501 metabolite data in hepatocytes from pre-clinical Terns ADME study, resmetirom metabolite data in human (80mg/day) from US provisional 62/516,594
(Right) using methods described in J. Med. Chem. 2014, 57, 3912−3923

TERN-501 Demonstrated Compelling SHBG Increases and Liver Fat Reduction with Convenient Once-Daily Dose

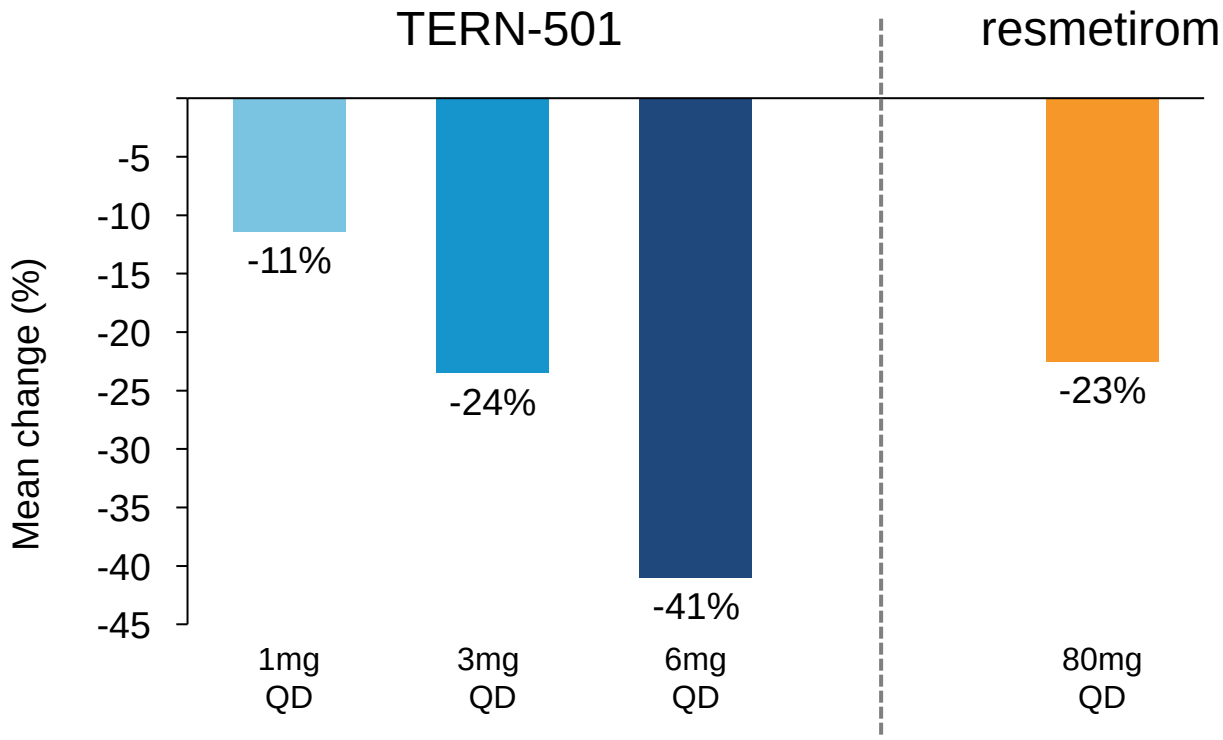
DUET

TERN-501 Relative Change in SHBG (Week 12)



*p-value <0.05; **p-value <0.01; ***p-value <0.001 for monotherapy vs. placebo
n=number of patients with data available; N=number of patients in analysis set
SHBG: sex hormone binding globulin

Placebo Adjusted Mean Relative Change in Liver Fat from Baseline (MRI-PDFF at Week 12)†



† The Phase 2 clinical trial evaluating resmetirom was conducted by another party in a similar patient population with different protocols at different sites and at different times from the DUET trial. Results do not reflect a head-to-head trial and are shown for illustrative purposes only.
Source: MDGL: Harrison et al. Lancet (2019), Table 2, placebo response -10.4%
Baseline liver fat % (n): TERN-501: 1mg QD 17% (n=23), 3mg QD 20% (n=23), 6mg QD 17% (n=22); resmetirom: 80mg QD 20% (n=84)

