ACCURAY

Q4'FY21 Earnings Call

Fiscal Year End 2021

August 11, 2021

FORWARD-LOOKING STATEMENTS

ACCURAY

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: our results of operations, including expectations regarding total revenue and adjusted EBITDA as well as R&D expense and revenue conversion from China Type A sales; expectations regarding new product enhancements or offerings; our growth catalysts and drivers of revenue growth; expectations regarding operating leverage; ; expectations related to the market opportunity in China and our joint venture in China; our ability to continue to innovate and execute on our product portfolio and pipeline; expectations regarding system revenue contributions from China; expectations regarding the impact of the COVID-19 pandemic on the company; and expectations regarding our ability to accelerate revenue growth, gain market share and expand margin through fiscal year 2024. Forward-looking statements generally can be identified by words such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects," "may," "will be," "will continue," "will likely result," 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 effectively integrate and execute the joint venture; our ability to realize the expected benefits of the joint venture; risks and uncertainties related to future Type A and B license announcements in China; 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 30, 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 Slides 14, 15, and 16.

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.

Executive Summary Q4'FY21

ACCURAY

- Strong revenue performance with 17% Q4 Y/Y revenue growth
- Record orders and $616M backlog with 19% Q4 Y/Y order growth
- Received CE marking for ClearRT™ helical kVCT imaging
- 3% net installed base growth driving future recurring service and upgrade revenues
- Extended maturities of convertible notes and bank debt to 2026 with improved terms. Lowered cash interest costs by ~$2M/year

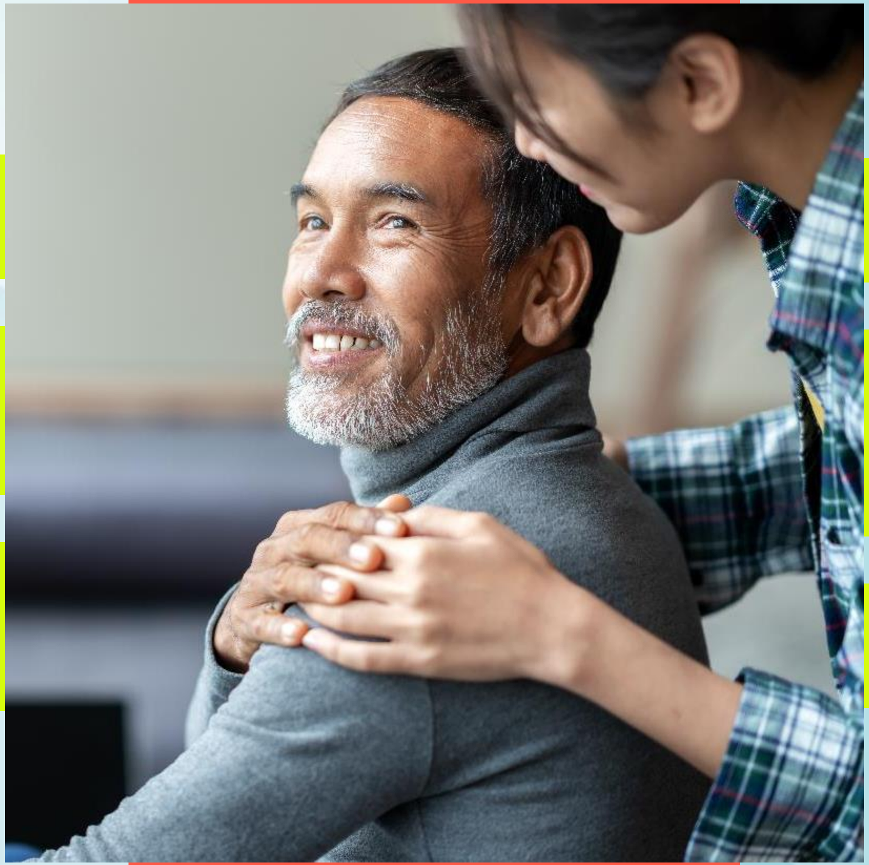
Our Vision:
Expand the Power of Radiation Therapy to Improve Patient Lives

ACCURAY

Powerful

Easy patient experience

New therapeutic options



Non-invasive

Improved outcomes and quality of life

Hope

~ 3 Million patients treated in FY21

What We Accomplished in FY21

ACCURAY

- Successful global product launches (ClearRT™, CyberKnife® S7™)
- Continued progress in China; $65M in system revenue, 195% Y/Y growth
- Achieved #2 market share position in Japan
- 76 new system installations
- 44 ClearRT™ orders
- Accelerated investment in R&D pipeline

