

# "TEMPUS

August 6, 2024

## A letter from our CEO

I started Tempus in September of 2015, about a year after my wife was diagnosed with breast cancer. I was frustrated at how small a role technology played in her care, and I became fixated on trying to rectify that. Next Generation Sequencing was a relatively new phenomenon at the time, and despite its power to illuminate our understanding of disease, it was hard to incorporate its findings without clinical context.

We initially set out to make genomic tests smarter by connecting them to a patient's own clinical data, so physicians could more easily integrate the results. Little did we know that we had stumbled into a model that brings the promise and power of artificial intelligence to healthcare, by building AI-enabled or "intelligent" diagnostics.

Prior to Tempus, there were really only two ways for doctors to interact with technology - embed technology into their workflow or ask them to leave their workflow and go somewhere else. Both have challenges, and as a result, healthcare has lagged other industries when it comes to the broad adoption of new technologies. Our "aha!" moment came when we realized that doctors routinely interact with laboratory tests, and if we could embed AI into the results themselves, we might be able to seamlessly infuse artificial intelligence into the healthcare system.

That insight took hold at first in oncology, then in neuropsychology and cardiology. As a result, we grew. From our first employee and the closest thing I have to a co-founder (Ryan Fukushima), to the roughly 2,500 incredibly talented people that make up our team today. Commensurate with our growth, we have become a trusted partner to hundreds of life science companies and thousands of physicians, assisting them in their efforts to help patients live longer and healthier lives.

Over the past several years, I've become convinced we are at the beginning of one of the most fundamental value creation curves of our lifetime as technology permeates healthcare. At Tempus, our goal is to take advantage of that by revolutionizing diagnostics through artificial intelligence. As you can imagine, it's going to take us a long time to fulfill our goal.

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A wise man once said, “You get the shareholders you deserve.” While that’s probably right, a precursor has to be, “You get the shareholders you ask for.” My job in this letter is to ask you to place your trust in us, and in return we owe you transparency into how we intend to steward your capital. Here it goes:

### *We intend to do what’s best for patients*

Bringing technology to healthcare isn’t easy. Every day doctors make life and death decisions, with an acute understanding that there is a real person on the other end. The system is highly regulated, barricaded on all sides by governmental bodies, established standards of care, peer review, and regulatory guidelines. As a result, infusing technology into healthcare is an uphill battle. When we make decisions, we constantly have to ask, “will this help keep patients alive?” While some might consider that too heavy a burden, we bear it willingly. We believe doing what is in a patient’s best interest is also in our shareholders’ best interest.

### *We intend to be long-term focused*

In a space as dynamic as ours, it can take decades for a company to emerge as the clear winner, which means we will have to navigate through a myriad of operational opportunities and challenges over many years. As a private company, we frequently made decisions that weren’t designed to maximize revenue in the current quarter, but instead to maximize benefit in the long term. As a public company, we hope to maintain the same orientation. Running this business focused on near-term results will likely have short-lived benefits at the expense of long-term success, an outcome we find untenable.

### *We intend to bring AI to healthcare*

This statement might sound lofty, but we are convinced that today we are in the best position to bring AI to healthcare and make precision medicine a reality. If you’ve recently spent time in a hospital, or watched a loved one battle a life-threatening illness, you would inevitably conclude that the technology revolution that has permeated the rest of our lives has not fully made its way into healthcare. We believe we are closer to fixing that than any company on the planet.

For the first time in history, the ingredients are in place to bring AI to healthcare: low-cost cloud computing, advancements in large language models and imaging technologies, and increasingly accessible molecular profiling. These ingredients didn’t even exist a decade ago. I believe we are at the precipice of a new era, where the molecule and our understanding of it will shape our lives in ways that could make other technology paradigm shifts seem small in comparison. This new era has the potential to illuminate our understanding of disease and how

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to manage it, ushering in a future where people live longer and healthier lives; a future where words like cancer and diabetes feel like ancient Latin terms. I believe we are closer to this future than most people realize, and we will do everything in our power to expedite its arrival. If we succeed, the physicians we enable, the companies we empower, the patients we serve, and the shareholders we represent, will all benefit.

We are grateful for your support as we continue on this journey.

Eric

### *Forward-Looking Statements*

*This letter contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended, about Tempus AI Inc. ("Tempus") and Tempus' industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this letter are forward-looking statements, including, but not limited to, statements regarding Tempus' plans, goals and objectives for its business and expectations concerning Tempus' future financial and operating performance. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "going to," "intend," "may," "plan," "potential," "predict," "project," "should," "target," "will," or "would" or the negative of these words or other similar terms or expressions. Tempus cautions you that the foregoing may not include all of the forward-looking statements made in this letter.*

*You should not rely on forward-looking statements as predictions of future events. Tempus has based the forward-looking statements contained in this letter primarily on its current expectations and projections about future events and trends that it believes may affect Tempus' business, financial condition, results of operations and prospects. These forward-looking statements are subject to risks and uncertainties related to: changing Medicare rates; the intended use of Tempus' products and services; Tempus' financial performance; the ability to attract and retain customers and partners; managing Tempus' growth and future expenses; competition and new market entrants; compliance with new laws, regulations and executive actions, including any evolving regulations in the artificial intelligence space; the ability to maintain, protect and enhance Tempus' intellectual property; the ability to attract and retain qualified team members and key personnel; the ability to repay or refinance outstanding debt, or to access additional financing; future acquisitions, divestitures or investments; the potential*

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*adverse impact of climate change, natural disasters, health epidemics, macroeconomic conditions, and war or other armed conflict, as well as risks, uncertainties, and other factors described in the section titled "Risk Factors" in Tempus' Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, filed with the Securities and Exchange Commission ("SEC"), as well as in other filings Tempus may make with the SEC in the future. In addition, any forward-looking statements contained in this letter are based on assumptions that Tempus believes to be reasonable as of this date. Tempus undertakes no obligation to update any forward-looking statements to reflect events or circumstances after the date of this letter or to reflect new information or the occurrence of unanticipated events, except as required by law.*