

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): August 10, 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 August 10, 2022, Accuray Incorporated (the “Company”) issued a press release announcing its financial results for the fourth quarter and fiscal year ended June 30, 2022. A copy of the Company’s press release dated August 10, 2022, titled “Accuray Reports Fourth Quarter and Fiscal 2022 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 August 10, 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	<a href="#">Press release dated August 10, 2022, titled “Accuray Reports Fourth Quarter and Fiscal 2022 Financial Results”</a>
99.2	<a href="#">Accuray Fourth Quarter and Fiscal 2022 Earnings Call Presentation.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)





## Accuray Reports Fourth Quarter and Fiscal 2022 Financial Results

**8.5% FY22 revenue growth; Company issues guidance for FY23**

**SUNNYVALE, Calif., August 10, 2022** — Accuray Incorporated (NASDAQ: ARAY) today reported financial results for the fourth quarter and fiscal 2022 ended June 30, 2022.

### Q4 Fiscal 2022 and Recent Operating Highlights

- Gross orders of \$88.3 million
- Net revenue of \$110.0 million
- GAAP net loss of \$3.5 million. Adjusted EBITDA of \$5.2 million
- Accuray ClearRT™ Helical Fan-Beam kVCT Imaging wins "Best New Technology Solution for Oncology" MedTech Breakthrough Award

### Fiscal Year 2022 Highlights

- Gross orders of \$332.3 million and ending backlog of \$563.7 million
- Net revenue of \$429.9 million, an increase of 8.5% from fiscal 2021
- GAAP net loss of \$5.3 million improved from GAAP net loss of \$6.3 million in the prior year. Adjusted EBITDA of \$22.8 million as compared to adjusted EBITDA of \$38.0 million in the prior year
- Accuray CyberKnife® System real world data and clinical studies presented at the International Stereotactic Radiosurgery Society congress reinforce benefits experienced by people with neurological indications treated over the last two decades

“The Accuray team delivered a solid fourth quarter beating consensus despite supply chain disruption and impacts from the COVID-19 lock downs in China. For the year, we delivered historic revenue levels demonstrating strong customer adoption of our latest product innovation. We continue to build a stronger business and invest in areas that are expected to deliver value to our customers to advance patient care,” said Suzanne Winter, President and Chief Executive Officer.

### Fiscal Fourth Quarter Results

Gross orders totaled \$88.3 million for the fourth quarter of fiscal 2022 compared to \$112.7 million for the prior fiscal year fourth quarter. Ending order backlog was \$563.7 million, approximately 8.6 percent lower than at the end of the prior fiscal year as we experienced age-outs in the fourth quarter primarily driven by delayed installations in our China and EIMEA regions.

Total revenue was \$110.0 million for the fourth quarter of fiscal 2022 compared to \$110.9 million for the prior fiscal year fourth quarter. Product revenue totaled \$58.0 million compared to \$56.1 million for the prior fiscal year fourth quarter, while service revenue totaled \$52.0 million compared to \$54.8 million for the prior fiscal year fourth quarter.

Total gross profit for the fourth quarter of fiscal 2022 was \$43.0 million, or approximately 39.1 percent of sales, comprised of product gross margin of 45.1 percent and service gross margin of 32.5 percent. This compares to total gross profit of \$43.7 million, or 39.4 percent of sales, comprised of product gross margin of 41.5 percent and service gross margin of 37.3 percent for the prior fiscal year fourth

quarter.

Operating expenses were \$41.0 million, as compared to \$39.6 million for the prior fiscal year fourth quarter.

Net loss was \$3.5 million, or \$0.04 per share, for the fourth quarter of fiscal 2022, compared to a net loss of \$11.1 million, or \$0.12 per share, for the prior fiscal year fourth quarter. Net loss for the fourth quarter of fiscal 2021 included a one-time charge of \$9.9 million related to the exchange of a significant portion of the Company's existing 3.75% Convertible Senior Notes due July 2022 for newly issued 3.75% Convertible Senior Notes due May 2026 and the refinancing of the Company's senior secured revolving credit facility and term loan with new lenders. This one-time charge was recorded as non-operating, other expense in the fourth quarter of fiscal 2021.

Adjusted EBITDA for the fourth quarter of fiscal 2022 was \$5.2 million, compared to \$6.7 million for the prior fiscal year fourth quarter.

