



Investor presentation

September 2020

Safe harbor

This presentation does not constitute an offer or invitation for the sale or purchase of securities and has been prepared solely for informational purposes. This presentation is a summary of information contained in our public filings filed with the Securities and Exchange Commission (SEC), which public filings are expressly incorporated herein by reference (see <http://ir.healthequity.com/>), and other publicly available information. Readers are encouraged to review our public filings for further information.

This presentation contains “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. These forward-looking statements include, without limitation, statements regarding our industry, business strategy, plans, goals and expectations concerning our market position, product expansion, future operations, margins, profitability, future efficiencies, capital expenditures, liquidity and capital resources and other financial and operating information. When used in this discussion, the words “may,” “believes,” “intends,” “seeks,” “anticipates,” “plans,” “estimates,” “expects,” “should,” “assumes,” “continues,” “could,” “will,” “future” and the negative of these or similar terms and phrases are intended to identify forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation. Our actual future results may be materially different from what we expect. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future. Readers are encouraged to review our public filings with the SEC for further disclosure of other factors that could cause actual results to differ materially from those indicated in any forward-looking statements included herein.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in our public filings.

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An industry leader

**12.5 MILLION
ACCOUNTS**

BENEFIT ADMINISTRATOR
TO EMPLOYERS OF

**1^{IN}7 WORKING
AMERICANS**



LEADING PROVIDER

✓ HSAs	5.4M
✓ FSAs	3.3M
✓ HRAs	1.7M
✓ COBRA	0.8M
✓ COMMUTER	0.6M
✓ OTHER CDBs	0.7M



**SEC-REGISTERED
INVESTMENT
ADVISER**
HealthEquity Advisors, LLC

**\$12.2 BILLION
in HSA
ASSETS**

**~100k
EMPLOYERS SERVED**



**15,000+
INTEGRATIONS
& ECOSYSTEM PARTNERS**

**RETIREMENT
PLATFORM
CONNECTIONS**



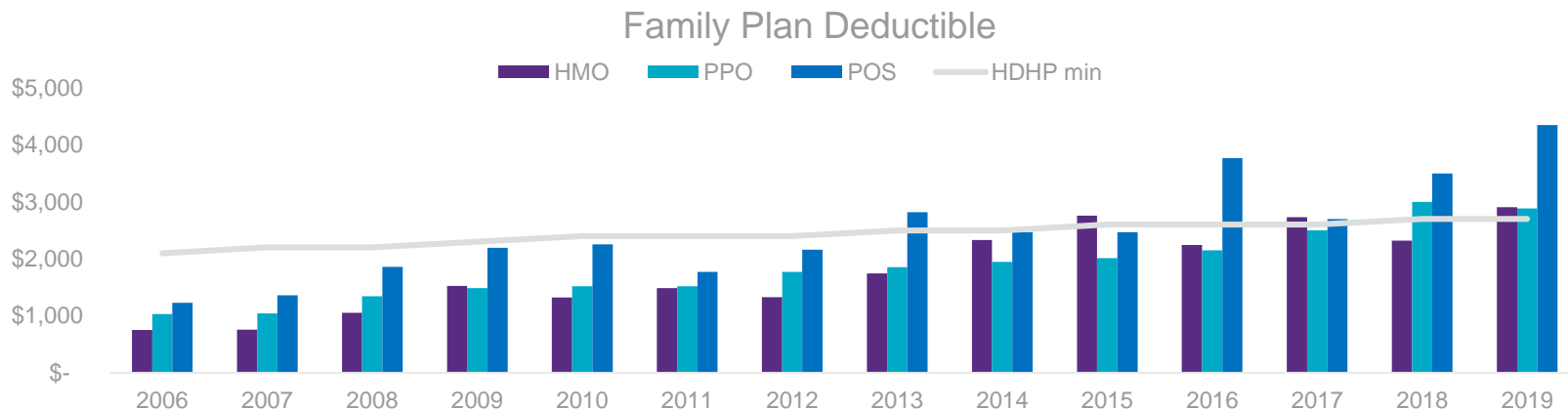
HealthEquity HSAs, HSA Assets, HRAs, FSAs, Commuter, COBRA, and Other CDBs as of July 31, 2020. Integrations information and employer served information is as of January 31, 2020. Management estimates benefits administration for employers that employ 1 in 7 working Americans based on Pew Research Center analysis of 2018 labor force data estimating 154m working Americans as of December 31, 2018, and management's assumption that our 12 million members represent less than half of the workforce of the employers we serve as of January 2020. HealthEquity Advisors, LLC is a wholly owned subsidiary of HealthEquity, Inc. and an SEC-registered investment adviser. Registration does not imply endorsement by any state or agency and does not imply a level of skill, education, or training.

