

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): November 06, 2024

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.)

1240 Deming Way
Madison, Wisconsin
(Address of Principal Executive Offices)

53717-1954
(Zip Code)

Registrant's Telephone Number, Including Area Code: 608 824-2800

(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 November 6, 2024, the Company issued a press release announcing its financial results for the first quarter ended September 30, 2024. A copy of the Company's press release dated November 6, 2024, titled "Accuray Reports Fiscal 2025 First 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 November 6, 2024. 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 November 6, 2024, titled "Accuray Reports Fiscal 2025 First Quarter Financial Results"
99.2	Accuray First Quarter Fiscal 2025 Earnings Call Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)



Accuray Reports Fiscal 2025 First Quarter Financial Results

Strong Start to Fiscal Year, Raises 2025 Guidance

MADISON, Wis, November 6, 2024 — Accuray Incorporated (NASDAQ: ARAY) today reported financial results for the first quarter ended September 30, 2024.

"We continue to make solid progress in the execution of our strategic growth agenda and performed better than expected in the first quarter and are on track to deliver our fiscal 2025 plan. Our performance in the China region was strong and we saw significant interest in the recently introduced Accuray Tomo[®] C System and growth in our service business. I could not be more excited about where we are, as the company executes our strategy to drive top line and adjusted EBITDA growth transforming our competitive position in the global radiotherapy market," said Suzanne Winter, Chief Executive Officer.

Fiscal First Quarter Results

Total net revenue in the first quarter of fiscal 2025 was \$101.5 million, compared to \$103.9 million in the prior fiscal year first quarter. Product revenue in the first quarter of fiscal 2025 was \$48.4 million, compared to \$53.4 million in the prior fiscal year first quarter. Service revenue in the first quarter of fiscal 2025 was \$53.2 million, compared to \$50.5 million in the prior fiscal year first quarter. Total net revenue on a constant currency basis was \$102.0 million.

Total gross profit in the first quarter of fiscal 2025 was \$34.5 million, or 33.9 percent of total net revenue, compared to total gross profit of \$39.5 million, or 38.0 percent of total net revenue, in the prior fiscal year first quarter.

Operating expenses in the first quarter of fiscal 2025 were \$36.6 million, compared to \$37.3 million in the prior fiscal year first quarter.

Net loss in the first quarter of fiscal 2025 was \$4.0 million, or \$0.04 per share, compared to a net loss of \$3.0 million, or \$0.03 per share, in the prior fiscal year first quarter. Adjusted EBITDA in the first quarter of fiscal 2025 was \$3.1 million, compared to \$6.5 million in the prior fiscal year first quarter.

Gross product orders in the first quarter of fiscal 2025 totaled \$55.4 million compared to \$63.7 million in the prior fiscal year first quarter. The book to bill ratio was 1.1 in the first quarter of fiscal 2025, compared to a book to bill ratio of 1.2 in the same period in the prior fiscal year. Order backlog as of September 30, 2024 was \$468.6 million, which is approximately 4 percent lower than at the end of the prior fiscal year first quarter.

Cash, cash equivalents, and short-term restricted cash were \$59.7 million as of September 30, 2024, a decrease of \$9.4 million from June 30, 2024, primarily due to the build-up of inventory as we ramp up manufacturing for increased shipments in the coming quarters.

Fiscal Year 2025 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, economic and geopolitical conditions, including any recovery in the U.S. radiotherapy market; supply chain disruption, and the factors set forth under "Safe Harbor Statement" below.

The Company is raising guidance for fiscal year 2025 as follows:

- Total revenue is expected in the range of \$462 million to \$472 million.
 - Adjusted EBITDA is expected in the range of \$28 million to \$30 million.
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Guidance for non-GAAP financial measures excludes depreciation and amortization, stock-based compensation, 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 first quarter of fiscal 2025 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: 2342044. An archived webcast will also be available on Accuray's website until Accuray announces its results for the second quarter of fiscal 2025.

Use of Non-GAAP Financial Measures

Accuray reports its financial results in accordance with generally accepted accounting principles in the United States ("GAAP") and the rules of the SEC. To supplement its financial statements prepared and presented in accordance with GAAP, Accuray uses certain non-GAAP financial measures, such as adjusted EBITDA, and net revenue on a constant currency basis.

