

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): February 14, 2023

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 7.01 Regulation FD Disclosure.**

On February 14, 2023, Accuray Incorporated (the “Company”) intends to present the management presentation slides attached hereto as Exhibit 99.1 during the virtual BTIG MedTech, Digital Health, Life Science & Diagnostic Tools Conference to discuss, among other things, the long-term business and growth strategies for the Company. Such slides may be used in additional presentations to investors and analysts from time to time. The management presentation slides will also be posted on the investor relations portion of the Company’s website.

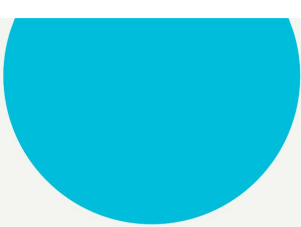
The information contained in this Current Report on Form 8-K, including Exhibit 99.1, is furnished pursuant to Item 7.01 and shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be incorporated by reference into a filing under the Securities Act of 1933, as amended, 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="#">Management Presentation Slides of Accuray Incorporated dated February 2023</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

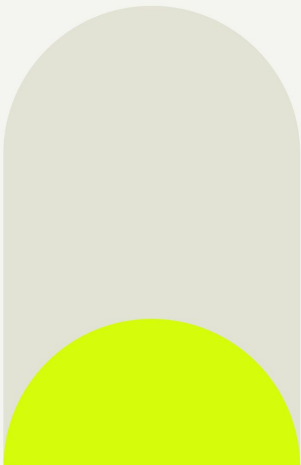




ACCURAY

# Corporate Overview

Innovation Driven Growth Strategy



February 2023



# 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 radiation therapy and its position for value-based care and potential as a first-line therapy; expectations regarding the size and growth of the radiation therapy market; expectations regarding our areas of strategic focus; expectations regarding new product enhancements or offerings and partnerships, including with respect to the China JV and related products; and expectations related to our revenue growth, market share, growth catalysts, customer demand and installed base. 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: risks related to the current global economic environment and 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 February 2, 2023, 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 slides at the end of this presentation.

Accuray has also reported certain operating results on a constant currency basis in order to facilitate period-to-period comparisons of its results without regard to the impact of foreign currency exchange rate fluctuations. Management believes disclosure of non-GAAP constant currency results is helpful to investors because it facilitates period-to-period comparisons of the company's results by increasing the transparency of the underlying performance by excluding the impact of foreign currency exchange rate fluctuations. Accuray calculates the constant currency amounts by translating local currency amounts in the current period using the same foreign translation rate used in the prior period being compared against rather than the actual exchange rate in effect during the current period.

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.

Proprietary and Confidential Property of Accuray

## Global Leader in Precision Radiation Therapy

Vision: To expand the curative power of radiation therapy to improve as many lives as possible



**14%** R&D Spend  
In FY22<sup>2</sup>

**392** Patents  
In Portfolio<sup>1</sup>

Key FY22  
Financials

**\$430M** Total  
Revenue

**22%** YOY Product  
Revenue  
Growth



**2 Precision  
Platforms**



**1,000<sup>th</sup>**  
Installed Base  
Milestone Expected  
by 1H of 2023

**1,000+** Global Employee  
Presence<sup>1</sup>

Main Manufacturing  
Facility Madison, WI

# Accuray Executive Leadership Team

ACCURAY



**Suzanne Winter**  
President and CEO



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



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



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



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



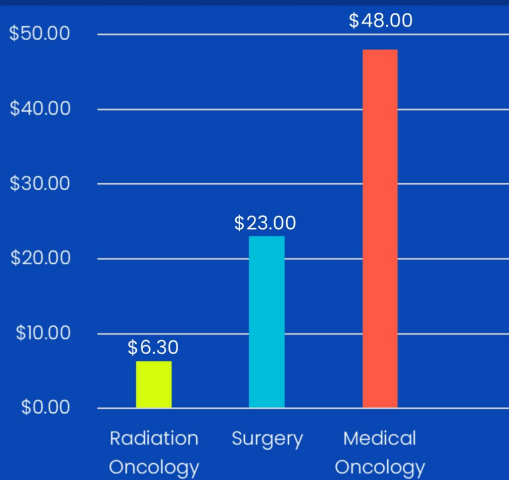
**Mike Hoge**  
Senior Vice President,  
Global Operations