HealthEquity®

Q2 FY21 trends

- Continued accelerated integration – 7 of 10 FY21 planned platform migrations completed
- \$50+ million net synergies achieved – raised net synergy target to \$80 million
- Strong renewals including US Govt. OPM, HQY's largest single client
- Commuter headwinds expected to continue through at least year-end
- Healthcare card spend increasing off April lows
- RFPs trending toward total solution and cross-sell opportunities
- COBRA qualifying events providing increased education interactions with members to stay covered

Rising first dollar responsibility



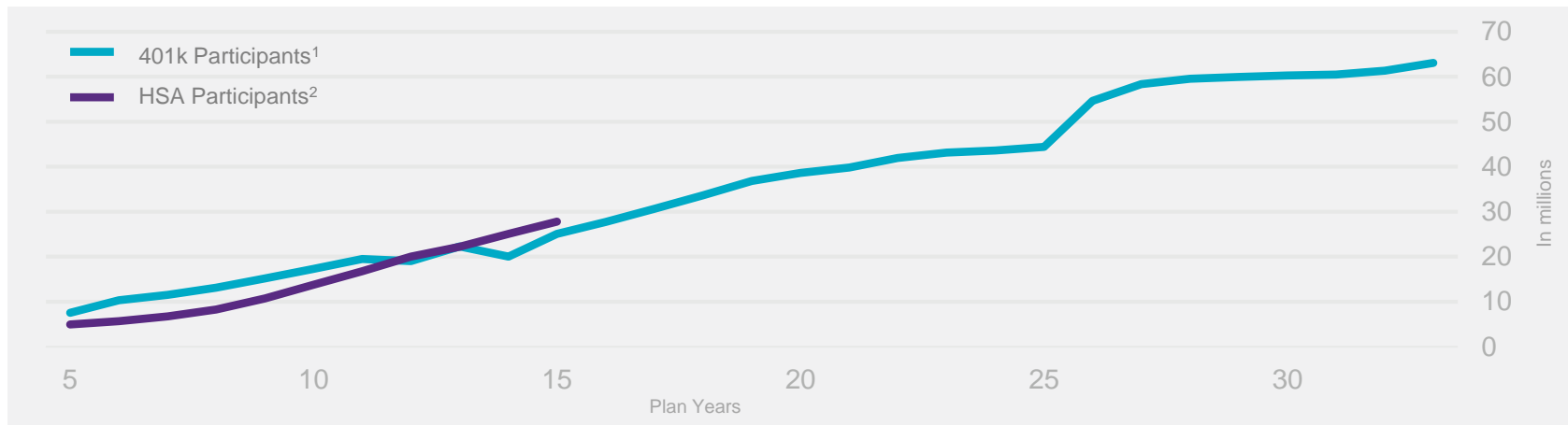
The differences in deductibles among health plans are narrowing as plans trend toward HSAs

