

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 26, 2022

ACCURAY INCORPORATED

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-33301
(Commission File Number)

20-8370041
(IRS Employer
Identification No.)

1310 Chesapeake Terrace
Sunnyvale, California
(Address of Principal Executive Offices)

94089
(Zip Code)

Registrant's Telephone Number, Including Area Code: 408 716-4600

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	ARAY	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On January 26, 2022, Accuray Incorporated (the “Company”) issued a press release announcing its financial results for the second quarter ended December 31, 2021. A copy of the Company’s press release dated January 26, 2022, titled “Accuray Reports Fiscal 2022 Second Quarter Financial Results” is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The foregoing information (including the exhibit hereto) is being furnished under “Item 2.02 Results of Operations and Financial Condition” and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), except as shall be expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosure.

Spokespersons of the Company plan to present the information in the presentation attached hereto as Exhibit 99.2 to analysts and investors from time to time on or after January 26, 2022. The presentation will be available on the Company’s Investor Relations website at: <http://investors accuray.com>.

The furnishing of the attached presentation is not an admission as to the materiality of any information therein. The information contained in the presentation is summary information that is intended to be considered in the context of more complete information included in the Company’s filings with the U.S. Securities and Exchange Commission and other public announcements that the Company has made and may make from time to time by press release or otherwise. The Company undertakes no duty or obligation to update or revise the information contained in this report. For important information about forward looking statements, see the slide titled “Forward-Looking Statements” in Exhibit 99.2 attached hereto.

The information set forth under Item 2.02 of this Current Report on Form 8-K is incorporated by reference into this Item 7.01.

The information contained in this Item 7.01 disclosure, including Exhibit 99.1 and Exhibit 99.2, is furnished pursuant to Item 7.01 and shall not be deemed to be “filed” for the purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that Section, nor shall it be incorporated by reference into a filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.**(d) Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated January 26, 2022, titled “Accuray Reports Fiscal 2022 Second Quarter Financial Results”
99.2	Accuray Q2’FY22 Earnings Call Presentation.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)



**Accuray Reports Fiscal 2022 Second Quarter Financial Results
Record Revenue For Second Quarter Fiscal 2022**

SUNNYVALE, Calif., January 26, 2022 — Accuray Incorporated (NASDAQ: ARAY) today reported financial results for the second quarter of fiscal 2022 ended December 31, 2021.

Second Quarter Fiscal 2022 Summary

- ☐ Record net revenue of \$116.3 million representing an increase of 19 percent compared to the prior year
- ☐ Gross orders of \$85.4 million, an increase of 13 percent compared to the prior year
- ☐ GAAP net income of \$0.2 million as compared to GAAP Net income of \$4.8 million in the prior year. Adjusted EBITDA of \$6.8 million as compared to adjusted EBITDA of \$13.5 million in the prior year

Other Recent Operational Highlights

- ☐ Continued strong demand for ClearRT™ Helical kVCT Imaging for the Radixact® System: 68 global orders received since its commercial release in December 2020
- ☐ CyberKnife® Robotic Radiotherapy Platform expands range of neurological indications that can be effectively treated with stereotactic radiosurgery and receives Shonin approval to treat Trigeminal Neuralgia, a chronic pain condition affecting a facial nerve
- ☐ Ramping demand for VOLO™ Ultra enhancement to the Accuray Precision® treatment planning system for the Radixact System

“Accuray’s fiscal 2022 second quarter performance continues to reflect the strong customer demand and revenue momentum our business is generating, but also highlighted global supply chain challenges and operational headwinds created by the Covid environment. Driving our accelerated revenue growth is the continued adoption of our new technology upgrades on the Radixact platform which are having an impact across all regions,” said Joshua Levine, Chief Executive Officer.

Fiscal Second Quarter Results

Total net revenue was \$116.3 million for the second quarter of fiscal 2022 compared to \$97.5 million for the prior fiscal year second quarter. Product revenue totaled \$60.7 million for the second quarter of fiscal 2022 compared to \$41.8 million for the prior fiscal year second quarter, while service revenue totaled \$55.6 million for the second quarter of fiscal 2022 compared to \$55.7 million for the prior fiscal year second quarter.

Total gross profit for the second quarter of fiscal 2022 was \$42.6 million or approximately 36.7 percent of total net revenue, comprised of product gross margin of 41.5 percent of product net revenue and service gross margin of 31.4 percent of service net revenue. This compares to total gross profit of \$40.8 million or 41.9 percent of total net revenue, comprised of product gross margin of 44.7 percent of product net revenue and service gross margin of 39.8 percent of service net revenue for the prior fiscal year second quarter.