Accuray has supplemented its GAAP net income (loss) with a non-GAAP measure of adjusted earnings before interest, taxes, depreciation, amortization, stock-based compensation, and ERP and ERP related expenditures. ("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.

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. The GAAP measure most directly comparable to net revenue on a constant currency basis is net revenue. 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.

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 Madison, Wisconsin, 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; the company's ability to invest on innovations and provide customers with products that enables them to elevate cancer care; the company's ability to benefit from advances in long-term growth and profitability drivers; the company's ability to navigate supply chain, logistics, macroeconomic, and foreign exchange challenges; the company's ability to deliver on its strategic growth agenda and fiscal 2025 plans, ability to progress against long-term strategic goals, and ability to continue adoption and expansion of access of its technologies; the company's ability to execute on margin and profitability expansion initiatives; expectations regarding commercial strategy and execution as well as growth opportunities; expectations regarding the company's China joint venture and the Tomo[®] C System; expectations related to the amount and timing of realizing deferred margin from the company's China joint venture; expectations with respect to strategic partnerships and collaborations; expectations related to the markets and regions in which the company operates and its ability to gain share in those markets and regions; expectations regarding new product introductions and innovations, and related regulatory submissions and approvals, including with respect to the Accuray Helix[™] platform and CENOS online adaptive solution, and their effect on use and adoption of the company's products; expectations regarding orders and service business growth as well as revenue, margin and adjusted EBITDA growth; expectations regarding backlog; expectations regarding the company's enterprise resource planning system; expectations regarding the company's addressable market; and the company's ability to advance patient care and offer value to its customer. 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 global macroeconomic environment 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; 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 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 Annual Report on Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on September 19, 2024, 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
Condensed Consolidated Statements of Operations
(in thousands, except per share data)
(Unaudited)

	Three Months Ended September 30,	
	2024	2023
Net revenue:		
Products	\$ 48,369	\$ 53,350
Services	53,176	50,542
Total net revenue	101,545	103,892
Cost of revenue:		
Cost of products	32,461	35,699
Cost of services	34,615	28,700
Total cost of revenue	67,076	64,399
Gross profit	34,469	39,493
Operating expenses:		
Research and development	12,116	14,013
Selling and marketing	11,682	10,244
General and administrative	12,820	13,023
Total operating expenses	36,618	37,280
Income (loss) from operations	(2,149)	2,213
Income (loss) from equity method investment, net	(72)	431
Interest expense	(2,955)	(2,922)
Other income (expense), net	1,847	(759)
Loss before provision for income taxes	(3,329)	(1,037)
Provision for income taxes	625	1,932
Net loss	\$ (3,954)	\$ (2,969)
Net loss per share - basic and diluted	\$ (0.04)	\$ (0.03)
Weighted average common shares used in computing loss per share:		
Basic and diluted	100,225	96,555

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

	September 30, 2024	June 30, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 59,209	\$ 68,570
Restricted cash	485	485
Accounts receivable, net	91,789	92,001
Inventories	154,883	138,324
Prepaid expenses and other current assets	21,456	23,006
Deferred cost of revenue	1,721	850
Total current assets	<u>329,543</u>	<u>323,236</u>
Property and equipment, net	25,342	24,774
Investment in joint venture	6,045	9,826
Lease right-of-use assets, net	33,136	33,773
Goodwill	57,810	57,672
Intangible assets, net	48	59
Long-term restricted cash	1,438	1,337
Other assets	19,716	17,950
Total assets	<u>\$ 473,078</u>	<u>\$ 468,627</u>
Liabilities and equity		
Current liabilities:		
Accounts payable	\$ 49,808	\$ 50,020
Accrued compensation	17,540	17,128
Lease liabilities, current	6,779	6,218
Other accrued liabilities	25,457	28,508
Customer advances	13,132	13,988
Deferred revenue	81,321	71,649
Short-term debt	7,769	7,756
Total current liabilities	<u>201,806</u>	<u>195,267</u>
Lease liabilities, non-current	31,773	32,373
Long-term other liabilities	7,335	7,389
Deferred revenue, non-current	24,470	24,114
Long-term debt	162,471	164,400
Total liabilities	<u>427,855</u>	<u>423,543</u>
Equity:		
Common stock	100	100
Additional paid-in capital	569,240	566,887
Accumulated other comprehensive loss	(2,482)	(4,222)
Accumulated deficit	(521,635)	(517,681)
Total equity	<u>45,223</u>	<u>45,084</u>
Total liabilities and equity	<u>\$ 473,078</u>	<u>\$ 468,627</u>

Accuray Incorporated
Summary of Orders and Backlog
(in thousands, except book to bill ratio)
(Unaudited)

	Three Months Ended September 30,	
	2024	2023
Gross orders	\$ 55,365	\$ 63,734
Net orders	29,656	31,740
Order backlog	468,607	489,031
Book to bill ratio (a)	1.1	1.2

(a) Book to bill ratio is defined as gross orders for the period divided by product revenue for the period.