Growth Catalysts

3.5% Y/Y REVENUE GROWTH

RECORD BACKLOG $616M

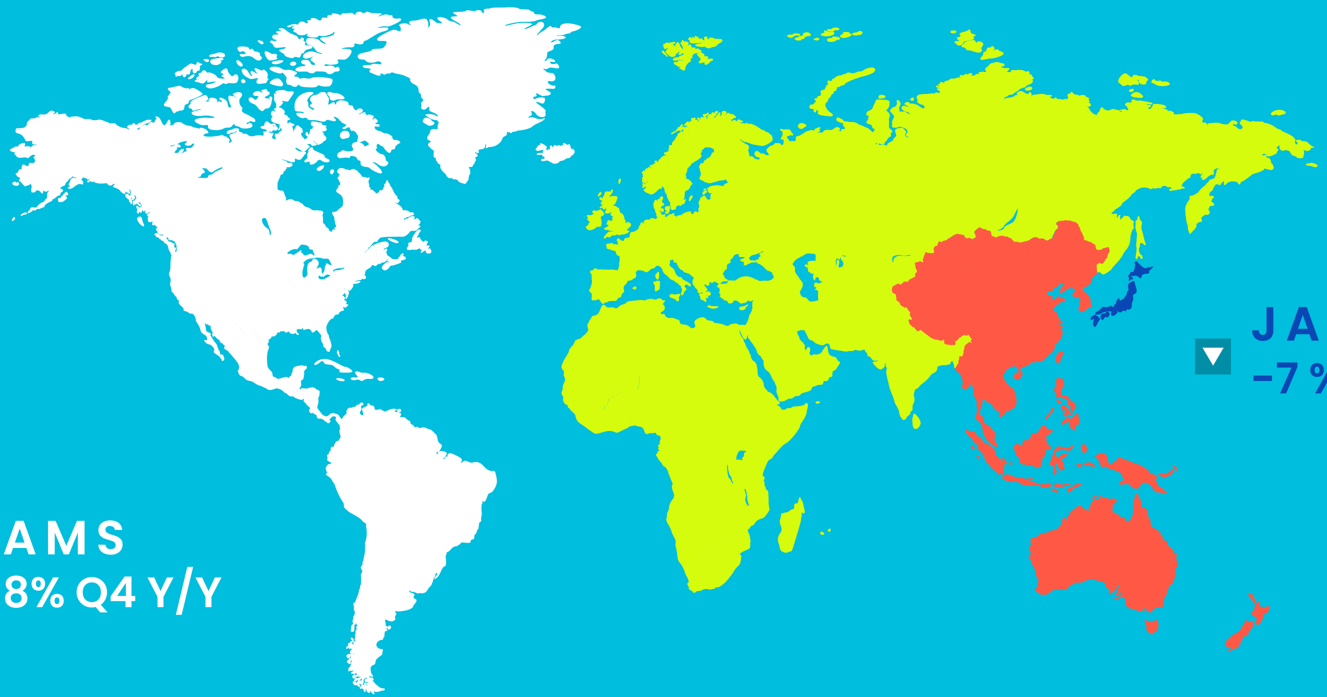
GREW GLOBAL IB to 961 Units

Note: Backlog $s and IB units as of June 30 2021.

Gross Order Performance by Region in Q4

ACCURAY

+19% Q4 Y/Y
Global Order Performance



AMS
8% Q4 Y/Y

EIMEA
Flat Q4 Y/Y

APAC
119% Q4 Y/Y

JAPAN
-7 % Q4 Y/Y

Note: Percentages above are calculated using actual dollars for Orders.

ACCURAY

Positioned to Win in Value Based Care

Delivering more. **Better. Faster.**

*<u>ClearRT™</u> "We were **impressed, intrigued, & surprised** – we expected ClearRT helical fan-beam CT would be superior to cone-beam CT, but didn't expect to have **trouble distinguishing ClearRT images from diagnostic CT.**"*

Dr. Lane Rosen, M.D.
Willis-Knighton Cancer Center, Shreveport, LA

*<u>Synchrony</u>® "The ability to actually **track the tumor and treat it** with the smallest field in real-time is the way to go, and only Synchrony can do that."*

Dr. Christopher J. Schultz, M.D.
Froedtert & the Medical College of Wisconsin

CyberKnife® S7™

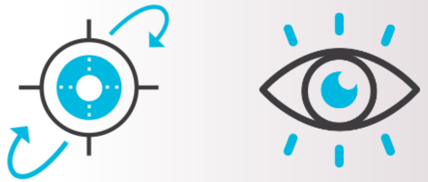
Robotic delivery system
25 years leadership SRS/SBRT

Radixact® / TomoTherapy®

360° helical delivery system
Simple to complex treatments

Accuray-only technology

Motion detection and real-time delivery adaptation
Superior kVCT imaging



Synchrony® ClearRT™

China: Strong Business Progress

ACCURAY

- Unique JV partnership strategy
- 195% revenue growth FY21
- 80% market share in RT Type A segment
- On track for China-made market intro into high growth Type B segment
- Factory and training center complete