Operating expenses for the second quarter of fiscal 2022 were \$38.6 million, an increase of 18 percent compared to \$32.6 million in the prior fiscal year second quarter.

Net income was \$0.2 million, or \$0 per share, for the second quarter of fiscal 2022, compared to net income of \$4.8 million, or an income of \$0.05 per share, for the prior fiscal year second quarter.

Gross product orders totaled \$85.4 million for the second quarter of fiscal 2022 compared to \$75.4 million for the prior fiscal year second quarter. Order backlog as of December 31, 2021 was \$581.3 million, approximately 3 percent lower than at the end of the prior fiscal year second quarter.

Adjusted EBITDA for the second quarter of fiscal 2022 was \$6.8 million, compared to \$13.5 million for the prior fiscal year second quarter.

Cash, cash equivalents, and short-term restricted cash were \$123.4 million as of December 31, 2021 compared with \$104.7 million as of September 30, 2021.

Fiscal Six Months Results

Total net revenue for the six months ended December 31, 2021 was \$223.7 million compared to \$182.8 million in the same prior fiscal year period. Product revenue for the six months ended December 31, 2021 totaled \$113.5 million compared to \$73.1 million, while service revenue totaled \$110.2 million compared to \$109.7 million in the same prior fiscal year period.

Total gross profit for the six months ended December 31, 2021 was \$82.2 million, or 36.7 percent of net revenue, comprised of product gross margin of 40.9 percent of product revenue and service gross margin of 32.3 percent of service revenue. This compares to total gross profit of \$76.2 million, or 41.7 percent of net revenue, comprised of product gross margin of 43.2 percent of product revenue and service gross margin of 40.7 percent of service revenue in the same prior fiscal year period.

Operating expenses for the six months ended December 31, 2021 were \$75.8 million, an increase of 21 percent compared with \$62.6 million in the same prior fiscal year period.

Net loss was \$0.8 million, or \$0.01 of loss per share, for the six months ended December 31, 2021, compared to net income of \$5.2 million, or \$0.06 per share, in the same prior fiscal year period.

Gross product orders totaled \$155.4 million for the six months ended December 31, 2021, compared to \$125.9 million for the same prior fiscal year period. Order backlog as of December 31, 2021 was \$581.3 million, approximately 3 percent lower than at the end of the prior fiscal year second quarter.

Adjusted EBITDA for the six months ended December 31, 2021 was \$12.2 million, compared to \$22.5 million in the prior fiscal year period.

Fiscal Year 2022 Financial Guidance

Accuray's financial guidance is based on current expectations. The following statements are forward-looking and actual results could differ materially depending on market conditions, the impact of the Covid-19 pandemic, supply chain disruption, and the factors set forth under "Safe Harbor Statement" below.

The Company is revising guidance for fiscal year 2022 as follows:

- Total revenue is being increased to an expected range of \$420.0 million to \$430.0 million compared to the prior range of \$420.0 million to \$427.0 million, representing a year-over-year growth at the midpoint of the range of 7%.

- Adjusted EBITDA is now expected to range between \$15.0 million to \$20.0 million compared to the prior range of \$33.0 million to \$35.0 million.

Guidance for non-GAAP financial measures excludes depreciation and amortization, stock-based compensation expense, interest expense and provision for income taxes. For more information regarding the non-GAAP financial measures discussed in this press release, please see "Use of Non-GAAP Financial Measures" below.

Conference Call Information

Accuray will host a conference call beginning at 1:30 p.m. PT/4:30 p.m. ET today to discuss results for the second quarter of fiscal 2022 as well as recent corporate developments. Conference call dial-in information is as follows:

- ☐ U.S. callers: (833) 316-0563
- ☐ International callers: (412) 317-5747

Individuals interested in listening to the live conference call via the Internet may do so by logging on to the Investor Relations section of Accuray's website, www accuray.com. There will be a slide presentation accompanying today's event which can also be accessed on the company's Investor Relations page at www accuray.com.

In addition, a taped replay of the conference call will be available beginning approximately one hour after the call's conclusion and will be available for seven days. The replay number is (877) 344-7529 (USA), or (412) 317-0088 (International), Conference ID: 6302301. An archived webcast will also be available on Accuray's website until Accuray announces its results for the third quarter of fiscal 2022.

