TEMPUS

Q4 and Full Year 2025 Overview

A word from our CEO

Our goal in writing these quarterly letters is to provide you a summary of our financial and operating results, along with some context as to how we view those results.

We had another record quarter - our revenues in Q4 2025 were $367.2 million versus $200.7 million in Q4 2024, an increase of 83.0% on a year-over-year basis. Our Diagnostics business accelerated in the fourth quarter delivering $266.9 million of revenue versus $120.4 million in Q4 2024, an increase of 121.6% year-over-year. Our Data and Applications business continued its momentum delivering $100.4 million of revenue in Q4 2025 versus $80.2 million in Q4 2024, an increase of 25.1% year-over-year, with our data licensing business (Insights) growing at 69.5% year-over-year, excluding the impact of the AstraZeneca warrant in Q4 2024.

On a Non-GAAP basis, we delivered gross profit of $240.8 million in Q4 2025 versus $124.2 million in Q4 2024, an increase of 94.0% year-over-year. On a Non-GAAP basis, we delivered gross margin of 65.6% in Q4 2025 versus 61.9% in Q4 2024, reflecting a 370 basis point improvement. On a Non-GAAP basis, our Diagnostics business had 62.2% gross margin and our Data and Applications business had 74.5% gross margin in Q4 2025.

On a Non-GAAP basis, our operating expenses were $236.5 million in Q4 2025 versus $139.8 million in Q4 2024, an increase of $96.8 million year-over-year, largely driven by the acquisitions of Ambry and Paige, along with additional investments commensurate with our growth.

Our Adjusted EBITDA was $12.9 million in Q4 2025 versus ($7.8) million in Q4 2024, an improvement of $20.6 million year-over-year. We ended the year with Adjusted EBITDA of ($7.4) million, reflecting the investments we discussed above. Our 2026 annual guidance of positive $65 million in Adjusted EBITDA reflects our expectation of continued growth momentum and further efficiency gains.

Our Diagnostics business is delivering the highest volume growth we have seen in years and our core Data Licensing business continues to grow even faster. As a result, Tempus is well positioned to deliver significant long-term growth along with continued Adjusted EBITDA improvement.

This is exactly where we want to be.

TEMPUS

Diagnostics

As a reminder, our Diagnostics business has two main components: Oncology and Hereditary.

In Oncology, we saw the strongest year-over-year volume growth rate we have seen in years in Q4 2025, a result of continued salesforce execution and the investments we have made in our technology platform which we believe is the smartest, most tightly integrated, and most comprehensive available. In the quarter, we ran ~94,000 clinical NGS tests versus ~72,600 in Q4 2024, representing 29% growth. Our Oncology revenue was $167.5 million in Q4 2025, representing 39.1% year-over-year growth, driven by increased volume and improvements in average selling price (ASP) on a year-over year-basis. Given our size and scale, the fact that we are seeing accelerating growth rates is pretty extraordinary.

This growth was across our entire Oncology portfolio - solid tumor profiling, liquid biopsies, and minimal residual disease (MRD) monitoring. I want to first discuss therapy selection (also referred to Comprehensive Genomic Profiling or CGP) then move to MRD. When we went public roughly 18 months ago, we heard consistent concerns that our unit growth would decelerate, as some investors were overly focused on new study readouts and new assay launches as the main drivers of growth, and not convinced technology and AI would be impactful. Concerns like this can be prevalent when there is disruption in an industry and are only alleviated with results, which is exactly what we're delivering. The most exciting part is that we believe we are still in the early innings of technology and AI permeating the diagnostics landscape. On a scale of 1 to 10, I believe technology's impact on our industry is a 2, and in a few years it will be a 9. As a result, the biggest sequencer in the country a decade from now will almost certainly be a leading technology company.

If the word I would use to describe our CGP growth rate is "accelerating", the word I would use for our MRD growth would be "explosive." With an extremely small sales force selling MRD, highly gated due to reimbursement, we still ran over ~4,700 tests in Q4, representing 56% growth quarter over quarter and the volume is growing exponentially even with the constraints we are placing on growth. To put that in perspective, if we rolled our MRD product out to our entire sales force and had a roughly equal number of people selling MRD as selling our CGP assays, the volume could be ~20x higher.