Accuray Incorporated
Reconciliation of GAAP Net Loss to Adjusted EBITDA
(in thousands)
(Unaudited)

	Three Months Ended September 30,	
	2024	2023
GAAP net loss	\$ (3,954)	\$ (2,969)
Depreciation and amortization (a)	1,464	1,251
Stock-based compensation	2,354	2,392
Interest expense, net (b)	2,652	2,628
Provision for income taxes	625	1,932
ERP and ERP related expenditures	—	1,270
Adjusted EBITDA	<u>\$ 3,141</u>	<u>\$ 6,504</u>

(a) Consists of depreciation on property and equipment and amortization of intangibles.

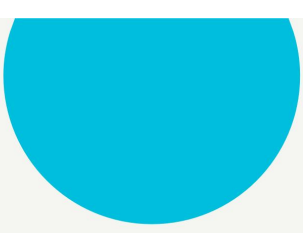
(b) Consists of interest expense net of interest income.

Accuray Incorporated
Forward-Looking Guidance
Reconciliation of Projected GAAP Net Loss to Projected Adjusted EBITDA
(in thousands)
(Unaudited)

	Twelve Months Ending June 30, 2025	
	From	To
GAAP net loss	\$ (4,500)	\$ (2,500)
Depreciation and amortization (a)	6,500	6,500
Stock-based compensation	10,000	10,000
Interest expense, net (b)	13,000	13,000
Provision for income taxes	3,000	3,000
Adjusted EBITDA	<u>\$ 28,000</u>	<u>\$ 30,000</u>

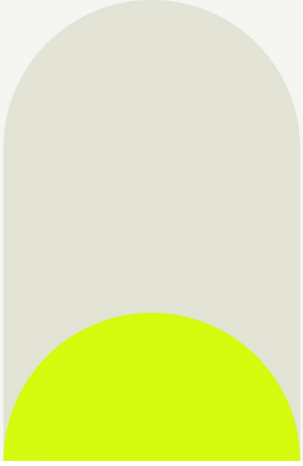
(a) Consists of depreciation on property and equipment and amortization of intangibles.

(b) Consists of interest expense net of interest income.



ACCURAY

Q1'FY25 Earnings Call Supplemental Presentation



November 6, 2024



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 adjusted EBITDA and revenue; our ability to deliver on our goals and strategic growth plans; our expectations related to the markets and regions in which we operate; expectations related to our China joint venture, including related to the Tomo-C System and margin deferral from the China joint venture; expectations regarding environmental, social and governance initiatives at the Company; and expectations related to new product innovations and offerings as well as 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: risks related to the effect of the global macroeconomic environment 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; 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 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 other risks identified under the heading "Risk Factors" in our annual report on Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on September 19, 2024, 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.

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



Strong China performance with significant interest in the Tomo® C System



Service contract recurring revenue growth of 5% YOY, outpacing installed base growth



Clinical data published in NEJM support the use of SBRT for the treatment of prostate cancer



Raising full year fiscal 2025 guidance

Vision

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

Mission

To think, act, and execute beyond expectations every day to deliver better, safer radiation therapy solutions and help patients get back to living their lives, faster



Conquer Cancer by Closing the Gaps to Care

Advance Care
by providing solutions that address
the biggest pain points in RT

Drive Patient Access
to radiotherapy treatments in
developed and high potential
underserved markets

Delight Customers
by ensuring high operational
performance so no patient
is rescheduled



Hope



Confidence

PACE-B Prostate Study Published in NEJM

Study shows stereotactic body radiation therapy (SBRT) provides comparable results to conventional radiotherapy in 75% less time¹

ACCURAY



"We expect our trial to be practice changing . . ."
Chief Investigator
Professor Nicholas van As³