Cash, cash equivalents, and short-term restricted cash were \$88.9 million as of June 30, 2022, a decrease of \$9.1 million from March 31, 2022.

### **Fiscal Year 2022 Highlights**

For the fiscal year ended June 30, 2022, gross orders totaled \$332.3 million, representing an increase of 1.9 percent compared to the prior fiscal year.

Total revenue was \$429.9 million for the fiscal year ended June 30, 2022 compared to \$396.3 million for the prior fiscal year period. Product revenue totaled \$214.7 million compared to \$176.7 million for the prior fiscal year period, while service revenue totaled \$215.2 million compared to \$219.6 million for the prior fiscal year.

Total gross profit for the year ended June 30, 2022 was \$160.0 million, or 37.2 percent of sales, comprised of product gross margin of 40.7 percent and service gross margin of 33.7 percent. This compares to total gross profit of \$159.5 million, or 40.3 percent of sales, comprised of product gross margin of 42.2 percent and service gross margin of 38.7 percent for the prior fiscal year.

Operating expenses were \$151.8 million, as compared to \$137.3 million for the prior fiscal year period.

Net loss was \$5.3 million, or \$0.06 per share, for the fiscal year ended June 30, 2022, compared to a net loss of \$6.3 million, or \$0.07 per share, for the prior fiscal year period.

Prior fiscal year net loss included a one-time charge interest expense of \$9.9 million related to the exchange of a significant portion of the Company's existing 3.75% Convertible Senior Notes due July 2022 for newly issued 3.75% Convertible Senior Notes due May 2026 and the refinancing of the Company's senior secured revolving credit facility and term loan with new lenders. The loss was recorded as non-operating, other expense in the fourth quarter of fiscal 2021.

Adjusted EBITDA for the fiscal year ended June 30, 2022 was \$22.8 million, compared to \$38.0 million for the prior fiscal year period.

### **Fiscal Year 2023 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 and economic conditions, the impact of the COVID-19 pandemic, supply chain disruption, and the factors set forth under "Safe Harbor Statement" below.

The Company is introducing guidance for fiscal year 2023 as follows:

- Total revenue is expected in the range of \$447 million to \$455 million, representing a year-over-year growth range of 4% to 6%.
  - Adjusted EBITDA is expected in the range of \$26 million to \$30 million.
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“While supply chain constraints, foreign exchange headwinds, and COVID-19 related lock downs in China are expected to create near term pressure, we believe our new product introductions will serve as catalysts for growth in FY23. We remain focused on margin expansion plans and investments in research and development to drive innovation and create shareholder value in the long term,” said Ali Pervaiz, Chief Financial Officer.

Guidance for Adjusted EBITDA, a non-GAAP financial measure excludes depreciation and amortization, stock-based compensation expense, Enterprise Resource Planning (ERP) and ERP related expenditures, 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 fourth 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](http://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](http://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: 4554339. An archived webcast will also be available on Accuray’s website until Accuray announces its results for the first quarter of fiscal 2023.

### **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, ERP and ERP related expenditures, 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**

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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, supply chain and logistics challenges on the company and the market in general; expectations regarding the company's commercial strategy and execution as well as long-term growth opportunities and catalysts; expectations regarding demand for the company's products, adoption of new products and the company's order growth; the company's innovation-driven growth strategy and its ability to continue to build a stronger business, deliver value to its customers and create shareholder value and return on investment in the long term; expectations regarding the company's China joint venture and other partnerships; expectations regarding the company's products and new 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; 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 April 29, 2022 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