While tumor-informed represents 95% of our MRD volume, especially in indications like CRC, we made progress on our tumor naive product line as well. As previously discussed, we are running studies now, with a more sensitive version of our tumor naive assay, in CRC and NSCLC, which we expect to submit for reimbursement in 2026, with breast and pancancer to follow. We are also engaged with MolDX for the first version of our CRC tumor naive assay.

As for our Oncology ASP, it increased from $1,600 in Q3 2025 to ~$1,640 in Q4 2025, continuing our trend throughout the year of rising ASPs. Tailwinds from reimbursement are expected to drive ASP growth of ~$500 over the next several years, largely a result of migration to our ADLT priced solid tumor assay (xT CDx) and anticipated FDA approval of our larger liquid biopsy panel (xF), which has been submitted to the FDA. In addition, we are working on a broader PMA submission for our RNA assay, xR, and expect to expand our offering throughout 2026. As a result, we soon hope to have all of our main assays FDA approved and achieve reimbursement levels at parity with others. Jim will cover ASP in more detail below.

In Hereditary, we continued to maintain strong momentum, running ~125,000 tests in Q4 2025 versus ~101,500 tests in Q4 2024. Our overall Hereditary revenue was $99.4 million, representing year-over-year revenue growth of 15.3% on a pro forma basis [1] after giving effect to the Ambry acquisition and year-over-year volume growth of ~23%. Hereditary cancer screening is driving the majority of the growth, but we continue to scale our rare disorder and pediatric offerings, which we believe will become a larger part of the business over the next several years. In the near term, we expect our hereditary growth rates to moderate, as we lap the artificially high rates in Q1 and Q2 of 2025 related to market dynamics, which we discussed in detail last year. Despite some lumpiness, for the full year 2026, we expect Ambry's growth rate to be in the high teens, which is in line with our long term expectation for that business.

Across all of our assays, we delivered 219,000 NGS tests in Q4, which is 26% year-over-year volume growth. Given the scale of our diagnostic business, the comprehensive nature of our portfolio, and the investments we have made in our AI-enabled technology platform, we are able to offer our provider partners solutions that are highly differentiated, which continues to drive our growth.

As I said last quarter, while others have been largely focused on bringing assays to market, our main focus over the past 10 years has been investing in technology and AI. If you look at the lines of code we have written or the number of software engineers we employ, or the amount of money we invest in cloud and compute, there is no comparable in diagnostics.

Those investments have allowed us to build an agentic platform that brings the benefits of AI to the over 8,500 providers that are now connected to Tempus. Not only has this allowed us to amass over 450 petabytes of multimodal data, those investments serve as the cornerstone of our long-term strategy to use AI to contextualize all diagnostics, helping physicians make data driven decisions in real time.

---

[1] *The pro forma amounts have been calculated after applying the Company's accounting policies*

As a result, we can now do some pretty amazing things, such as: recommend alternative therapies based on prior drug regiments, match patients to clinical trials based on sophisticated inclusion and exclusion criteria, close care gaps and ensure guideline adherence, run multimodal algorithms that are both predictive and prognostic, analyze time on therapy and progression free survival for similarly situated patients, predict IO response beyond conventional markers such as Tumor Mutational Burden or TMB and Microsatellite instability or MSI status, deliver real time insights across disease areas to better understand comorbidity, and run diagnostic algorithms at scale in adjacent medical practices, such as radiology and pathology, to further refine treatment.

If you look at Paige Predict, a product we just launched, you can see how these capabilities interconnect and enhance our products. Paige Predict is a suite of cutting-edge digital pathology applications that analyze whole slide images to help inform testing decisions. The AI-powered solution is designed to predict the likely presence or absence of clinically actionable and relevant biomarkers directly from a single H&E slide, offering physicians insights even when tissue samples are insufficient for full molecular profiling. Bundled with our genomic offering, this capability is game changing both in terms of allowing us to render insights even when sequencing fails, which it does from time to time, and for providing insights in hours, long before the NGS report is complete, which can be critical for patients.