- ~ 1 in 8 men in the U.S. will be diagnosed with prostate cancer²
- Trial compared 5-fraction SBRT to conventional radiotherapy (CRT)¹
- 41% of men receiving SBRT were treated using the CyberKnife® System¹
- At 5 years, SBRT and CRT provided similar rates of cancer control, tolerability and sexual functioning¹
- SBRT significantly reduces the time men must spend undergoing care

1. van As N, Griffin C, Tree A, et al. Phase 3 trial of stereotactic body radiotherapy in localized prostate cancer. *N Engl J Med.* 2024 Oct 17;391(15):1413-1425. doi:10.1056/NEJMoa2403365

2. American Cancer Society

3. Accuray and The Royal Marsden press releases issued October 17, 2024

The CyberKnife® System: First and Only Robotic Radiotherapy Platform

ACCURAY

CyberKnife® Platform



All Markets

First frameless SRS system

Dedicated SRS/SBRT System

Unmatched sub-millimeter robotic accuracy w/o restrictive devices

First SRS/SBRT system to track and automatically adjust for motion in real time

The Radixact® System: Only System Specifically Designed for Integrated 3D Daily IG-IMRT

ACCURAY

TomoTherapy®/Radixact® Platform

First to offer ring gantry platform

First to allow for continuous helical treatment delivery

First to offer large one meter+ treatment field with dose painting

First to integrate daily CT imaging into the treatment process



All Markets

Expanding Access to Global Value Segment

ACCURAY

Tomo® C

Fueling Growth in China Type B Market

\$600M Annual TAM*



Locally Manufactured,
China Solution

Accuray Helix™

Designed for Workflow Efficiency

\$300M Annual TAM
India/LATAM*



Manufactured in Madison,
Wisconsin

*DIRAC database and proprietary data

Proprietary and Confidential Property of Accuray

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China Business Progress

30% YOY revenue growth driven by both Type A and B markets

Radiotherapy market share leader with CyberKnife® and Radixact® Systems

22% growth in new installed base customers YOY

Above market new order growth



Ended FY24 with Tomo C System NMPA license, introduction and ramp up

Q1 FY25 milestone of systems built at the Tianjin facility

Total (TT-C) \$k	FY23	FY24	FY25
	Full Year	Full Year	Q1
Net China Margin impact	(1,216)	(3,081)	(1,993)
Gross Margin % (Reported)	34.4%	32.0%	33.9%
Gross Margin % (Excl China Margin Impact) ²	34.7%	32.7%	35.9%
Adjusted EBITDA (Reported) ¹	23,948	19,692	3,141
Adjusted EBITDA % ¹	5%	4%	3%
Adjusted EBITDA (Excl China Margin Impact) ¹	25,164	22,724	5,134
Adjusted EBITDA % (Excl China Margin impact)	6%	5%	5%
Def Margin in Balance Sheet (cumulative)	1,216	4,247	6,241

Expect approximately \$3 - \$4M of net release included in revised guidance

- Reported revenue remains the same, with or without China deferral
- Due to JV accounting rules, 49% of total margin needs to be deferred upon shipment to the JV
- Margin is released when the JV ships the system to the customer
- Deferred margin is reflected on the Balance Sheet, together with other items, under Assets as "Investment in JV"

¹ Adjusted EBITDA is a non-GAAP measure. Please see Slide 17 and 19 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

² Gross Margin % (Excl China Margin Impact) is a non-GAAP measure. Please see Slides 20 and 21 for a reconciliation of Gross Margin % (Excl China Margin Impact) to the most directly comparable GAAP measure.

Q1'FY25 Financials

KEY FINANCIAL METRICS

\$M	Q1	Y/Y	Y/Y XFX ²
Revenues	\$101.5	(2%)	(2%)
Product	\$48.4	(9%)	(9%)
Service	\$53.2	5%	6%
Gross Margin	33.9%	(4.1%)	
Op. Expenses	\$36.6	(2%)	
Adj. EBITDA¹	\$3.1	(52%)	



Highlights

- Strong revenue performance in China with Tomo® C Systems and growth in service business
- Growth in service contract revenue exceeding install base
- Excluding Tomo-C margin impact, gross margin would have been 35.9%
- 2% annual decrease in OPEX driven by cost control
- Trailing 12-month Book to Bill ratio of 1.5

¹ Adjusted EBITDA is a non-GAAP measure. Please see Slide 17 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.