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

# RT Strongly Positioned for Value-based Care

### U.S. Cancer Expenditures Estimate (\$ Billion)<sup>1,2</sup>



~60%

Cancer patients treated with radiation therapy<sup>3</sup>



Proven Outcomes



Enhanced Patient Experience



Non-Invasive

1: Dieguez G., Ferro C., Pyenson B.S. A multi-year look at the cost burden of cancer care: Milliman research report. <https://milliman-cdh.azureedge.net/-/media/Milliman/importedfiles/uploadedFiles/insight/2017/cost-burden-cancer-care.ashx> (Published 2017. Accessed August 21, 2020)  
2: NIH National Cancer Institute Cancer Trend Progress Report [https://progressreport.cancer.gov/after/economic\\_burden](https://progressreport.cancer.gov/after/economic_burden) (Data as of April 2022)  
3: <https://www.cancer.gov/publications/patient-education/radiation-and-you-2021-508.pdf>



# The Golden Age of Radiotherapy

Radiation therapy/radiosurgery potential as a first-line therapy

ACCURAY

Shorter  
Treatment  
Regimens

Imaging  
Innovation

Correct for  
Changes

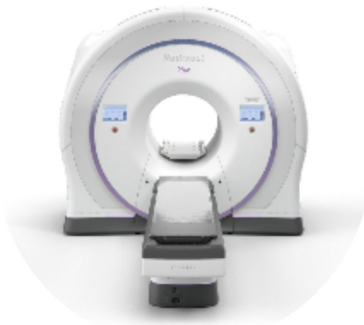
Powerful  