We have dozens of features like Paige Predict that have either been launched or are in flight, based on the multimodal data we collect. IPS is another great example, where we are able to dramatically enhance the predictive nature of TMB as a biomarker for immunotherapy. And with our foundation model efforts underway, many more are coming, which we believe will only compound our market advantage and, over time, accelerate our diagnostic growth even further.

As you can tell, I'm excited about the growth prospects of our Diagnostic business, which makes it hard to believe that I'm even more excited about the Data and Applications business which is, as they say, "having a moment".

Data and Applications

Our Data and Applications business had continued strong growth in the quarter, delivering $100.4 million in revenue in Q4 2025 versus $80.2 million in Q4 2024, up 25.1% year-over-year, largely driven by our Insights business (data licensing), which grew 69.5% in the quarter, excluding the impact of the AstraZeneca warrant in Q4 of 2024. Overall Data and Applications Non-GAAP gross margin was 74.5% which Jim will go into more detail about below.

Beyond the financial metrics, we measure the strength of our data business by looking at two metrics - Total Contract Value (TCV) and Net Revenue Retention (NRR). As of year end, our TCV was > $1.1 billion, up from >$940 million at the end of 2024. This is notable given the fact that we recognized over $315 million of revenue in 2025, implying that we are adding to TCV faster than we are recognizing it as revenue.

During the year, we signed data and applications agreements with more than 70 customers, spanning both large and mid-sized pharma, including AstraZeneca, GlaxoSmithKline, Bristol Myers Squibb, Pfizer, Novartis, Merck, Abbvie, Daiichi Sankyo, Eli Lilly, Boehringer Ingelheim, and biotechs including Incyte, Servier, Aspera Biomedicines, and Whitehawk Therapeutics, as an increasing number of biopharma companies are incorporating Tempus' unique, multimodal dataset into their drug discovery and development efforts.

In addition to TCV rising to the highest level in Tempus's history, we reported NRR of ~126% in 2025, demonstrating the continued expansion of relationships with existing customers, even at increased scale.

With several quarters of signing significant new data and services agreements, along with a strong pipeline of future deals, our Data business is really gaining momentum. We find ourselves as not only the leader in this space, but also unique in our ability to offer insights at scale to advance drug discovery and development given our rich multimodal data streams which are contemporaneously captured and longitudinally linked to outcomes. Biopharma companies increasingly want and need these types of insights, and we are their partner of choice. As a result, we expect our Data and Applications business to grow ~40% year-over-year in Q1 2026, increasing materially from Q4 2025. And again, our foundation model efforts should only extend our advantage.

As for applications, while we made progress across all of our main products in 2025 (Next - closing care gaps in real-time, TIME - matching patients to trials in real-time, and Algos - deploying purely algorithmic diagnostics in real-time), I will hit a few highlights.

Time - we now have 2,700 oncologists enrolled in TIME. We have onboarded over 300 trials and matched over 23,000 patients to potential trials. We've made a ton of progress here with room to grow.

Next - In Oncology, we have now onboarded 17 health systems, actively covering more than 600,000 cancer patients that we are monitoring for gaps in care. In some instances, we see >30% lift in adherence to guidelines once the program is implemented. In Next Cardiology, we now have 2 FDA approved ECG based algorithms, covering AFIB and LowEF, with others

coming and large system deployments underway. Our Next program has the potential to be transformational at the point of care, and we are beginning to see its potential power in our deployments to date.

Algos - In Oncology, our Algos now have an attachment rate of >40% across our solid tissue assays (meaning >40% of the time the doctor wants an algo delivered alongside the traditional NGS test). With algos that predict Homologous Recombination Deficiency (HRD) status, Tumor Origin status, likelihood of immunotherapy response, and tumor classification algorithms, such as Purist, our portfolio is unmatched among our peers and an increasing component of why so many oncologists chose Tempus over others.

