

ASX Release | 3 May 2024

QuickFee successfully completes A\$3.75 million Share Placement; A\$0.5 million Share Purchase Plan announced

Highlights

- **A\$3.75 million Placement to enable QuickFee to fund loan book growth**
- **Major shareholders and directors are participating¹**
- **Eligible shareholders in Australia and New Zealand to be invited to participate in A\$0.5 million Share Purchase Plan**

QuickFee Limited (ASX: QFE) ("QuickFee", "Company") is pleased to announce the successful completion of a A\$3.75 million share placement ("Placement") at an issue price of A\$0.08 per share to institutional and sophisticated investors. The Placement received strong support from new and existing institutional investors.

QuickFee has a clear growth strategy to unlock transformational growth in the US over the years ahead with a focus on growing its high-margin Finance product. In H1 FY24, US Finance revenue was up 60% on pcp and AU Finance revenue was up 55% on pcp. While the Company has sufficient capital to become, and remain, profitable, QuickFee funds 10-15% of loan originations from its own cash reserves and the capital raised will be used to fund further loan book growth in both markets, in order to support the positive momentum in the business.

Commenting on the Placement, Dale Smorgon, Non-executive Chair of QuickFee, said:

"I am delighted with the results that we are seeing since we narrowed the focus of the US business 18 months ago to concentrate on professional services and our market leading product QuickFee Finance. The talent we have in the team led by Jennifer Warawa is exceptional and the strategic changes she has made are delivering continued improvement in revenue and profitability in the US."

The growth numbers so far in FY24 validate our product-market fit and growth strategy. The new capital raised will enable us to accelerate loan originations in the US market and capitalise on the opportunities available to us to grow lending in Australia."

I would like to thank existing shareholders for their continued support and would like to welcome new shareholders who are joining at an exciting time. Your strong support for this raise ensures that QuickFee can fund lending growth as we continue to execute on our strategies to grow our loan books in the US and Australia in a profitable manner."

Placement details

The Placement will result in the issue of 46,875,000 new, fully paid ordinary shares ("Placement Shares") at an issue price of A\$0.08 per share. This represents a 10.1% discount to the last close of A\$0.089 on Tuesday, 30 April 2024 and a 10.4% discount to the 15-day VWAP of A\$0.0893 as of Tuesday, 30 April 2024, prior to QuickFee announcing the trading halt on Wednesday, 1 May 2024.

The Placement Shares will be issued in two tranches:

- **Tranche 1 Placement:** as to 42,500,000 Placement Shares (raising a total of A\$3.4 million) to be issued to those institutional and sophisticated investors who were able to participate in the Placement without shareholder approval; and

- **Tranche 2 Placement:** as to 4,375,000 Placement Shares (raising a total of A\$0.35 million) to be issued to Derida Pty Limited (an entity controlled by Dale Smorgon, a director of the Company) subject to receiving shareholder approval under ASX Listing Rule 10.11.

The Placement Shares issued under the Tranche 1 Placement will be issued utilising the Company's existing 25% placement capacity for the purposes of ASX Listing Rules 7.1 and 7.1A. These Placement Shares are expected to settle on Wednesday, 8 May 2024 and will be issued on Thursday, 9 May 2024.

The Placement Shares to be issued to Derida Pty Limited (an entity controlled by Dale Smorgon, a director of the Company) under the Tranche 2 Placement will only be issued subject to the Company obtaining shareholder approval for the participation of Derida Pty Limited in the Tranche 2 Placement for the purposes of ASX Listing Rule 10.11. Shareholder approval is required for Derida Pty Limited's participation in the Tranche 2 Placement given it is an "associate" of a related party of the Company (i.e. Dale Smorgon). Shareholder approval will be sought at an Extraordinary General Meeting. The date of the Extraordinary General Meeting will be provided at a later date.

If shareholder approval is not obtained, the Company will not issue the Placement Shares to Derida Pty Limited (an entity controlled by Dale Smorgon, a director of the Company), under the Tranche 2 Placement and, accordingly, the Company will not receive the proceeds of the Tranche 2 Placement (approximately A\$0.35 million). However, irrespective of whether shareholder approval is obtained or not, the Company will still proceed to issue the Placement Shares under the Tranche 1 Placement and the SPP Shares (defined below).

Share Purchase Plan

In addition to the two tranche Placement, QuickFee is pleased to announce that, following completion of Tranche 1 of the Placement, eligible shareholders will have the opportunity to participate in a share purchase plan to raise up to A\$0.5 million ("SPP"). Under the SPP, eligible shareholders will have the opportunity to apply for up to A\$30,000 of SPP Shares.

QuickFee will offer approximately 6,250,000 new, fully paid ordinary shares under the SPP ("SPP Shares") to eligible shareholders with a registered address in Australia or New Zealand as at the record date, being 7:00pm (Sydney time) on Thursday, 2 May 2024. The SPP Shares are to be issued at an issue price of A\$0.08 per share.