HSA **2%** vs **6%** Non-HSA
2019 average premium YoY increase

\$2,817
Average HSA premium savings

\$1,062
Average employer HSA contribution

HSA antidote to high deductibles




57%
OF HSA INVESTORS
MAKE GREATER THAN
CONTRIBUTION TO THEIR HSA EACH YEAR³

\$2K

HSA INVESTOR
BALANCES ARE

4X

GREATER THAN HSA
NON-INVESTORS³



\$1,755

AVERAGE
EMPLOYER
SAVINGS⁴



\$1,433

AVERAGE HSA
CONTRIBUTION FROM
CONTRIBUTING EMPLOYERS⁴

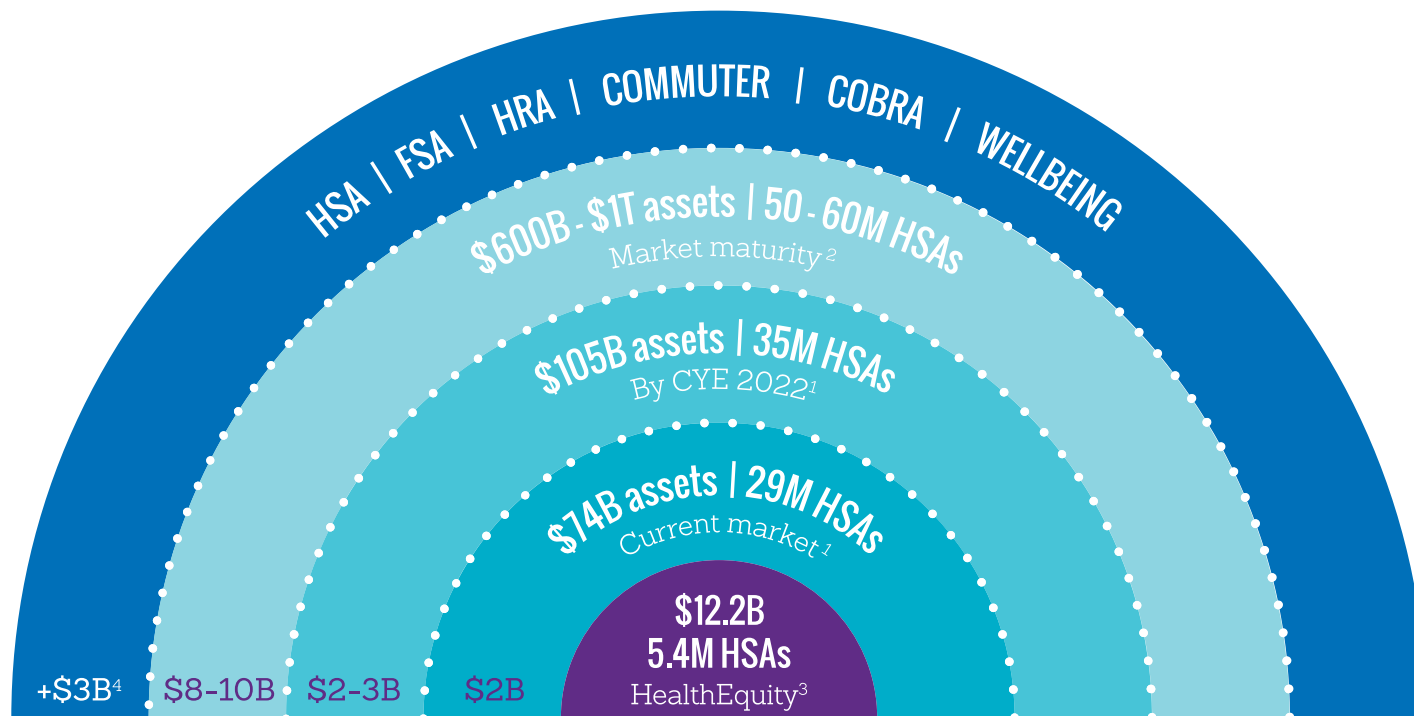
1- 401K participant information from DOL's EBSA research 2019