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

	Three Months Ended June 30,		Twelve Months Ended June 30,	
	2022	2021	2022	2021
<b>Net revenue:</b>				
Products	\$ 58,037	\$ 56,145	\$ 214,715	\$ 176,647
Services	51,986	54,791	215,194	219,642
<b>Total net revenue</b>	<b>110,023</b>	<b>110,936</b>	<b>429,909</b>	<b>396,289</b>
<b>Cost of revenue:</b>				
Cost of products	31,887	32,863	127,287	102,100
Cost of services	35,116	34,342	142,667	134,682
<b>Total cost of revenue</b>	<b>67,003</b>	<b>67,205</b>	<b>269,954</b>	<b>236,782</b>
<b>Gross profit</b>	<b>43,020</b>	<b>43,731</b>	<b>159,955</b>	<b>159,507</b>
<b>Operating expenses:</b>				
Research and development	14,569	15,357	57,752	52,729
Selling and marketing	14,362	13,007	49,664	42,820
General and administrative	12,041	11,225	44,391	41,723
<b>Total operating expenses</b>	<b>40,972</b>	<b>39,589</b>	<b>151,807</b>	<b>137,272</b>
<b>Income from operations</b>	<b>2,048</b>	<b>4,142</b>	<b>8,148</b>	<b>22,235</b>
Income (loss) on equity investment, net	(533)	(149)	241	872
Other expense, net	(2,940)	(14,685)	(10,391)	(27,666)
<b>Loss before provision for income taxes</b>	<b>(1,425)</b>	<b>(10,692)</b>	<b>(2,002)</b>	<b>(4,559)</b>
Provision for income taxes	2,027	400	3,345	1,752
<b>Net loss</b>	<b>\$ (3,452)</b>	<b>\$ (11,092)</b>	<b>\$ (5,347)</b>	<b>\$ (6,311)</b>
<b>Net loss per share - basic</b>	<b>\$ (0.04)</b>	<b>\$ (0.12)</b>	<b>\$ (0.06)</b>	<b>\$ (0.07)</b>
<b>Net loss per share - diluted</b>	<b>\$ (0.04)</b>	<b>\$ (0.12)</b>	<b>\$ (0.06)</b>	<b>\$ (0.07)</b>
<b>Weighted average common shares used in computing loss per share:</b>				
Basic	93,047	91,613	92,095	92,031
Diluted	93,047	91,613	92,095	92,031



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

	June 30, 2022	June 30, 2021
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 88,737	\$ 116,369
Restricted cash	204	560
Accounts receivable, net	94,442	85,360
Inventories	142,254	125,929
Prepaid expenses and other current assets	23,794	21,547
Deferred cost of revenue	1,459	3,008
Total current assets	350,890	352,773
Property and equipment, net	12,685	12,332
Investment in joint venture	13,879	15,935
Operating lease right-of-use assets	16,798	22,522
Goodwill	57,840	57,960
Intangible assets, net	250	435
Restricted cash	1,213	1,272
Other assets	19,294	16,869
Total assets	\$ 472,849	\$ 480,098
<b>Liabilities and equity</b>		
Current liabilities:		
Accounts payable	\$ 31,337	\$ 19,467
Accrued compensation	29,441	26,865
Operating lease liabilities, current	8,567	8,169
Other accrued liabilities	30,285	27,471
Customer advances	25,290	24,937
Deferred revenue	75,375	81,660
Short-term debt	8,563	3,790
Total current liabilities	208,858	192,359
Long-term other liabilities	10,453	7,766
Deferred revenue	3,748	23,685
Operating lease liabilities, non-current	24,694	17,441
Long-term debt	171,907	170,007
Total liabilities	419,660	411,258
Equity:		
Common stock	94	91
Additional paid-in capital	543,211	554,680
Accumulated other comprehensive income	2,406	2,093
Accumulated deficit	(492,522)	(488,024)
Total equity	53,189	68,840
Total liabilities and equity	\$ 472,849	\$ 480,098

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

	Three Months Ended June 30,		Twelve Months Ended June 30,	
	2022	2021	2022	2021
Gross Orders	\$ 88,342	\$ 112,672	\$ 332,268	\$ 325,929
Net Orders	42,828	63,038	167,316	191,881
Order Backlog	563,684	616,399	563,684	616,399

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

	Three Months Ended June 30,		Twelve Months Ended June 30,	
	2022	2021	2022	2021
GAAP net loss	\$ (3,452)	\$ (11,092)	\$ (5,347)	\$ (6,311)
Depreciation and amortization (a)	1,275	1,498	5,522	6,389
Stock-based compensation	2,694	2,236	10,600	9,332
Interest expense, net (b)	2,028	3,734	8,109	16,877
ERP and ERP related expenditures	594	—	594	—
One-time charge related to debt refinance and convertible exchange	—	9,948	—	9,948
Provision for income taxes	2,027	400	3,345	1,752
Adjusted EBITDA	<u>\$ 5,166</u>	<u>\$ 6,724</u>	<u>\$ 22,823</u>	<u>\$ 37,987</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, Stock-Based Compensation and Other**  
**(Adjusted EBITDA)**  
(in thousands)