So while Algos are small financially, they punch way above their weight in terms of impact on our business.

Summary

The business continues to excel. We are growing rapidly, with our Diagnostics business accelerating and our Data and Applications business poised to grow even faster. We also generated record Non-GAAP gross margins and Adjusted EBITDA this quarter.

As we think about Adjusted EBITDA in 2026, we find ourselves in a unique position given that our gross profit growth is accelerating faster than the investments needed to run the business, which affords us the ability to invest heavily in our long term growth and still generate meaningful improvements in EBITDA. This has long been a goal of ours and one we are thrilled to have achieved.

We believe the impact AI will have on healthcare will be profound and that we are in the best position to capitalize on that as we have the two most essential ingredients: (1) vast amounts of proprietary data needed to train models and (2) vast distribution to deliver the insights generated from those models into the hands of clinicians and patients. In 2026, we intend to double down and invest heavily in the business to compound our advantage.

To the extent advancements in technology and AI have failed to live up to their hype, I believe it's largely a function of timing. People underestimated the complexity and scale of the healthcare industry, and the often morassic pace at which it evolves. But the tsunami is

coming and we own lots of internal farmland that is about to become beach front property. We intend to acquire more.

A word from our CFO

Overall, we are pleased with the financial results of the fourth quarter. We once again experienced significant year-over-year growth in each of our product lines: Diagnostics and Data and Applications.

As with last quarter, we are providing each of gross profit, gross margin, and operating expenses on a Non-GAAP basis to exclude stock compensation expense and related payroll taxes. See “Non-GAAP Financial Measures” below.

TEMPUS

Fourth Quarter 2025 Financial Results

	Three months ended December 31,		
	2025	2024	Change
	(in thousands, except percentages) (unaudited)		
GAAP Results			
Revenue	$ 367,211	$ 200,680	83.0%
Diagnostics gross margin	61.4%	48.4%	1,300 bps
Data and Applications gross margin	73.5%	79.5%	(600 bps)
Operating expenses	$ 299,126	$ 172,764	73.1%
Net loss	$ (54,166)	$ (13,014)	316.2%
Non-GAAP Results			
Non-GAAP Diagnostics gross margin	62.2%	49.6%	1,260 bps
Non-GAAP Data and Applications gross margin	74.5%	80.3%	(580 bps)
Non-GAAP Operating Expenses	$ 236,546	$ 139,784	69.2%
Adjusted EBITDA	$ 12,893	$ (7,752)	266.3%

TEMPUS

Full Year 2025 Financial Results

	Year ended December 31,		
	2025	2024	Change
	(in thousands, except percentages) (unaudited)		
GAAP Results			
Revenue	$ 1,271,789	$ 693,398	83.4%
Diagnostics gross margin	59.6%	46.1%	1,350 bps
Data and Applications gross margin	72.3%	71.5%	80 bps
Operating expenses	$ 1,050,769	$ 1,072,195	(2.0%)
Net loss	$ (245,028)	$ (705,809)	(65.3%)
Non-GAAP Results			
Non-GAAP Diagnostics gross margin	60.3%	49.2%	1,110 bps
Non-GAAP Data and Applications gross margin	73.3%	75.2%	(190 bps)
Non-GAAP Operating Expenses	$ 855,047	$ 544,780	57.0%
Adjusted EBITDA	$ (7,385)	$ (104,707)	92.9%

Revenue

Our Q4 2025 revenues were $367.2 million, representing 83.0% year-over-year growth. Excluding legacy Ambry revenues, the core Tempus business grew 33.5%.

Our Q4 2025 Diagnostics revenues were $266.9 million, representing 121.6% year-over-year growth, largely driven by re-acceleration of growth in our Oncology business and the addition of Ambry (which we refer to as “Hereditary”). Oncology experienced 39.1% year-over-year revenue growth on ~29% volume growth. Oncology average reimbursement was approximately $1,640 in the quarter, up approximately $40 from Q3 2025. This increase was the result of continued mix-shift and billing synergies between Tempus and Ambry. While we continue to see xT volumes migrating to xT CDx, we have several initiatives underway that should allow us

to migrate the vast majority of xT orders to xT CDx throughout 2026, including a tumor-only CDx pathway to streamline ADLT conversion by focusing on clinically actionable tumor profiling without the complexity of matched normal sequencing.