2- HSA participant information from Devenir HSA Research reports 2010 to 2019

3- EBRI Consumer Engagement in Health Care Survey – December 2019

4- Kaiser Family Foundation 2019 Survey report – September 2019

Expanding market



MARKET WIDE REVENUE

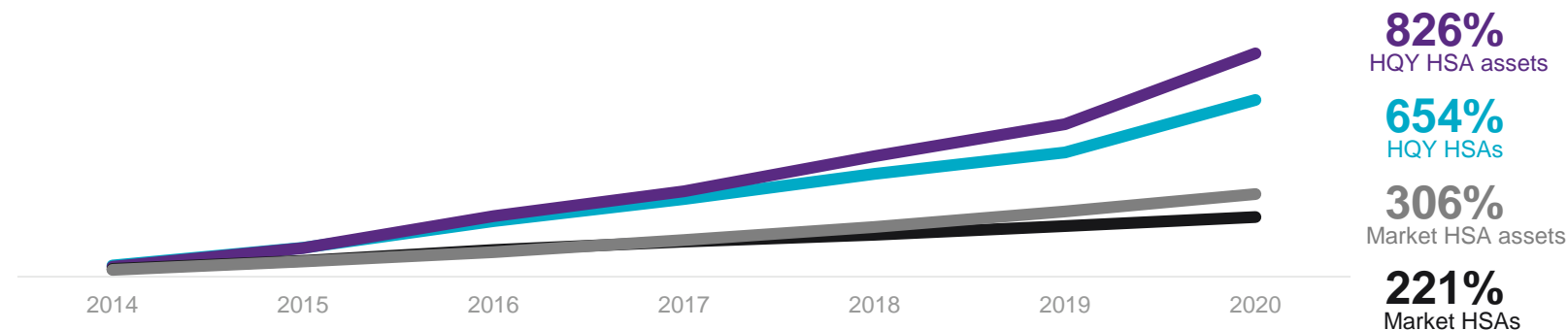
¹ Devenir HSA Research Report as of June 30, 2020

² Management estimate as of September 2020

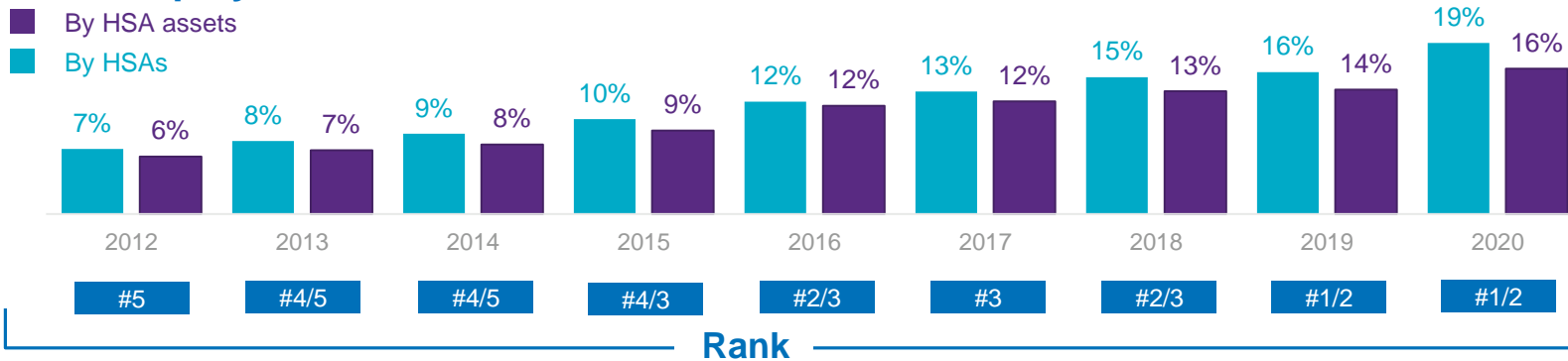
³ HealthEquity information as of July 31, 2020