Partnerships

Clinical  
Innovation

Reduced Patient Burden – Advanced Precision – Clinical Evidence

## Radixact® System

CT-Linac System



Premium Performance

## CyberKnife®

Robotic System



Radical surgery/SBRT System

## Accuray Precision®

Treatment Planning System



Connectivity to the RT Department

# The Radixact® System: a Universal Workhorse

ACCURAY

**Unique  
Helical  
Platform**

Simple  
VOLO™ Ultra  
Planning

Precise Helical  
Dose Painting

Synchrony®  
4D Dynamic  
Delivery

**Any Case  
Complexity**

ClearRT™  
Imaging

Quick  
Installation

Vendor  
Neutral  
Connectivity



# The CyberKnife® Radiosurgery System

ACCURAY

Unique Robotic Platform

Submillimeter Accuracy

Thousands of Beam Angles

Fast Delivery

Versatile SRS/SBRT System

Flexible Collimation For Various Cases

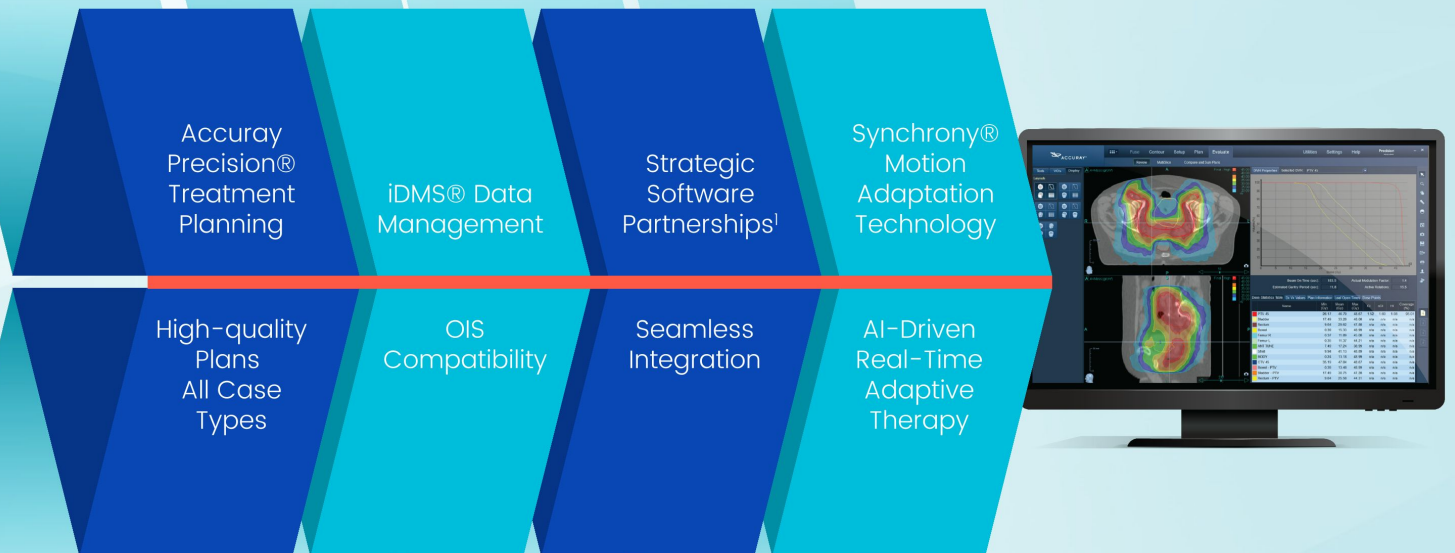
Powerful Planning Choices

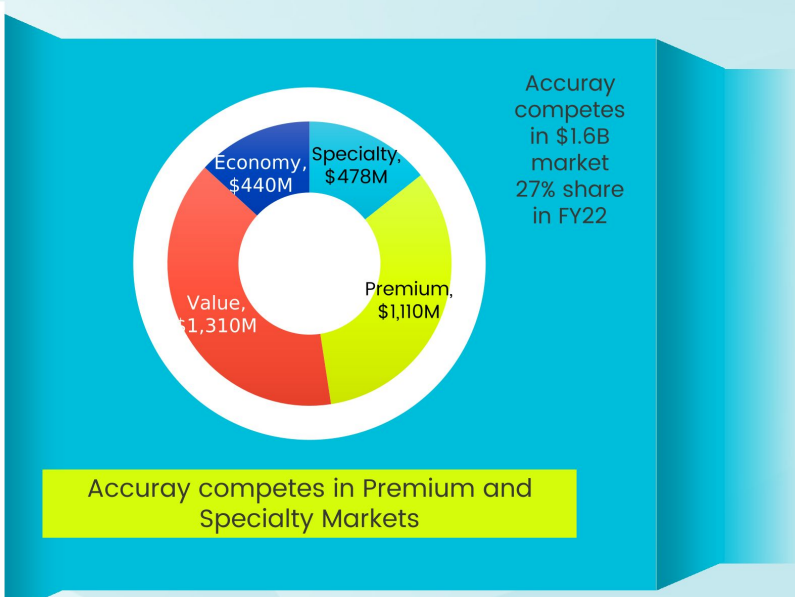
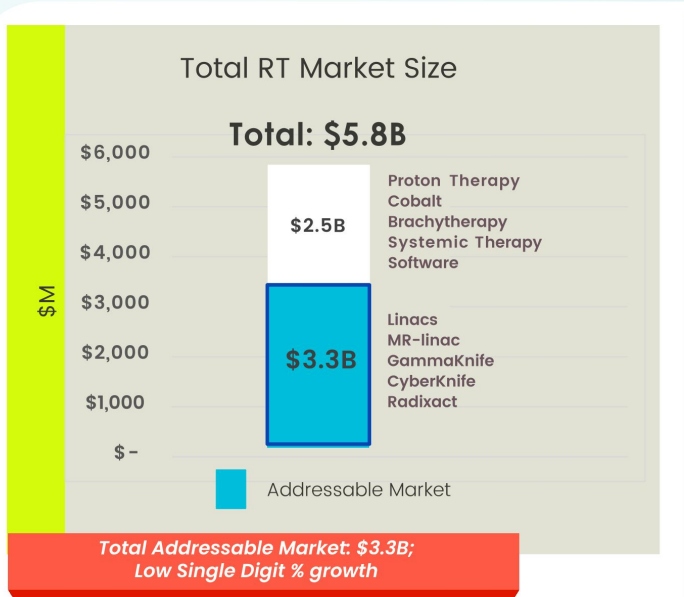
Moving Or Stationary Targets



# Accuray Software Solutions

ACCURAY





11 | <sup>1</sup>: ReAnin Radiotherapy Market, Global Industry insights and trends 2017-2027.