Use of Non-GAAP Financial Measures

Accuray has supplemented its GAAP net income (loss) with a non-GAAP measure of adjusted earnings before interest, taxes, depreciation, amortization and stock-based compensation ("adjusted EBITDA"). The calculation of adjusted EBITDA also excludes certain non-recurring, irregular and one-time items. Management believes that this non-GAAP financial measure provides useful supplemental information to management and investors regarding the performance of the company and facilitates a meaningful comparison of results for current periods with previous operating results. A reconciliation of GAAP net income (loss) (the most directly comparable GAAP measure) to non-GAAP adjusted EBITDA is provided in the schedules below.

There are limitations in using these non-GAAP financial measures because they are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for GAAP financial measures. Investors and potential investors should consider non-GAAP financial measures only in conjunction with the company's consolidated financial statements prepared in accordance with GAAP.

About Accuray

Accuray Incorporated (Nasdaq: ARAY) is committed to expanding the powerful potential of radiation therapy to improve as many lives as possible. We invent unique, market-changing solutions that are designed to deliver radiation treatments for even the most complex cases—while making commonly treatable cases even easier—to meet the full spectrum of patient needs. We are dedicated to continuous innovation in radiation therapy for oncology, neuro-radiosurgery, and beyond, as we partner with clinicians and administrators, empowering them to help patients get back to their lives, faster. Accuray is headquartered in Sunnyvale, California, with facilities worldwide.

Safe Harbor Statement

Statements made in this press release that are not statements of historical fact are forward-looking statements and are subject to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this press release relate, but are not limited, to the company's future results of operations, including expectations regarding total revenue and adjusted EBITDA; expectations regarding the effect of the COVID-19 pandemic on the company and the market in general, including with respect to supply chain and logistics challenges; expectations regarding the company's commercial strategy and execution as well as long-term growth opportunities, including with respect to supply chain and logistics challenges; expectations regarding the company's order growth; the company's ability to continue to drive accelerated revenue growth; expectations regarding the company's China joint venture and other partnerships; expectations regarding the company's product innovations and developments; expectations regarding the company's product portfolio and its ability to position the company for growth; the impact of the company's products on its customers and its business, and market adoption of such products, including with respect to the company's VOLO Ultra enhancement and Clear RT Helical kVCT Imaging upgrades as well as other strategic product innovations;

expectations regarding the future of radiotherapy treatment and the company's addressable market; and the company's leadership position in radiation oncology innovation and technologies. These forward-looking statements involve risks and uncertainties. If any of these risk or uncertainties materialize, or if any of the company's assumptions prove incorrect, actual results could differ materially from the results express or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, the effect of the COVID-19 pandemic on the operations of the company and those of its customers and suppliers; disruptions to our supply chain, including increased logistics costs as well as increased costs and difficulties in obtaining a sufficient amount of materials in the semiconductor and other markets; the company's ability to achieve widespread market acceptance of its products, including new product and software offerings; the company's ability to develop new products or enhance existing products to meet customers' needs and compete favorably in the market, the company's ability to realize the expected benefits of the China joint venture and other partnerships; risks inherent in international operations; the company's ability to effectively manage its growth; the company's ability to maintain or increase its gross margins on product sales and services; delays in regulatory approvals or the development or release of new offerings; the company's ability to meet the covenants under its credit facilities; the company's ability to convert backlog to revenue; and such other risks identified under the heading "Risk Factors" in the company's Quarterly Report on Form 10-Q, filed with the Securities and Exchange Commission (the "SEC") on November 4, 2021 and as updated periodically with the company's other filings with the SEC.

Forward-looking statements speak only as of the date the statements are made and are based on information available to the company at the time those statements are made and/or management's good faith belief as of that time with respect to future events. The company assumes no obligation to update forward-looking statements to reflect actual performance or results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. Accordingly, investors should not put undue reliance on any forward-looking statements.