As Eric noted above and we previously shared at JPM, we believe the above initiatives, along with improvements with commercial payors will yield more than a $500 increase in our ASP (based on current mix) over the next several years as we achieve parity with our peers across our entire portfolio.

Hereditary contributed $99.4 million of revenue on ~125,000 tests delivered in Q4 2025, compared to $86.2 million of pro forma revenue and ~101,500 tests in Q4 2024. This represents year-over-year revenue growth of 15.3% on a pro forma[2] basis and 23% volume growth. From a volume perspective, Hereditary continued to see tailwinds from winning over accounts from competitors, along with increasing share of wallet within existing accounts. Average reimbursement was $800 in Q4 2025, up slightly from Q3 2025 due to mix. As Eric mentioned above, we anticipate the growth rates of the Hereditary business to moderate, as we have seen the share gains from competitors start to decelerate. That said, we are excited about Ambry's performance to-date post-acquisition, and there is still a tremendous opportunity, both in hereditary profiling and as the rare disease business starts to scale in 2026.

Our Q4 2025 Data and Applications revenues were $100.4 million, representing 25.1% year-over-year growth. Excluding the $16.3 million impact of the expiration of the AstraZeneca warrant in Q4 2024, the year-over-year growth rate was 56.9%. The increase was largely driven by strong growth in our Insights (data licensing) business - which grew 69.5% year-over-year, excluding the impact of the AstraZeneca warrant in Q4 2024. Insights growth was largely the result of previously signed multi-year agreements, but we continue to see increased engagement across our pharma and biotech partners as Eric noted above. Applications, while still small, also had a record quarter from a revenue perspective.

The strong performance in Insights and Applications was slightly offset by growth in our Trials offerings. As we have previously shared, Compass - our CRO - continues to negatively impact our year-over-year growth rate as they had several trials end in 2024 that we have not been able to offset with new business.

[2] *The pro forma amounts have been calculated after applying the Company's accounting policies*

Gross Profit

We generated $237.7 million of gross profit in the quarter. Non-GAAP gross profit was $240.8 million in Q4 2025, representing an aggregate Non-GAAP gross margin of 65.6%. This was a 370 basis point improvement year-over-year, largely the result of increased margins in our Diagnostics business through ASP improvements, efficiencies in our labs, and the addition of Ambry, along with growth in our Data and Applications product line, which operates at a higher margin.

Our Non-GAAP gross margin for our Diagnostics business was 62.2% in Q4 2025 compared to 49.6% in Q4 2024 as a result of increases in average reimbursement per test and the addition of Ambry. Our Non-GAAP gross margin for the Data and applications business was 74.5% in Q4 2025, compared to 80.3% in Q4 2024, the result of some start-up costs associated with the foundation model and lower Applications year-over-year revenues (as noted above). Long-term, we would anticipate more stability in the Data and Applications gross margin, but there may be quarterly fluctuations during the year depending on the timing of projects kicking off or being completed.

Operating Expenses

Operating expenses for the quarter were $299.1 million compared to $172.8 million in Q4 2024. Non-GAAP operating expenses were $236.5 million in Q4 2025 compared to $139.8 million in Q4 2024. The primary difference between GAAP and Non-GAAP relates to stock based compensation and employer payroll tax related to stock-based compensation, amortization of intangibles associated with the Ambry transaction, and acquisition-related costs.

The year-over-year increase is mostly attributable to the addition of Ambry's operating expenses, along with modest investments in the business commensurate with our growth, and increased professional services fees in the quarter. Our expenses are broken down into three categories: Non-GAAP technology expense was $33.0 million, Non-GAAP research and development expense was $45.3 million, and Non-GAAP selling, general and administrative expense was $158.3 million.