While the SPP is not underwritten, the Company has received a binding commitment ("SPP Shortfall Commitment") from Thorney Investment Group, one of the institutional investors who participated in the Placement (the "SPP Shortfall Investor"), to subscribe for up to an additional A\$0.5 million of new, fully paid ordinary shares ("SPP Shortfall Shares"), in the event the SPP is undersubscribed and there is a shortfall. If the SPP is undersubscribed and the Company decides to issue the SPP Shortfall Shares, it will do so without shareholder approval and by utilising the balance of the Company's existing 25% placement capacity for the purposes of ASX Listing Rules 7.1 and 7.1A. The SPP Shortfall Shares will not be issued under the SPP. To the extent the Company issues any SPP Shortfall Shares to the SPP Shortfall Investor, the issue price per SPP Shortfall Share will be the same as the issue price per SPP Share. Furthermore, the SPP Shortfall Commitment may be terminated by the Joint Lead Managers in the event the SPP Shortfall Investor breaches the terms of its SPP Shortfall Commitment.

If, however, the SPP is oversubscribed, the Company may determine to raise a higher amount under the SPP or decide to scale back applications received from eligible shareholders in its absolute discretion. No SPP Shortfall Shares will be issued in the event the SPP is oversubscribed or the Company receives applications from eligible shareholders for the entire A\$0.5 million.

The eligibility criteria and other terms and conditions of the SPP will be set out in the SPP booklet and despatched to eligible shareholders in due course.

Shareholders should note that the SPP is not conditional on the Placement, including whether or not shareholder approval is obtained in respect of the Tranche 2 Placement. Further, the Placement will still proceed even if eligible shareholders do not elect to participate in the SPP.

Use of proceeds

The proceeds from the Placement and the SPP (together, the “Capital Raising”) will be used:

- to provide additional capital to fund growth in the Company’s loan books, as the volumes of loan originations from QuickFee’s Finance product grow; and
- to fund the costs and expenses associated with Capital Raising.

All shares issued under the Capital Raising will rank pari passu with QuickFee’s existing ordinary shares.

QuickFee has engaged Bell Potter Securities Limited and Canaccord Genuity (Australia) Limited (together, the “Joint Lead Managers”) to act as joint lead managers and Arnold Bloch Leibler to act as Australian legal counsel for the Capital Raising.

Capital Raising Timetable

Trading halt	10 am (Sydney time), Wednesday, 1 May 2024 – 10 am (Sydney time), Friday, 3 May 2024
SPP record date	7 pm (Sydney time), Thursday, 2 May 2024
Trading halt lifted and ASX announcement released	Friday, 3 May 2024
Settlement of new shares under the Tranche 1 Placement	Wednesday, 8 May 2024
Allotment and commencement of trading of new shares under the Tranche 1 Placement	Thursday, 9 May 2024
SPP offer open and SPP booklet dispatched to eligible shareholders	Friday, 10 May 2024
SPP offer closes	5 pm (Sydney time), Tuesday, 11 June 2024
Announcement of results and settlement of SPP	Thursday, 13 June 2024
Allotment and commencement of trading of new shares under the SPP	Monday, 17 June 2024

QuickFee will provide a further update to ASX regarding the timetable for the Tranche 2 Placement and Extraordinary General Meeting once the Extraordinary General Meeting date is known.

The timetable above is indicative only and subject to change without notice. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable laws, the Company reserves the right to amend this timetable at any time without notice.

Investor Presentation

Simultaneous with this announcement, the Company has released an Investor Presentation to ASX with further details of the Capital Raising and the Company’s business. Investors are strongly encouraged to review the Investor Presentation, including the disclosures around the key risks specific to the Company and the Capital Raising and the international offer restrictions with respect to the SPP, before making any decision to participate in the Capital Raising or invest in QuickFee shares.

Disclaimer

This announcement should be read subject to the disclaimer contained in the Investor Presentation, such that references in the disclaimer to “this Presentation” were references to this announcement. This announcement is not financial product, investment or other advice. The Company is not licensed to provide financial advice in relation to the acquisition of securities. This announcement does not contain all the information that investors and their professional advisers may require to make an investment decision in relation to the Company and/or the Capital Raising and should be read in conjunction with QuickFee’s other periodic and continuous disclosure announcements (including the Investor Presentation) available at www.asx.com.au.

This announcement does not account for the investment objectives, financial circumstances or other particular needs of investors. You should make your own assessment and take independent professional advice in relation to the information contained in this announcement and any action on the basis of the information.

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This announcement has been authorised for release by the directors.

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¹ Subject to shareholder approval.

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About QuickFee

QuickFee (ASX: QFE) is a fast-growing financial technology company. Our mission is to help professional service firms accelerate their accounts receivables, get paid faster and support their business growth. With multiple online payment options and powerful automation capabilities through integration with leading practice management systems, the QuickFee platform speeds up the bill-to-cash cycle for firms.

Through the QuickFee portal, clients can pay their professional service provider with a credit or debit card, EFT or ACH transfer, or a payment plan over 3-12 months. It allows the client to set their own pace for payments while the firm gets paid upfront and in full.

QuickFee operates in the United States and Australia and focuses on serving the accounting and legal professions. For more information, please visit quickfee.com.