² Percentages shown on a constant currency basis to facilitate period-to-period comparisons without regard to the impact of foreign currency exchange rate fluctuations.

FY25 Revised Guidance

\$ in millions % = YoY Growth	Revised Guidance Range	Previous Guidance Range
Revenue	\$462M - \$472M +3.5% - 6%	\$460M - \$470M +3% - 5%
Adjusted EBITDA ¹	\$28M - \$30M +42% - 52%	\$27.5M - \$29.5M +40% - 50%

¹ Adjusted EBITDA is a non-GAAP measure. Please see Slide 18 for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure.



Outpace the Market and Grow Customer Base



Expand Service and Solutions Recurring Revenue



Improve Profitability and Operational Excellence



Strengthen Balance Sheet and Cash Flow



Expanding Access to Healthcare

- Reduce cost of treatment through value-based care
- Expand access in low-income communities and developing countries with Accuray Helix™ and Tomo® C Systems



Building Strong Communities

- Consistently support local charities (i.e., Habitat for Humanity; Family Giving Tree)
- Committed to supporting policies covering fair-trade, fair-wage and other labor policies throughout our global footprint



Building a Culture of Inclusion and Diversity

- Established internal DEI Committee
- Formed partnerships with diversity job boards to engage underrepresented minority groups
- Enhanced internal DEI trainings
- Regular celebration of diversity (i.e., Pride)



Enhancing Environmental Stability

- Remanufacture and recertify >100 types of equipment and static materials for reuse
- Recycling programs in all global offices
- EV stalls available in key office locations
- Expect to build ability to measure greenhouse gas emissions generated by the Company

Thank you

GAAP to Adjusted EBITDA Q1 FY'25 and Q1 FY'24

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

ACCURAY

\$K	Three Months Ended September 30, 2024	Three Months Ended September 30, 2023
GAAP net income (loss)	\$ (3,954)	\$ (2,969)
Depreciation and amortization	1,464	1,251
Stock-based compensation	2,354	2,392
Interest expense, net	2,652	2,628
ERP and ERP related expenditures	0	1,270
Provision for income taxes	625	1,932
Adjusted EBITDA	\$ 3,141	\$ 6,504

GAAP to Adjusted EBITDA FY'25 – Forward Looking Guidance

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, 2025	
	From	To
GAAP net income (loss)	\$ (4,500)	\$ (2,500)
Depreciation and amortization	6,500	6,500
Stock-based compensation	10,000	10,000
Interest expense, net	13,000	13,000
Provision for income taxes	3,000	3,000
Adjusted EBITDA	\$ 28,000	\$ 30,000

GAAP to Adjusted EBITDA FY2024 and FY2023

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, 2024	Twelve Months Ended June 30, 2023
GAAP net income (loss)	\$ (15,545)	\$ (9,280)
Depreciation and amortization	5,905	4,527
Stock-based compensation	9,483	10,053
Interest expense, net	10,676	10,340
ERP and ERP related expenditures	2,815	3,078
Restructuring charges	2,633	2,738
Provision for income taxes	3,725	2,492
Adjusted EBITDA	\$ 19,692	\$ 23,948

Gross Margin to Gross Margin Excluding China Margin Impact

ACCURAY

Reconciliation of Gross margin to Gross margin excluding China Margin Impact

\$K	Twelve Months Ended June 30, 2024	Twelve Months Ended June 30, 2023
Total Net Revenue	\$ 446,551	\$ 447,605
Total Cost of Revenue	(303,630)	(293,645)
Gross Profit	142,921	153,960
TT-C China Margin Deferral	(3,031)	(1,216)
Gross Profit excl TT-C China Margin Impact	\$ 145,952	\$ 155,176
Gross Margin % excl TT-C China Margin Impact	32.68%	34.67%

Gross Margin to Gross Margin Excluding China Margin Impact

Reconciliation of Gross margin to Gross margin excluding China Margin Impact

\$K	Three Months Ended September 30, 2024
Total Net Revenue	\$ 101,545
Total Cost of Revenue	(67,076)
Gross Profit	34,469
TT-C China Margin Deferral	(1,993)
Gross Profit excl TT-C China Margin Impact	\$ 36,462
Gross Margin % excl TT-C China Margin Impact	35.91%