	Twelve Months Ending June 30, 2023	
	From	To
GAAP net income (loss)	\$ (3,500)	\$ 500
Depreciation and amortization (a)	6,300	6,300
Stock-based compensation	11,600	11,600
Interest expense, net (b)	8,000	8,000
Provision for income taxes	2,000	2,000
ERP and ERP related expenditures	1,600	1,600
Adjusted EBITDA	<u>\$ 26,000</u>	<u>\$ 30,000</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

# Q4'FY22 Earnings Call



August 10, 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 2023 full-year adjusted EBITDA and revenue; our positioning and strategy for accelerating revenue growth and market share; expectations regarding our strategic pillars; expectations regarding continued momentum in investment in R&D; expectations regarding market growth rates and market trends; expectations regarding new product enhancements or offerings and partnerships; our ability to expand addressable markets; and expectations related to our revenue growth and market share going forward. 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; disruptions to our supply chain, including increased logistics costs; 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 April 29, 2022, 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.



**Suzanne Winter**  
President and CEO



**Ali Pervaiz**  
Senior Vice President,  
Chief Financial Officer



**Sandeep Chalke**  
Senior Vice President,  
Chief Commercial  
Officer



**Jean-Philippe Pignol**  
Senior Vice President, Chief  
Medical and Technology  
Officer



**Jesse Chew**  
Senior Vice President,  
General Counsel



**Mike Hoge**  
Senior Vice President,  
Global Operations



**Patrick Spine**  
Senior Vice President,  
Chief Administrative  
Officer



**Jim Dennison**  
Senior Vice President,  
Global Quality &  
Regulatory Affairs



Highest revenue performance in the company's history;  
YoY growth rate >2x estimated worldwide market growth



Introduced VOLO™ Ultra to enhance Radixact® System treatment  
planning speed and quality



ClearRT™ Imaging won "Best New Technology Solution for Oncology"  
MedTech Breakthrough Award



CyberKnife® System gained momentum capitalizing on rapidly growing  
use of "5 fractions or less"



More than 160 new clinical and physics abstracts presented at major  
conferences worldwide

# Ultra-Hypofractionation is Ready for Prime-Time

20% Adoption<sup>0</sup> growing with Phase II-III clinical evidence

ACCURAY

## Adoption



HF: hypofractionation  
UHF: ultra-hypofractionation



## Growing Clinical Evidence Supports UltraHF Treatments

### Fast-Forward Trial

- Local control and toxicity after ultra-hypofractionated is comparable to standard treatment for early-stage breast cancer<sup>1</sup>

### PACE-B Trial

- Long-term toxicity after SBRT is comparable to hypofractionated for localized prostate cancer<sup>2</sup>

### STARS Trial

- Long-term survival after SBRT comparable to surgery for early-stage lung cancer<sup>3</sup>

### SABR-COMET Trial

- SBRT is associated with an improvement in overall survival for oligometastatic disease<sup>4</sup>

<sup>0</sup> Hypofractionated radiotherapy in the real-world setting: An international ESTRO-EBRO survey  
Banks et al. *Lancet*. 2020;395(10237):1613-1626. doi:10.1016/S0140-6736(20)30502-8

<sup>1</sup> Van As et al. *Journal of Clinical Oncology* 37, no. 7, suppl (March 01, 2019), 1-11. DOI: 10.1200/JCO.2019.37.7\_suppl

<sup>2</sup> Murray Brown et al. *Lancet*. 2020 May 23;395(10237):1613-1626. doi: 10.1016/S0140-6736(20)30692-6

<sup>3</sup> Murray et al. *International Journal of Radiation Oncology, Biology, Physics*. 2022. doi: <https://doi.org/10.1016/j.ijrobp.2022.05.004>

<sup>4</sup> incidence based model (Sobason data), Profractionation (The Lancet Oncology), Metastatic percentage (Istaitieh et al.)



# Positive Press Showcasing Impact of the CyberKnife® System on Patients' Lives

ACCURAY

## USA Today Insert<sup>1</sup>



Features Rear Admiral Garry Hall sharing his CyberKnife System treatment story

## CyberKnife System

- Unique Robotic Platform
- Moving or Stationary Targets
- Submillimeter Accuracy
- 5 or Fewer Treatment Sessions

## Coverage in Multiple Media Outlets



Photo credit: EQUI-PHOTO

Owner of Arkansas Derby & Haskell Stakes winner named horse after the life-changing CyberKnife System used to treat his cancer

<sup>1</sup> Printed June 30, 2022; <https://www.futureofpersonalhealth.com/prostate-and-urological-health/making-prostate-cancer-easier-for-patients-and-their-families/>.

