

| OMB APPROVAL | |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

| | | |
|---|--|---|
| 1. Name and Address of Reporting Person* <u>GORDON CARL L</u> (Last) (First) (Middle) <u>C/O ORBIMED ADVISORS LLC</u> <u>601 LEXINGTON AVENUE, 54TH FLOOR</u> (Street) <u>NEW YORK NY 10022</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>Terms Pharmaceuticals, Inc. [TERN]</u> | 5. 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) |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>02/09/2021</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 | 02/09/2021 | | C | | 1,326,481 | A | (1)(5) | 1,326,481 | I | See footnotes ⁽²⁾⁽⁴⁾ |
| Common Stock | 02/09/2021 | | C | | 1,989,723 | A | (1)(5) | 1,989,723 | I | See footnotes ⁽³⁾⁽⁴⁾ |
| Common Stock | 02/09/2021 | | P | | 190,000 | A | \$17 | 1,516,481 | I | See footnotes ⁽²⁾⁽⁴⁾ |
| Common Stock | 02/09/2021 | | P | | 285,000 | A | \$17 | 2,274,723 | I | See footnotes ⁽³⁾⁽⁴⁾ |

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 B Preferred Stock | (1) | 02/09/2021 | | C | | 714,285 | | (1) | (1) | Common Stock | 714,285 | (1) | 0 | I | See footnotes ⁽²⁾⁽⁴⁾ |
| Series B Preferred Stock | (1) | 02/09/2021 | | C | | 1,071,428 | | (1) | (1) | Common Stock | 1,071,428 | (1) | 0 | I | See footnotes ⁽³⁾⁽⁴⁾ |
| Series C Preferred Stock | (5) | 02/09/2021 | | C | | 612,196 | | (5) | (5) | Common Stock | 612,196 | (5) | 0 | I | See footnotes ⁽²⁾⁽⁴⁾ |
| Series C Preferred Stock | (5) | 02/09/2021 | | C | | 918,295 | | (5) | (5) | Common Stock | 918,295 | (5) | 0 | I | See footnotes ⁽³⁾⁽⁴⁾ |

Explanation of Responses:

- Each share of Series B Preferred Stock automatically converted on a 1-for-2.2 basis into Common Stock immediately prior to the closing of the Issuer's initial public offering.
- 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 the Reporting Person, Sven H. Borho, and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the shares held by OAP III.
- 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. The Reporting Person is a member of OrbiMed Advisors. 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 the Reporting Person, Sven H. Borho, and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the shares held by OPI VII.
- Each of OrbiMed Advisors, OrbiMed GP, Advisors III, Asia GP, and the Reporting Person 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. This report on Form 4 shall not be deemed an admission that the Reporting Person is a beneficial owner of such securities for purpose of Section 16 of the Exchange Act, or for any other purpose.
- Each share of Series C Preferred Stock automatically converted on a 1-for-1 basis into Common Stock immediately prior to the closing of the Issuer's initial public offering.

/s/ Bryan Yoon, as Attorney-in-Fact for Carl Gordon 02/09/2021
 ** 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.