⁴ Proprietary research June 2019

Outpacing the market



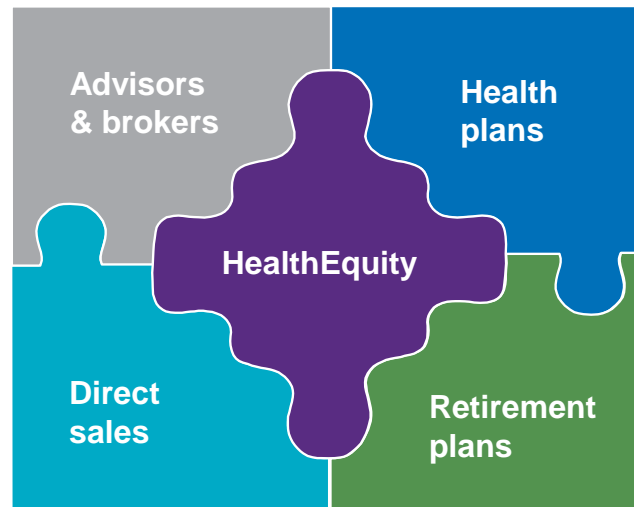
HealthEquity HSA market share



Promoting greater access



#1⁵
Mind share



165²
Network partners

~100K³
Employer clients

Plan partners manage
~25%⁴
of defined contribution plan assets

¹ Aite Group survey of U.S. private sector employers, February 2019

² HealthEquity network partners as of January 31, 2020

³ Employers clients served estimated as of January 31, 2020

⁴ Current HealthEquity defined contribution record keeper partners' total 401K assets as reported by them as a percentage of the approximately \$6 trillion 401K market - DOL Employee Benefits Security Administration, Private Pension Plan Bulletin: Abstract of 2016 Form 5500 Annual Reports, December 2018

⁵ Proprietary research February 2019 - of the 175 brokers and advisors surveyed, WageWorks and HealthEquity combined to be the most recognized benefit providers

Delivering a Total Solution

79%

of employers would prefer to receive
CDB administration from their HSA partner*

~2/3

of HealthEquity HSA RFPs requested
at least one CDB product



SMART
SPENDER



CONFIDENT
CONSUMER



HEALTHY SAVER



Data driven, personalized engagement

right message

right person

right time

Proprietary Health Savings Score

Client benefits

- Unique client presentation
- Data connecting Health & Wealth for their employees
- Visibility into HSA program effectiveness
- Industry, peer benchmarks
- Identifies opportunities for improvement



Client outputs



Bringing our total solution to market

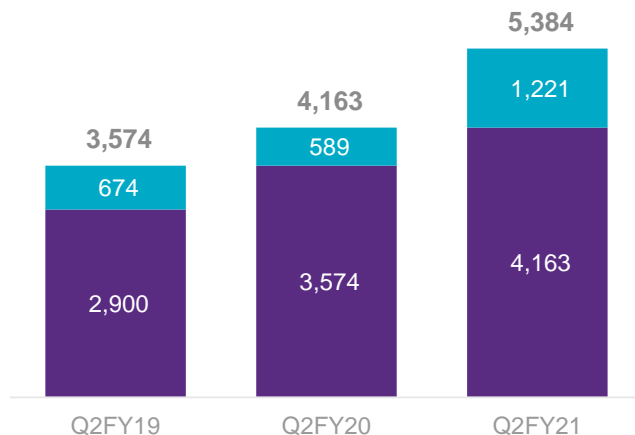
- Sales decks
- Product 1-pagers
- Brochures
- Case studies
- Articles
- Platform demos
- Sales enablement platform



Second quarter FY21 HSA key metrics

HSAs (000s)