# FY23-25 Radiation Therapy Market

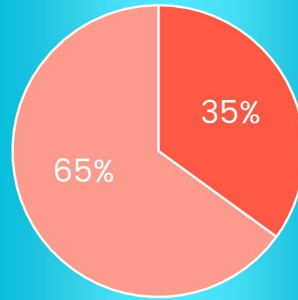
Mature versus growth markets

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## MATURE MARKETS

*US, Western Europe, Japan, Australasia*

- 2,200 systems are 10+ years of age (representing a \$5B market opportunity over time!)
- **Pent up demand for technology replacement**
- **Average life cycle increased from 10 to 12.5 years due to COVID**



Replacement <sup>2</sup>    New <sup>3</sup>

## GROWTH MARKETS

*China, Asean, LATAM, Eastern Europe*

- **\$1.3 B Annual New System Market<sup>3</sup>:**
  - China: \$600-\$700 annual market opportunity 12% CAGR
  - Brazil and India: **\$300M annual market opportunity**
  - **Other markets: \$300-400M**

1: Based on COCIR radiotherapy age profile & density, December 2019 Edition, DIRAC database and proprietary data, data on file  
2: Infoholic and COCIR reports on proportion of systems and system ageing: ASP estimated at \$2-2.3B, data on file  
3: DIRAC database and proprietary data



Drive market share through disruptive innovation



Expand service business



Drive margin and profitability initiatives



Transform through strategic partnerships

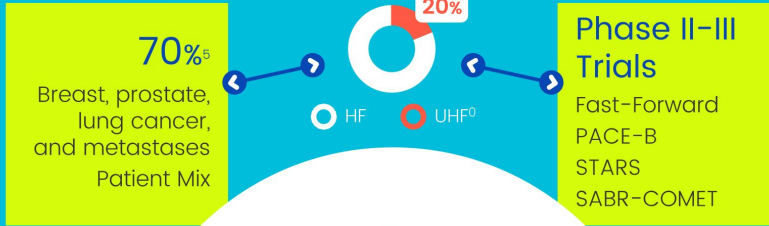


# Ultra-Hypofractionation is Ready for Prime-Time

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

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## Adoption



HF:  
hypofractionation  
UHF: ultra-  
hypofractionation



## Growing Clinical Evidence Supports UltraHF Treatments

### Fast-Forward Trial

- Early-stage breast cancer<sup>1</sup>

### PACE-B Trial

- Localized prostate cancer<sup>2</sup>

### STARS Trial

- Early-stage lung cancer<sup>3</sup>

### SABR-COMET Trial

- Oligometastatic disease<sup>4</sup>

<sup>0</sup> Hypofractionated radiotherapy in the real-world setting: An international ESTRO-ESRO survey

<sup>1</sup> Brunt et al. *Lancet*. 2020;395(10237):1613-1626. doi:10.1016/S0140-6736(20)30932-6

<sup>2</sup> Van As et al. *Journal of Clinical Oncology* 37, no. 7, suppl (March 01, 2019) 1-1. DOI: 10.1200/JCO.2019.37.7\_suppl.

<sup>3</sup> Chang JY et al. *Lancet Oncol*. 2021 Oct;22(10):1448-1457. doi: 10.1016/S1470-2045(21)00401-0. Epub 2021 Sep 13. PMID: 34529930; PMCID: PMC8521627. (revised) STARS

<sup>4</sup> Harrow et al. *International Journal of Radiation Oncology, Biology, Physics*. 2022. doi: <https://doi.org/10.1016/j.ijrobp.2022.06.004>

<sup>5</sup> Incidence based model (Globocan data), Fractionation (The Lancet Oncology), Metastatic percentage (Rosenblatt et al.)