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Financial Tables to Follow

Accuray Incorporated
Consolidated Statements of Operations
(in thousands, except per share data)
(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Net revenue:				
Products	\$ 60,721	\$ 41,805	\$ 113,480	\$ 73,063
Services	55,554	55,654	110,237	109,728
Total net revenue	<u>116,275</u>	<u>97,459</u>	<u>223,717</u>	<u>182,791</u>
Cost of revenue:				
Cost of products	35,520	23,102	67,029	41,528
Cost of services	38,128	33,526	74,537	65,029
Total cost of revenue	<u>73,648</u>	<u>56,628</u>	<u>141,566</u>	<u>106,557</u>
Gross profit	42,627	40,831	82,151	76,234
Operating expenses:				
Research and development	14,697	11,956	29,079	24,104
Selling and marketing	13,233	10,348	24,504	19,246
General and administrative	10,716	10,328	22,176	19,217
Total operating expenses	<u>38,646</u>	<u>32,632</u>	<u>75,759</u>	<u>62,567</u>
Income from operations	3,981	8,199	6,392	13,667
Income (loss) on equity investment, net	(832)	1,117	(1,172)	1,089
Other expense, net	(2,490)	(4,260)	(5,158)	(8,954)
Income before provision for income taxes	659	5,056	62	5,802
Provision for income taxes	480	287	911	631
Net income (loss)	<u>\$ 179</u>	<u>\$ 4,769</u>	<u>\$ (849)</u>	<u>\$ 5,171</u>
Net income (loss) per share - basic	<u>\$ 0.00</u>	<u>\$ 0.05</u>	<u>\$ (0.01)</u>	<u>\$ 0.06</u>
Net income (loss) per share - diluted	<u>\$ 0.00</u>	<u>\$ 0.05</u>	<u>\$ (0.01)</u>	<u>\$ 0.06</u>
Weighted average common shares used in computing income (loss) per share:				
Basic	91,761	92,025	91,299	91,609
Diluted	<u>93,932</u>	<u>93,353</u>	<u>91,299</u>	<u>92,607</u>

Accuray Incorporated
Consolidated Balance Sheets
(in thousands)
(Unaudited)

	December 31, 2021	June 30, 2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 123,196	\$ 116,369
Restricted cash	244	560
Accounts receivable, net	81,905	85,360
Inventories	123,680	125,929
Prepaid expenses and other current assets	20,940	21,547
Deferred cost of revenue	1,355	3,008
Total current assets	351,320	352,773
Property and equipment, net	12,208	12,332
Investment in joint venture	14,678	15,935
Goodwill	58,006	57,960
Intangible assets, net	322	435
Operating lease right-of-use assets	19,429	22,522
Other assets	19,538	18,141
Total assets	\$ 475,501	\$ 480,098
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 29,258	\$ 19,467
Accrued compensation	24,184	26,865
Operating lease liabilities, current	8,327	8,169
Other accrued liabilities	33,883	27,471
Customer advances	24,610	24,937
Deferred revenue	76,585	81,660
Short-term debt	7,541	3,790
Total current liabilities	204,388	192,359
Long-term other liabilities	6,696	7,766
Deferred revenue	25,175	23,685
Operating lease liabilities, non-current	13,756	17,441
Long-term debt	174,492	170,007
Total liabilities	424,507	411,258
Equity:		
Common stock	93	91
Additional paid-in capital	536,709	554,680
Accumulated other comprehensive income	2,216	2,093
Accumulated deficit	(488,024)	(488,024)
Total equity	50,994	68,840
Total liabilities and equity	\$ 475,501	\$ 480,098

Accuray Incorporated
Summary of Orders and Backlog
(in thousands)
(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
Gross Orders	\$ 85,381	\$ 75,365	\$ 155,365	\$ 125,893
Net Orders	40,183	42,462	80,946	66,016
Order Backlog	581,267	596,214	581,267	596,214

Accuray Incorporated
**Reconciliation of GAAP Net Income (Loss) to Adjusted Earnings Before Interest, Taxes, Depreciation,
Amortization and Stock-Based Compensation (Adjusted EBITDA)**
(in thousands)
(Unaudited)

	Three Months Ended December 31,		Six Months Ended December 31,	
	2021	2020	2021	2020
GAAP net income (loss)	\$ 179	\$ 4,769	\$ (849)	\$ 5,171
Depreciation and amortization (a)	1,422	1,663	2,841	3,313
Stock-based compensation	2,695	2,364	5,211	4,608
Interest expense, net (b)	2,070	4,430	4,106	8,823
Provision for income taxes	480	287	911	631
Adjusted EBITDA	<u>\$ 6,846</u>	<u>\$ 13,513</u>	<u>\$ 12,220</u>	<u>\$ 22,546</u>

(a) consists of depreciation, primarily on property and equipment as well as amortization of intangibles.

(b) consists primarily of interest expense associated with outstanding debt.