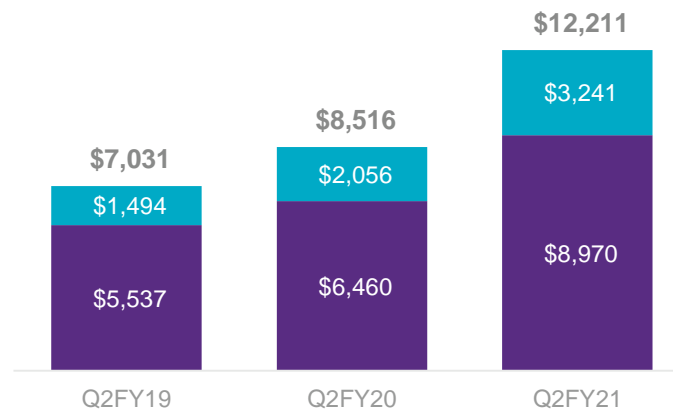
- Net New HSAs
- Beg HSAs



- **108K** Q2 new organic HSAs
- **29%** growth YoY

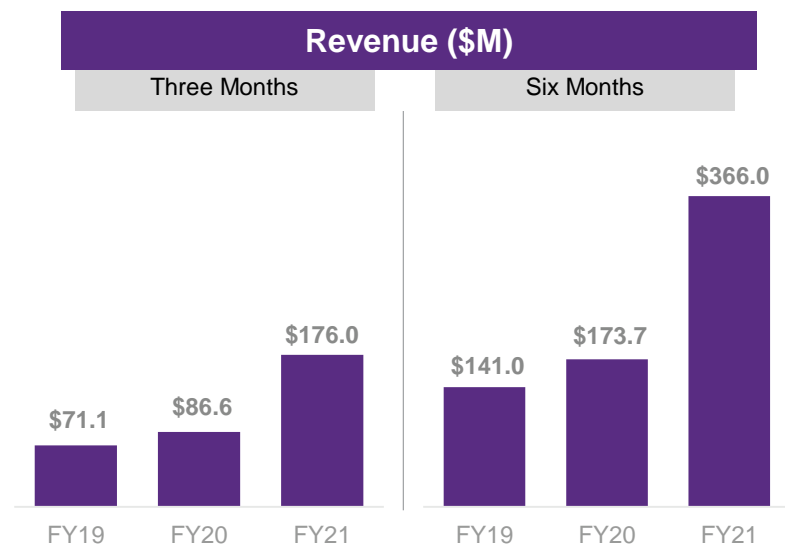
HSA Assets (\$M)

- Invested assets
- Cash assets

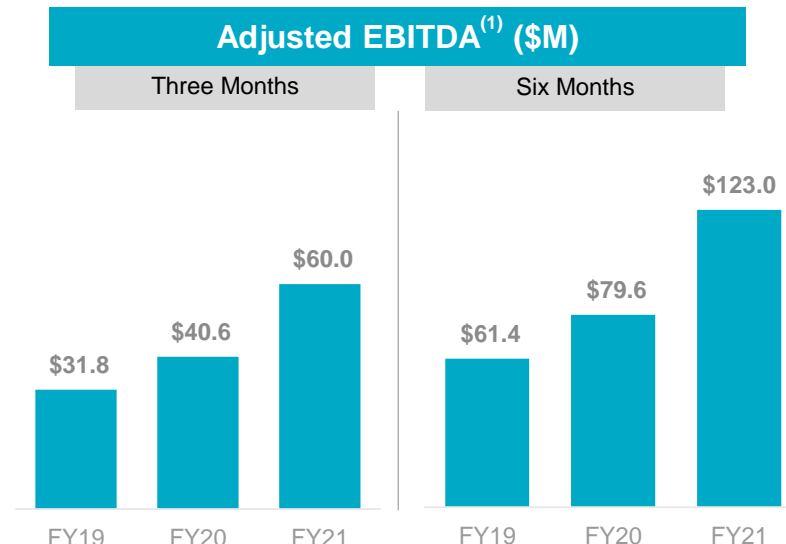


- **\$3.7B** net increase YoY
- **43%** growth YoY

Fiscal second quarter financial results



- **103% Q2 revenue growth YoY**
 - 295% Q2 growth in Service Revenue
 - 8% Q2 growth in Custodial Revenue
 - 51% Q2 growth in Interchange Revenue



- **48% Adjusted EBITDA growth Q2 YoY**
- Q2 Gross margin 58%
- Q2 Adjusted EBITDA margin 34%

Capitalization

(\$ in millions)	July 31, 2020	January 31, 2020
Cash, cash equivalents & marketable securities	\$269	\$192
Long-term debt, net of debt issuance costs (\$350M available LOC)	\$1,008	\$1,221
Total stockholders' equity	\$1,340	\$1,030

Guidance

Business outlook	
HealthEquity fiscal year ending January 31, 2021	
Guidance as of: (\$ in millions, except per share)	September 8, 2020*
Revenue	\$720 - \$730
Non-GAAP net income**	\$111 - \$119
Non-GAAP Net income per diluted share**	\$1.48 - \$1.58
Adjusted EBITDA**	\$226 - \$236

HealthEquity®