# Multi-year Service Strategic Focus

FY23 and beyond

ACCURAY

## Securing and Growing Installed Base (IB)

- Service **quality** and customer **satisfaction**
- Clinical **technology adoption**
- Expansion of **direct-service** markets
- **JV Partner** and distributor **performance**

## Driving Service Growth Beyond the IB

- **Commercial Focus on Service**
  - Deal support and blended-margin analysis
  - Market analytics
- **Service Offering Expansion**
  - Monetizing value-added services
  - Expanded training and professional services offerings

## Increasing Service Profitability

- Parts cost **productivity**
- Service **training and tools**
- **Design-for-serviceability**
- **Inventory Optimization**

# Accuray – GE Healthcare Partnership

Global commercial collaboration agreement

ACCURAY

- Expand access to innovative precision solutions from diagnosis to treatment
- Accuray radiation therapy technologies + GE Healthcare's imaging solutions
- Emphasis on early detection; functional diagnostics; targeted, precise treatment delivery
- Drive digitalization and interoperability
- Personalized care at each stage of the treatment



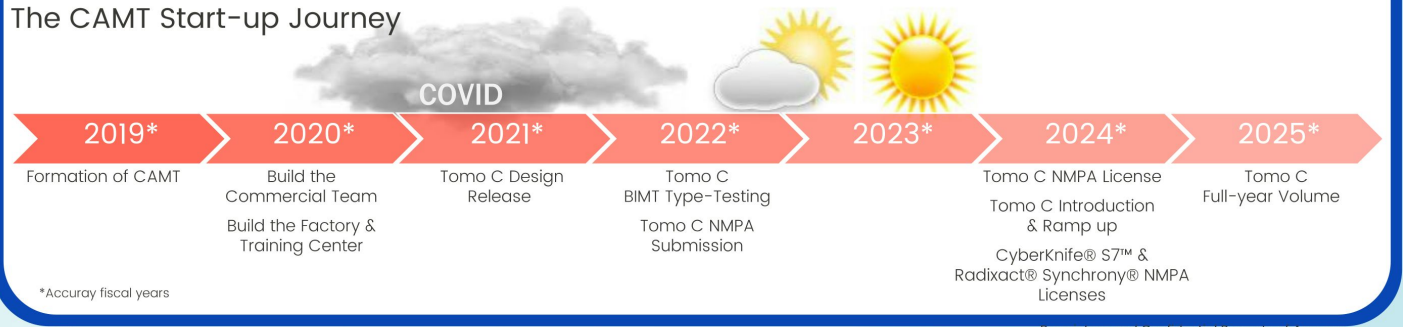
# China JV Strategy

CAMT (JV) is our path to winning share in the growing RT market in China

ACCURAY

- Establish domestic presence, brand, product
- Launch Tomo® C for Type-B, critical for growth
- Continue to harvest share in Type-A
- Leverage CAMT infrastructure for COGS reduction & value product manufacturing (margin, capacity, risk)

## The CAMT Start-up Journey





Received IMV Award for Best in Service in Radiation Oncology for 2022



34 new orders globally for Radixact® and CyberKnife® Systems with 92% year over year growth in Americas region



Awarded 18 systems in the November 2022 Ministry of Health Type A central bidding process in China<sup>1</sup>



NMPA regulatory submission completed for Tomo® C, the joint venture product for the China Type B segment



Completed production and testing of the first Tomo C unit in Tianjin manufacturing operations