Accuray Incorporated
Forward-Looking Guidance

Reconciliation of Projected Net Loss to Projected Adjusted Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-Based Compensation (Adjusted EBITDA)
(in thousands)
(Unaudited)

	Twelve Months Ending June 30, 2022	
	From	To
GAAP net loss	\$ (12,000)	\$ (7,000)
Depreciation and amortization (a)	6,100	6,100
Stock-based compensation	10,600	10,600
Interest expense, net (b)	8,300	8,300
Provision for income taxes	2,000	2,000
Adjusted EBITDA	<u>\$ 15,000</u>	<u>\$ 20,000</u>

(a) consists of depreciation, primarily on property and equipment as well as amortization of intangibles.

(b) consists primarily of interest expense associated with outstanding debt.



ACCURAY

Q2'FY22 Earnings Call



January 26, 2022



Forward-looking statements

This presentation is intended exclusively for investors. It is not intended for use in Sales or Marketing.

Safe Harbor Statement

Statements in this presentation (including the oral commentary that accompanies it) that are not statements of historical fact are forward-looking statements and are subject to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this presentation relate, but are not limited, to: expectations regarding fiscal 2022 full-year adjusted EBITDA and revenue; our positioning and strategy for accelerating revenue and market share; expectations regarding operating expenses, including investment in R&D; expectations regarding market growth rates and market trends; expectations regarding new product enhancements or offerings and partnerships; expectations related to our joint-venture in China, including our ability to drive additional growth and market share in China; our ability to expand addressable markets; and our ability to capitalize on operating leverage to drive greater profits and cash flows. Forward-looking statements generally can be identified by words such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "projects," "may," "will be," "will continue," and similar expressions. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from expectations. These risks and uncertainties include, but are not limited to: the effects of the COVID-19 pandemic on our business, financial condition, results of operations or cash flows; our ability to achieve widespread market acceptance of our products, including new product offerings and improvements; our ability to develop new products or enhance existing products to meet customers' needs and compete favorably in the market; our ability to realize the expected benefits of the joint-venture and other partnerships; risks inherent in international operations; our ability to effectively manage our growth; our ability to maintain or increase our gross margins on product sales and services; delays in regulatory approvals or the development or release of new offerings; our ability to meet the covenants under our credit facilities; our ability to convert backlog to revenue; and other risks identified under the heading "Risk Factors" in our quarterly report on Form 10-Q, filed with the Securities and Exchange Commission (the "SEC") on November 4, 2021, and as updated periodically with our other filings with the SEC.

Forward-looking statements speak only as of the date the statements are made and are based on information available to Accuray at the time those statements are made and/or management's good faith belief as of that time with respect to future events. Accuray assumes no obligation to update forward-looking statements to reflect actual performance or results, changes in assumptions or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. Accordingly, investors should not place undue reliance on any forward-looking statements.

Non-GAAP Financial Measures

This presentation also contains non-GAAP financial measures. Management believes that non-GAAP financial measures provide useful supplemental information to management and investors regarding the performance of the company and facilitates a more meaningful comparison of results for current periods with previous operating results. Additionally, these non-GAAP financial measures assist management in analyzing future trends, making strategic and business decisions, and establishing internal budgets and forecasts. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measure is provided in the Appendix.

There are limitations in using these non-GAAP financial measures because they are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for GAAP financial measures. Investors and potential investors should consider non-GAAP financial measures only in conjunction with the company's consolidated financial statements prepared in accordance with GAAP.

Medical Advice Disclaimer

Accuray Incorporated as a medical device manufacturer cannot and does not recommend specific treatment approaches. Individual results may vary.



Strong revenue performance with 19% Q2 Y/Y revenue growth



Q2 ending backlog at \$581M with 13% Q2 Y/Y order growth



3% net installed base growth Q2 Y/Y to drive future recurring service and upgrade revenues



Revenue growing faster than operating expenses on a percentage basis while continuing momentum with R&D investments



Revised FY22 full year revenue guidance to the range of \$420M to \$430M and adjusted EBITDA guidance to the range of \$15M to \$20M¹

¹ Adjusted EBITDA is a non-GAAP measure. Please see Slide 11, 12, and 13 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

Our Vision:
 To **EXPAND** the
CURATIVE
POWER of
RADIATION
THERAPY to
 improve as many
 lives as possible



- Broader treatment options
- Beyond oncology
- Global patient access



- Precision technology
- Superior patient experience
- Partnerships



- Enable advanced treatments
- Survival, long term outcomes
- Quality of life



- Focused resources
- Expertise
- Best in class

Strategy for Accelerating Momentum

Financial model designed to both invest as well as grow the top line

Reposition for Success

FY18 - FY19

- Enhanced leadership team
- Established China joint-venture
- Introduced artificial intelligence (AI)-driven Synchrony® technology
- **Reset cost structure to increase operating leverage**

