

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
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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>LAV Biosciences Fund V, L.P.</u> <hr/> (Last) (First) (Middle) UNIT 902-904 TWO CHINACHEM CENTRAL <hr/> (Street) 26 DES VOEUX ROAD K3 00000 CENTRAL <hr/> (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) 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 A Preferred Stock	(1)	(1)	Common Stock	1,392,857 ⁽¹⁾⁽²⁾	(1)	I	See footnotes ⁽³⁾ (9)
Series A Preferred Stock	(1)	(1)	Common Stock	696,428 ⁽¹⁾⁽²⁾	(1)	I	See footnotes ⁽⁴⁾ (9)
Series B Preferred Stock	(5)	(5)	Common Stock	952,380 ⁽²⁾⁽⁵⁾	(5)	I	See footnotes ⁽⁶⁾ (9)
Series C Preferred Stock	(7)	(7)	Common Stock	334,318 ⁽²⁾⁽⁷⁾	(7)	I	See footnotes ⁽⁶⁾ (9)
Series C Preferred Stock	(7)	(7)	Common Stock	1,405,583 ⁽²⁾⁽⁷⁾	(7)	I	See footnotes ⁽⁸⁾ (9)

1. Name and Address of Reporting Person*
LAV Biosciences Fund V, L.P.

 (Last) (First) (Middle)
 UNIT 902-904
 TWO CHINACHEM CENTRAL

 (Street)
 26 DES
 VOEUX ROAD K3 00000
 CENTRAL

 (City) (State) (Zip)

1. Name and Address of Reporting Person*

Hopewell Resources Holdings Ltd

(Last) (First) (Middle)

UNIT 902-904

TWO CHINACHEM CENTRAL

(Street)

26 DES

VOEUX ROAD K3

000000

CENTRAL

(City)

(State)

(Zip)

1. Name and Address of Reporting Person *

Oriental Spring Venture Ltd

(Last) (First) (Middle)

UNIT 902-904

TWO CHINACHEM CENTRAL

(Street)

26 DES

VOEUX ROAD K3

000000

CENTRAL

(City)

(State)

(Zip)

1. Name and Address of Reporting Person *

LAV Aqua Ltd

(Last) (First) (Middle)

UNIT 902-904

TWO CHINACHEM CENTRAL

(Street)

26 DES

VOEUX ROAD K3

000000

CENTRAL

(City)

(State)

(Zip)

Explanation of Responses:

1. Each share of Series A 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.
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. Shares held by Hopewell Resources Holdings Limited.
4. Shares held by Oriental Spring Venture Limited.
5. 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.
6. Shares held by LAV Aqua Limited.
7. 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.
8. Shares held by LAV Biosciences Fund V, L.P.
9. LAV Corporate GP, Ltd. is the general partner of LAV GP III, L.P., which is the general partner of the parent entity of Hopewell Resources Holdings Limited and Oriental Spring Venture Limited. LAV Corporate IV GP, Ltd., is the general partner of LAV GP IV, L.P., which is the general partner of the parent entity of LAV Aqua Limited. LAV Corporate V GP, Ltd., is the general partner of LAV GP V, L.P., which is the general partner of LAV Biosciences Fund V, L.P. Dr. Yi Shi is the managing partner of LAV Corporate GP, Ltd., LAV Corporate IV GP, Ltd., and LAV Corporate V, L.P. and has all voting and investment power with respect to shares beneficially held by each of Hopewell Resources Holdings Limited, Oriental Spring Venture Limited, LAV Aqua Limited and LAV Biosciences Fund V, L.P. Dr. Yi Shi is a managing partner at Lilly Asia Ventures.

/s/ Yu Luo, as Authorized

Signatory of LAV

Biosciences Fund V, L.P.

02/04/2021

/s/ Yu Luo, as Director of

Hopewell Resources

Holdings Ltd

02/04/2021

/s/ Yu Luo, as Director of

Oriental Spring Venture

Ltd

02/04/2021

/s/ Yu Luo, as Director of

02/04/2021

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.