Radixact® X5 CIIE Launch

China facility, training center, CIIE tradeshow exhibit

Q4 and FY21 Financials

ACCURAY

KEY FINANCIAL METRICS

$M	Q4	Y/Y	FY21	Y/Y
Gross orders	**$113M**	**19%**	**$326M**	**(14%)**
Revenues	**$111M**	**17%**	**$396M**	**3%**
Product	$56M	39%	$177M	6%
Service	$55M	0%	$220M	2%
Op. Expenses	**$39.6M**	**15%**	**$137.2M**	**0.1%**
R&D	$15.4M	26%	$52.7M	6%
SG&A	$24.2M	9%	$84.5M	(3%)
Adj. EBITDA	**$6.7M**	**(33%)**	**$38M**	**38%**

Highlights

- COVID impact reflective on Y/Y orders. New product innovation driving order momentum in Q4
- Strong Y/Y revenue growth in Q4 driven by China and Japan
- Installed base growth driving Y/Y annual service revenue increase

Note: Adjusted EBITDA is a non-GAAP measure. Please see Slide 14 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

Guidance for FY22

ACCURAY

- Revenue: **$410M - $420M**
- Expected Revenue Growth: **>4% (5% midpoint)**
- Adjusted EBITDA[1]: **$32M - $35M**

- Revenue guidance expected drivers:
  - Innovation: strong commercialization of new product introductions (Synchrony® and ClearRT™ on Radixact®) to drive incremental wins, trade-in, trade-up and upgrades
  - China: solid, steady China Type A revenue conversion to continue
  - Balanced regional performance: improved AMS performance and Japan and EIMEA demand
- Adjusted EBITDA[1] guidance, down ~$3-6M from FY21 primarily due to expected:
  - Normalization of expenses commensurate with continued market recovery towards 2H'FY22
  - Full year impact of FY21 R&D investment and additional strategic investments to accelerate revenue
- Significantly improved operational leverage vs. FY19 (the last full pre-Covid year):
  - Midpoint of FY22 adj. EBITDA guidance of $33.5M represents 41% growth over FY19[2] at relatively same levels of revenue
  - FY22 guidance implies $17-18M reduction in SG&A spend vs. FY19, enabling increased R&D investment in FY22
  - Expect FY22 R&D spend to represent 14-15% of revenue to drive continued innovation and top-line growth

1. Adjusted EBITDA is a non-GAAP measure. Please see Slide 15 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.
2. Adjusted EBITDA is a non-GAAP measure. Please see Slide 16 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

In Summary

ACCURAY

Entering FY22 With Accelerating Momentum

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, Market Share Gains and Margin Expansion Through FY24

Save the Date: Accuray Annual Investor Day

To take place during 2021 ASTRO Annual Meeting

ACCURAY

Monday, October 25th, 2021 (post market close)

Marriott Marquis Chicago

Details to follow in coming days

THANK YOU

GAAP to Adjusted EBITDA FY2021

ACCURAY

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

$K	Three Months Ended June 30		Twelve Months Ended June 30	
	2021	2020	2021	2020
GAAP net income (loss)	$ (11,092)	$ (152)	$ (6,311)	$ 3,827
Depreciation and amortization	1,498	1,960	6,389	7,526
Stock-based compensation	2,236	2,287	9,332	8,152
Interest expense, net	3,734	4,590	16,877	17,986
One-time charge related to debt refinance and convertible exchange (a)	9,948	—	9,948	—
Gain on contribution to equity method investment in joint venture (b)	—	—	—	(12,965)
Cost savings initiative (c)	—	1,058	—	1,058
Provision for income taxes	400	262	1,752	1,863
Adjusted EBITDA	$ 6,724	$ 10,005	$ 37,987	$ 27,447

(a) consists of one-time charge related to the exchange of our 3.75% Convertible Senior Notes due July 2022 for our new 3.75% Convertible Senior Notes due May 2026 and the refinancing of our senior secured revolving credit facility and term loan with new lenders.
(b) consists of non-cash gain related to the value of the Company's capital contribution to the China joint venture.
(c) consists of costs associated with reduction of staff.

GAAP to Adjusted EBITDA FY2022 Guidance

ACCURAY

Projected Guidance Reconciliation of Net Income (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 income (loss)	$	(800)	$	2,200
Depreciation and amortization		6,400		6,400
Stock-based compensation		10,200		10,200
Interest expense, net		13,400		13,400
Provision for income taxes		2,800		2,800
Adjusted EBITDA	$	32,000	$	35,000

GAAP to Adjusted EBITDA FY2019

ACCURAY

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

$K		Three Months Ended June 30		Twelve Months Ended June 30
		2019		2019
GAAP net income (loss)	$	(1,400)	$	(16,430)
Depreciation and amortization		2,178		8,266
Stock-based compensation		2,822		10,601
Interest expense, net		3,973		15,015
Impairment charge(a)		—		3,707
Cost savings initiative (b)		511		1,509
Gain on lease termination (c)				(1,007)
Provision for income taxes		864		2,086
Adjusted EBITDA	$	8,948	$	23,747

(a) consists of an accounts receivable impairment charge related to one customer in the first quarter of 2019
(b) consists of costs associated with reduction of staff
(c) consists of a non-cash reversal of deferred rent related to a facility lease that was terminated