



## Tempo Automation Holdings, Inc. Receives a Default Notice From its Senior Lender Consortium

September 21, 2023

SAN FRANCISCO, Sept. 21, 2023 (GLOBE NEWSWIRE) -- Tempo Automation Holdings, Inc. (NASDAQ: TMPO, the "Company") has received a default notice from its senior lender consortium. As previously disclosed, Tempo Automation, Inc. ("Tempo OpCo"), a Delaware corporation and wholly owned subsidiary of the Company, previously entered into that certain First Amended and Restated Loan and Security Agreement, dated as of November 22, 2022 (as amended, the "Loan Agreement") by and among Tempo OpCo, Structural Capital Investments III, LP ("SCI"), Series Structural DCO II series of Structural Capital DCO, LLC ("DCO"), CEOF Holdings LP ("CEOFF"), SQN Tempo Automation, LLC ("SQNTA"), SQN Venture Income Fund II, LP ("SQNVIFII") and, together with SCI, DCO, CEOF and SQNTA, the "Lenders"), and Ocean II PLO LLC, as administrative and collateral agent for the Lenders (the "Agent"), and that certain Forbearance Agreement and First Amendment to First Amended and Restated Loan and Security Agreement, dated as of June 20, 2023 (the "Forbearance"), by and among the Company, Tempo OpCo, the Lenders, and the Agent. The Loan Agreement is secured by the assets of Tempo OpCo and its subsidiaries (the "Collateral"), and the Company is a party to the Loan Agreement and has guaranteed Tempo OpCo's obligations thereunder. The Loan Agreement and Forbearance were attached as exhibits to the Company's Current Reports on Form 8-K filed with the Securities and Exchange Commission (the "SEC") on December 6, 2022 and June 21, 2023, respectively.

On September 15, 2023, Tempo OpCo received a notice from the Agent stating that Tempo OpCo had breached the Loan Documents (as defined in the Loan Agreement) and that an event of default under the Loan Agreement had occurred as a result of, among other things, (i) Tempo OpCo's failure to make the monthly payments due for July 2023 and each month thereafter, (ii) the occurrence of a Material Adverse Effect (as defined in the Loan Agreement), (iii) Ryan Benton ceasing to serve as Tempo OpCo's Chief Financial Officer and (iv) Tempo OpCo suspending its business operations. As a result of such events of default, the Agent declared all amounts owed under the Loan Documents to be in default and demanded that Tempo OpCo immediately pay such amounts, including, but not limited to, the entire indebtedness under the Loan Agreement, plus accruing interest, late charges and fees and any costs incurred by the Lenders. Additionally, as a result of such events of default, the Lenders terminated any and all commitments and obligations of the Lenders under the Loan Documents, including without limitation, any obligation for the Lenders to lend money or make other loan funds available to or for the benefit of Tempo OpCo.

As of September 15, 2023, the outstanding principal plus accrued and unpaid interest, plus late charges and fees and any costs incurred by the Lenders and reimbursable by the Company, was \$29,065,017. Interest on such amount will continue to accrue daily. The Company and its subsidiaries, including Tempo OpCo, are unable to cure such defaults or to repay such indebtedness. In the event that the Company and its subsidiaries, including Tempo OpCo, cannot cure or obtain a waiver from the Lenders, the Lenders may, among other things, commence foreclosure proceedings to seize the Collateral, which could result in a dramatic decline in the value of the Company's securities.

### About Tempo

Tempo is a leading software-accelerated electronics manufacturer, transforming the way top companies innovate and bring new products to market. Tempo's unique automated manufacturing platform optimizes the complex process of printed circuit board manufacturing to deliver unmatched quality, speed and agility. The platform's all-digital process automation, data-driven intelligence, and connected smart factory create a distinctive competitive advantage for customers—to deliver tomorrow's products today. From rockets to robots, autonomous cars to drones, many of the fastest-moving companies in industrial tech, medical technology, space, and other industries partner with Tempo to accelerate innovation and set a new tempo for progress. Learn more at [www.tempoautomation.com](http://www.tempoautomation.com).

### Forward-Looking Statements

This press release includes information that constitutes 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. Words such as "anticipate", "estimate", "expect", "project", "plan", "intend", "believe", "may", "might", "will", "should", "can have", "likely" and similar expressions are used to identify forward-looking statements. These forward-looking statements are based on the Company's current beliefs, assumptions and expectations regarding future events, which in turn are based on information currently available to the Company. By their nature, forward-looking statements address matters that are subject to risks and uncertainties. A variety of factors could cause actual events and results to differ materially from those expressed in or contemplated by the forward-looking statements. These factors include, without limitation, the Company's ability to cure defaults or repay indebtedness under the Loan Documents and the resulting decline in the value of the Company's securities in the event that the Company cannot cure or obtain a waiver with respect to such defaults from the Lenders. For additional information about factors that could cause actual results to differ materially from those described in the forward-looking statements, please refer to the Company's filings with the SEC, including the risk factors contained in its most recent Annual Report on Form 10-K and the Company's other subsequent filings with the SEC. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent required by

**applicable laws.**

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