# Q2'FY23 and 1H'FY23 Financials

Strong financial performance

ACCURAY

## KEY FINANCIAL METRICS

\$M	Q2	Y/Y	Q2 Y/Y XFX <sup>2</sup>	1H	Y/Y	1H Y/Y XFX <sup>2</sup>
Gross Orders	\$79.0M	(7%)	(3%)	\$148.9M	(4%)	1%
Revenues	\$114.8M	(1%)	4%	\$211.3M	(6%)	0%
Product	\$63.3M	4%	8%	\$107.9M	(5%)	(1%)
Service	\$51.5M	(7%)	0%	\$103.4M	(6%)	1%
Op. Expenses	\$40.3M	4%		\$77.0M	2%	
R&D	\$14.6M	(0%)		\$28.7M	(1%)	
SG&A	\$25.6M	7%		\$48.3M	3%	
Adj. EBITDA	\$8.5M	24%		\$10.4M	(15%)	

## Highlights

- Steady orders performance amidst significant currency fluctuations
- Total Q2 revenue decline of 1% due to supply chain constraints and unfavorable foreign currency fluctuations
- OPEX includes ~\$2M of restructuring charges
- Reaffirmed FY23 full year adjusted EBITDA guidance of \$26M to \$30M<sup>1,3</sup>

<sup>1</sup> Adjusted EBITDA is a non-GAAP measure. Please see Slide 23, 24 and 26 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

<sup>2</sup> Percentages shown on a constant currency basis are non-GAAP measures.

<sup>3</sup> FY23 guidance affirmed February 1, 2023. Nothing contained herein should be construed as reaffirmation of such guidance.

# FY23 Guidance Affirmed February 1, 2023<sup>1</sup>

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\$ in millions  
% = YoY Growth

FY22  
Actual

FY23  
Guidance Range<sup>1</sup>

Revenue

\$429.9M

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

+4% - 6%

Adjusted EBITDA<sup>2</sup>

**\$22.8M**

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

+14% - 32%

<sup>1</sup>FY23 guidance affirmed February 1, 2023. Nothing contained herein should be construed as reaffirmation of such guidance.

<sup>2</sup>Adjusted EBITDA is a non-GAAP measure. Please see Slides 25 and 26 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure



Growing momentum with 34 orders in the quarter



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  
Long-Term  
Revenue Growth  
and Market  
Share Gain



Thank you

# GAAP to Adjusted EBITDA Q2 FY23 and Q2 FY22

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

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\$K	Three Months Ended December 31, 2022	Three Months Ended December 31, 2021
GAAP net income (loss)	\$ (1,874)	\$ 179
Depreciation and amortization	1,151	1,422
Stock-based compensation	3,126	2,695
Interest expense, net	2,642	2,070
ERP and ERP related expenditures	466	0
Restructuring charges	1,938	0
Provision for income taxes	1,049	480
Adjusted EBITDA	\$ 8,498	\$ 6,846

# GAAP to Adjusted EBITDA 1H FY23 and 1H FY22

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

ACCURAY

\$K	Six Months Ended December 31, 2022	Six Months Ended December 31, 2021
GAAP net income (loss)	\$ (7,323)	\$ (849)
Depreciation and amortization	2,327	2,841
Stock-based compensation	6,042	5,211
Interest expense, net	4,898	4,106
ERP and ERP related expenditures	1,121	0
Restructuring charges	1,938	0
Provision for income taxes	1,390	911
Adjusted EBITDA	\$ 10,393	\$ 12,220

# GAAP to Adjusted EBITDA FY22

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

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\$K	Twelve Months Ended June 30, 2022
GAAP net income (loss)	\$ (5,347)
Depreciation and amortization	5,522
Stock-based compensation	10,600
Interest expense, net	8,109
ERP and ERP related expenditures	594
One-time charge related to debt refinance and convertible exchange	0
Provision for income taxes	3,345
Adjusted EBITDA	\$ 22,823

# GAAP to Adjusted EBITDA FY23 – 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)	\$ (5,500)	\$ (1,500)
Depreciation and amortization	6,300	6,300
Stock-based compensation	11,600	11,600
Interest expense, net	8,000	8,000
ERP and ERP related expenditures	1,600	1,600
Restructuring charges	2,000	2,000
Provision for income taxes	2,000	2,000
Adjusted EBITDA	\$ 26,000	\$ 30,000