Drug-related AEs of Interest for TERN-501 Were Balanced Among Treatment Arms

DUET

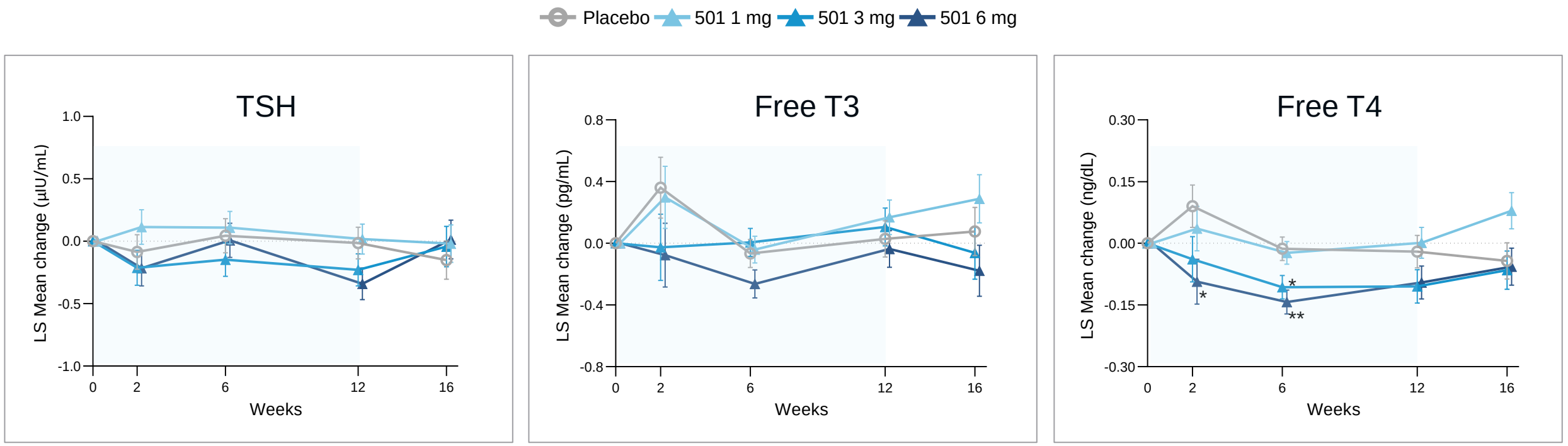
No differences seen between TERN-501 and placebo; no drug-related CV events observed

Participants, n	Placebo (N=24)	TERN-501 1mg (N=23)	TERN-501 3mg (N=23)	TERN-501 6mg (N=22)
Gastrointestinal disorders	**2**	**1**	**3**	**2**
Diarrhea	*1*	*1*	*2*	*1*
Nausea	*0*	*0*	*1*	*0*
Abdominal distension	*0*	*0*	*0*	*0*
Abdominal pain (upper)	*0*	*0*	*0*	*0*
Constipation	*0*	*0*	*0*	*1*
Dyspepsia	*0*	*0*	*0*	*0*
Frequent bowel movements	*1*	*0*	*0*	*0*
Vomiting	*1*	*0*	*0*	*0*
Cardiac disorders	**0**	**0**	**0**	**0**
Pruritus	**2**	**0**	**1**	**2**

Drug-related: deemed by study investigator as related or possibly related to study drug.

No Signs of Central Thyroid Axis Modulation Observed

DUET



- Mean changes in thyroid axis hormones (TSH, free T3, and free T4) at Week 12 were similar to placebo and remained within normal limits in all TERN-501 containing arms (monotherapy and combination [not shown])
  - No difference from placebo in TSH and free T3 at any time point
  - Initial transient decreases in free T4 up to Week 6 in TERN-501 3 mg and 6 mg arms, as observed with other THR-β agonists; no difference from placebo at Week 12

*p-value <0.05; **p-value <0.01 for monotherapy vs. placebo
The blue shaded area indicates treatment period
T3, triiodothyronine; T4, thyroxine; TSH, thyroid stimulating hormone
Taub et al. *Atherosclerosis*. 2013 Oct;230(2):373-80. Harrison et al. *Lancet*. 2019 Nov 30;394(10213):2012-2024. Lian et al. *Meeting of the American College of Cardiology*. 2016. Charfi et al. *Hepatology* 2022 Oct; 76:S638