# ClearRT™: Rapid Adoption of New Standard of Imaging for Radixact® CT-Linac



## Highlights

- Helical fan-beam kVCT imaging
- 115 orders and 73 shipments since introduction 18 months ago
- MedTech Breakthrough Award: "Best New Oncology Technology Solution"



# Q4'FY22 and FY22 Financials

Strong financial performance

ACCURAY

## KEY FINANCIAL METRICS

\$M	Q4	Y/Y	FY22	Y/Y
Gross orders	\$88.3M	(22%)	\$332.3M	2%
Revenues	\$110.0M	(1%)	\$429.9M	8%
Product	\$58.0M	3%	\$214.7M	22%
Service	\$52.0M	(5%)	\$215.2M	(2%)
Op. Expenses	\$41.0M	3%	\$151.8M	11%
R&D	\$14.6M	(5%)	\$57.7M	10%
SG&A	\$26.4M	9%	\$94.1M	11%
Adj. EBITDA <sup>1</sup>	\$5.2M	(23%)	\$22.8M	(40%)



## Highlights

- Record revenue year with 8% YoY growth
- Product revenue 22% YoY growth
- 2% YoY orders growth primarily due to strong demand in Americas region at 31% and China at 12%
- Beat FY22 full year adjusted EBITDA guidance of \$15M to \$20M<sup>1</sup>

<sup>1</sup> Adjusted EBITDA is a non-GAAP measure. Please see Slides 13 and 14 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

# FY23 Guidance

Takes into account expectations regarding uncertainty and impact from macro environmental climate, FX and China lock downs

ACCURAY

\$ in millions  
% = YoY Growth

FY22  
Actual

FY23  
Guidance Range

Revenue

\$429.9M

**\$447M - \$455M**

+4% - 6%

Adjusted EBITDA<sup>1</sup>

\$22.8M

**\$26M - \$30M**

+14% - 32%

<sup>1</sup> Adjusted EBITDA is a non-GAAP measure. Please see Slides 14 and 15 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.



Growing Momentum with Record Revenue



Strongest Product Portfolio and Pipeline in Company's History



Multiple Growth Catalysts and Global Commercial Execution



Focused on Margin Expansion and Free Cash Flow

Positioned for  
**Growth Faster  
Than the Market  
and Share Gain**

Thank you

# GAAP to Adjusted EBITDA Q4 FY2022 and Q4 FY2021

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

ACCURAY

\$K	Three Months Ended June 30 2022	Three Months Ended June 30 2021
GAAP net income (loss)	\$ (3,452)	\$ (11,092)
Depreciation and amortization	1,275	1,498
Stock-based compensation	2,694	2,236
Interest expense, net	2,028	3,734
SAP related cost	594	0
One-time charge related to debt refinance and convertible exchange	0	9,948
Provision for income taxes	2,027	400
Adjusted EBITDA	\$ 5,166	\$ 6,724

Proprietary and Confidential Property of Accuray



# GAAP to Adjusted EBITDA FY2022 and FY2021

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

ACCURAY

\$K	Twelve Months Ended June 30 2022	Twelve Months Ended June 30 2021
GAAP net income (loss)	\$ (5,347)	\$ (\$6,311)
Depreciation and amortization	5,522	6,389
Stock-based compensation	10,600	9,332
Interest expense, net	8,109	16,877
SAP related cost	594	0
One-time charge related to debt refinance and convertible exchange	0	9,948
Provision for income taxes	3,345	1,752
Adjusted EBITDA	\$ 22,823	\$ 37,987

# GAAP to Adjusted EBITDA FY2023 – Forward Looking Guidance

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

ACCURAY

\$K	Twelve Months Ended June 30, 2023	
	From	To
GAAP net income (loss)	\$ (3,500)	\$ 500
Depreciation and amortization	6,300	6,300
Stock-based compensation	11,600	11,600
Interest expense, net	8,000	8,000
SAP related cost	1,600	1,600
Provision for income taxes	2,000	2,000
Adjusted EBITDA	\$ 26,000	\$ 30,000