



Accolade – IPO Case Study

Transaction Overview

- Accolade, Inc. (NASDAQ: ACCD) is a leading provider of personalized, technology-enabled solutions that help people better understand, navigate, and utilize the healthcare system and their workplace benefits
- On July 1, 2020, Accolade priced its upsized initial public offering following a six-day virtual roadshow
 - The IPO priced at \$22.00 per share; above the \$19.00-\$21.00 filing range and the base deal was upsized 14.5%
 - Management had 1x1 meetings with 47 accounts and achieved a 87% hit rate in terms of order book conversion
 - The roadshow generated over \$5bn of gross demand based on indications of interest from over 400 accounts
 - The book was ~26.4x oversubscribed and ~8.3x oversubscribed from 1x1 and TTW conversions
- On ACCD's first day of trading, shares closed at \$29.70, up 35% from the IPO price

Westwicke's Strategic Advice

- Westwicke's IR and CM teams started working with the Accolade management team 15 months before the IPO
- The key areas where Westwicke provided strategic advice included:
 - Helped develop the investor presentation highlighting Accolade's positioning and value proposition
 - Scheduled targeted pre-IPO meetings with institutional investors who accounted for 57% of the final allocations
 - These investors represented 9 of the top 10 allocations, with total demand of nearly \$600 million
 - Managed the banker bake-off, advised on syndicate scenarios and led the negotiations of roles & economics
 - Assisted management during the organizational meeting and throughout the S-1 drafting process
 - Supported management during the Research Analyst diligence process and advised on financial guidance metrics
 - Provided input to management on investor targeting during the Test-The-Waters (TTW) process
- After the original IPO launch timing was impacted by the COVID-19 pandemic, Westwicke maintained constant dialogue with management and provided tactical advice on launch timing as the IPO market opened up
- During the IPO roadshow, Westwicke scheduled daily calls with management to review the book building process and provided targeted advice on final price, upsizing and investor allocations

Raising the Bar for Healthcare Technology IPOs

- The Accolade IPO marks the first Healthcare Technology IPO during the COVID-19 pandemic
- Priced at 4.7x FY 2022 revenue, the valuation represents one of the highest revenue multiples in HC Technology
- As of July 9, 2020, Accolade's multiple had expanded to 8.0x FY2022 revenue

\$253.6 Million

July 1, 2020



Initial Public Offering
11,526,134 Shares
\$22.00 per Share



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Offering Summary

Base Deal Size:	10.02 million shares / \$220.5mm
Greenshoe:	1.5 million shares / \$33.1mm
Offer Price:	\$22.00 per share
Market Cap at IPO:	\$1,164 million
Offering Mix:	100% Primary
Exchange:	ACCD / NASDAQ
Use of Proceeds:	General corporate purposes
Active Bookrunners:	Goldman Sachs, Morgan Stanley, BofA Securities
Passive Bookrunners:	Piper Sandler, Credit Suisse, William Blair
Co-Managers:	Baird, SVB Leerink