Transform Culture and Begin Innovation Driven Growth

FY20 - FY21

- Redefined vision and strategic roadmap
- High impact product introduction
- Executed China type-A revenue ramp
- **Continued to build out our global infrastructure and operations**
- **Restructured debt to allow for growth**

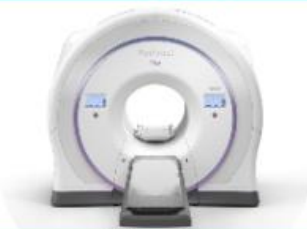
Accelerate Growth

FY22+ Plan

- Consistent cadence of new products and partnerships
- Drive additional growth and share in China market
- Expand addressable markets and drive further market share gain
- **Capitalize on operating leverage to drive greater profits and cash flows**

Radixact® System

TomoTherapy® System



Ultimate
IMRT/SBRT Workhorse

Personalized
Universal
Fast

CyberKnife®

S7™ System



Dedicated Whole Body
SRS/SBRT System

Tracking, Gating-free, ITV-free
Precise
Speed

Accuray Precision®

Treatment Planning System



Connectivity to the
RT Department

Efficient
Integrated
Automated

Gross Order Performance by Region in 1H'FY22

Four (4) Accuray business regions and strategies

ACCURAY



¹Percentages above are calculated using actual dollars for Orders.
²MarketsAndMarkets RADIOTHERAPY MARKET - GLOBAL FORECAST 2021-2026

KEY FINANCIAL METRICS

	\$M	Q2	Y/Y
Gross orders	\$85M		13%
Revenues	\$116M		19%
Product	\$61M		45%
Service	\$55M		0%
Op. Expenses	\$38.6M		18%
R&D	\$14.7M		23%
SG&A	\$23.9M		16%
Adj. EBITDA ¹	\$6.8M		(49%)



Highlights

- New product innovation driving order momentum
- Record fiscal second quarter revenue in Company history
- FY22 full year revenue guidance revised to the range of \$420M to \$430M
- FY22 full year adjusted EBITDA revised to the range of \$15M to \$20M¹

¹ Adjusted EBITDA is a non-GAAP measure. Please see Slide 11, 12, and 13 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.



IH Momentum in Orders and Revenue



Strongest Product Portfolio and Pipeline in Company's History



Multiple Growth Catalysts and Global Commercial Execution



Strengthened Leadership Team and Operational Foundation

Positioned for Accelerated Revenue Growth and Market Share Gains

Thank you

GAAP to Adjusted EBITDA Q2 FY2022 and Q2 FY2021

Actual Reconciliation of Net Income to Adjusted Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-Based Compensation (Adjusted EBITDA)

ACCURAY

\$K	Three Months Ended December 31 2021	Three Months Ended December 31 2020
GAAP net income	\$ 179	\$ 4,769
Depreciation and amortization	1,422	1,663
Stock-based compensation	2,695	2,364
Interest expense, net	2,070	4,430
Provision for income taxes	480	287
Adjusted EBITDA	\$ 6,846	\$ 13,513

GAAP to Adjusted EBITDA 1H FY2022 and 1H FY2021

ACCURAY

Actual Reconciliation of Net Income (Loss) to Adjusted Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-Based Compensation (Adjusted EBITDA)

\$K	Six Months Ended December 31 2021	Six Months Ended December 31 2020
GAAP net income (loss)	\$ (849)	\$ 5,171
Depreciation and amortization	2,841	3,313
Stock-based compensation	5,211	4,608
Interest expense, net	4,106	8,823
Provision for income taxes	911	631
Adjusted EBITDA	\$ 12,220	\$ 22,546

GAAP to Adjusted EBITDA FY22 Guidance

ACCURAY

Guidance Reconciliation of Net loss to Adjusted Earnings Before Interest, Taxes, Depreciation, Amortization and Stock-Based Compensation (Adjusted EBITDA)

\$K	Twelve Months Ended Projection for June 30, 2022	
	Low	High
GAAP net loss	\$ (12,000)	\$ (7,000)
Depreciation and amortization	6,100	6,100
Stock-based compensation	10,600	10,600
Interest expense, net	8,300	8,300
Provision for income taxes	2,000	2,000
Adjusted EBITDA	\$ 15,000	\$ 20,000