It is worth noting several investments that we made in Q4 that were not in our guidance. First, we accelerated several studies associated with our xF submission to the FDA. Given the ASP impacts of this approval, we felt like this was a prudent decision. Second, we made several investments in our cloud infrastructure that will result in reduced costs in 2026. Again, given the long-term savings these changes will provide, we felt it was appropriate to accelerate the

investment by a quarter. Lastly, we acquired a small company called OneOme, which we believe will complement our diagnostics offering, but did result in incremental expenses in Q4.

Adjusted EBITDA and Net Loss

Adjusted EBITDA for the quarter was $12.9 million, compared to ($7.8) million in Q4 2024, an improvement of $20.6 million year-over-year. As noted above, our adjusted EBITDA for the quarter reflects our decision to accelerate investments in seeking FDA approval and cloud infrastructure.

Net loss for the quarter was ($54.2) million, including stock compensation and employer payroll tax related to stock-based compensation of ($48.7) million. Adjusting for stock compensation, stock-based compensation-related employer payroll taxes and other non-operating items, Non-GAAP net loss for the quarter was ($7.3) million compared to ($27.0) million for Q4 2024.

Cash and Other Items

We finished the quarter with $759.7 million of cash, cash equivalents, and marketable securities, compared to $764.3 million last quarter.

Guidance

We anticipate approximately $1.59 billion in 2026 revenue. We expect 2026 Adjusted EBITDA to be approximately $65 million. As always, given the unique nature of our business, it's difficult to predict these numbers with complete accuracy; as such, the word approximately implies a modest range.

Thanks for your support and for joining on this journey,

Eric & Jim

TEMPUS

Forward Looking Statements

This letter contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, about Tempus AI, Inc. ("Tempus") and its 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, Tempus' expected financial results for 2026, (including periods therein) and for future periods; expectations concerning the growth of Tempus' business; expectations concerning the timing of FDA submissions and approvals; and reimbursement and coverage decisions; Tempus' strategy; the impact of pricing and reimbursement actions on Tempus' financial results; plans to expand Tempus' offerings; plans for acquisitions and investments; the strength of Tempus' digital pathology portfolio; and the impact of the foundation model on Tempus' business; the potential application and impact of AI and technology in healthcare; Tempus' expectations regarding near-or long-term growth rates for various aspects of Tempus' business; Tempus' market position; and the use of Tempus' products and services to advance clinical care for patients. 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: 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, including our ability to realize the expected benefits of the acquisition of Paige AI, Ambry Genetics and Deep6 AI; the potential adverse impact of climate change, natural disasters, health epidemics, macroeconomic conditions, trade tensions and tariffs, and war or other armed conflict, as well as risks, uncertainties, and other factors described in the section titled "Risk Factors" in Tempus' Form 10-K for the year ended December 31, 2025, filed with the Securities and

Exchange Commission ("SEC) on February 24, 2026, 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.

Non-GAAP Financial Measures

In addition to the financial information presented in accordance with accounting principles generally accepted in the United States of America (GAAP), Tempus also presents adjusted EBITDA, non-GAAP net loss, non-GAAP gross margin, non-GAAP Diagnostics gross margin, non-GAAP Data and Applications gross margin; and non-GAAP operating expenses (collectively, the "non-GAAP financial measures"). For definitions of each of these non-GAAP financial measures, as well as reconciliation of each non-GAAP financial measure to its most comparable GAAP financial measure, please see the section titled "Non-GAAP Financial Measures" in Tempus' fourth quarter earnings release and the tables accompanying such release, which can be found on Tempus' investor relations website at this link. Tempus does not provide guidance for net loss, the most directly comparable GAAP measure to Adjusted EBITDA, and similarly cannot provide a reconciliation between its forecasted Adjusted EBITDA and net loss without unreasonable effort due to the unavailability of reliable estimates for certain components of net income and the respective reconciliations. These forecasted items are not within Tempus' control, may vary greatly between periods and could significantly impact future financial results.