

ASX Release | 9 October 2020

QuickFee Limited Q1 FY21 quarterly business update; new CFO appointed

Highlights

- Continued rapid growth in key US market
 - Fourth consecutive quarter of record lending – up 91% to US\$4.1 million (Q1 FY20: US\$2.2 million)
 - Platform transactional value benefiting from accelerated shift to online payments – up 213% on pcg to US\$127.2 million
- Q1 lending in Australia impacted by government stimulus measures – down 41% to A\$6.4 million (Q1 FY20: A\$10.9 million); this trend is expected to reverse as JobKeeper unwinds
- Continued traction in signing up new firms onto the QuickFee US platform – 457 active firms as at 30 September (30 June: 412), up 11% over the quarter
- New “interest free” product announced in partnership with Splitit (ASX:SPT) to significantly expand target market and drive lending growth
- Investment in technology advancements to drive further growth
- Positioning as a market leader in the Advice Now, Pay Later market
- Successful completion of A\$15 million share placement in September (SPP currently underway) will enable QuickFee to add significant scale to its customer acquisition team and fund the anticipated growth of the receivables book
- Simon Yeandle appointed as Chief Financial Officer

QuickFee Limited (ASX:QFE) (“QuickFee”) today announces a business update for the quarter ended 30 September 2020 (Q1 FY21).

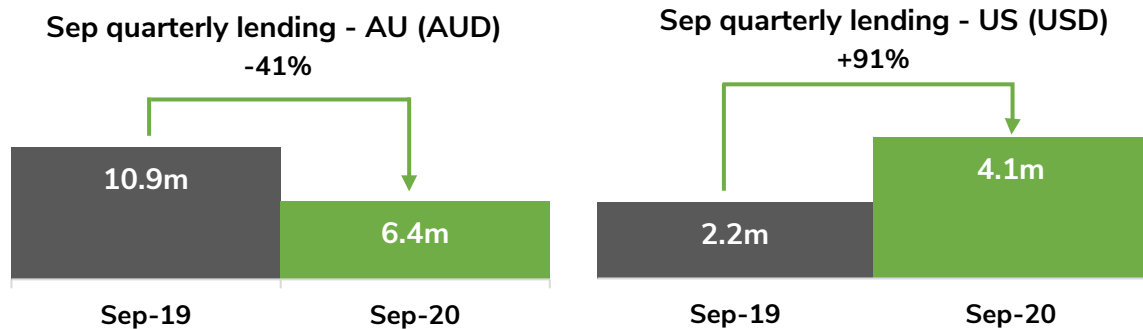
4th consecutive quarter of record lending achieved in the US; tougher conditions being experienced in Australia

For the quarter ended 30 September 2020, QuickFee achieved its fourth consecutive quarter of record lending in the United States, despite the ongoing COVID-19 pandemic. Lending of US\$4.1 million represented an increase of 91% on the previous corresponding period (pcp), being the September 2019 quarter. This growth was driven by a combination of new firm activations and increased lending from existing firms.

Lending in Australia for Q1 FY21 was heavily impacted by government stimulus measures that are in place in response to the COVID-19 pandemic. These measures are providing a significant boost to cash flow for small to medium businesses, which has meant a reduced need for financing of professional services invoices.¹ This has resulted in quarterly lending reducing 41% on pcg to A\$6.4

¹ Wootton, Hannah (28 July 2020), “[Accounting firm reverses pay cuts after record month](#)”, The Australian Financial Review.

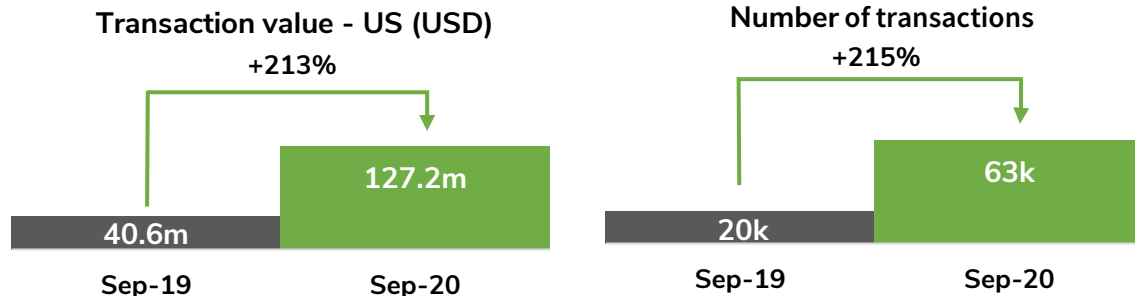
million. QuickFee anticipates that more normal levels of funding will return as JobKeeper and other stimulus measures unwind.



US transaction volumes continuing to benefit from accelerated shift to online payments

Transaction volumes and values through the US payment platform continued their rapid growth. The number of transactions in the September quarter were up 215% on pcp to 63k, with the value of transactions growing to US\$127.2 million, up 213% on pcp.

The US market is continuing to modernise, with COVID-19 accelerating the adoption of electronic invoices. This is creating a major tailwind for QuickFee in terms of the number and value of transactions being processed on its platform, as well as providing opportunities for lending growth in the US.



Strong period for new firm growth

US active firms – a leading growth indicator – grew strongly, up 45 during the quarter to 457 firms as at 30 September.

Commenting on a busy September quarter and the outlook, Bruce Coombes, CEO of QuickFee, said:

“

QuickFee is very well placed to become a market leader in the Advice Now, Pay Later market. Our first mover advantage in the huge US professional services market is enabling rapid growth in both lending and platform transactions.

In addition to the structural tailwinds benefiting QuickFee in the US, the launch of the new “interest free” product in partnership with Splitit represents a major growth opportunity. An additional 650,000 accounting and law firms in the US, along with new market segments and geographies are now target firms for QuickFee’s suite of products. Moreover, following the successful A\$15 million share placement in September (with a Share Purchase Plan also underway), QuickFee is well funded to add

significant scale to its customer acquisition team and fund the anticipated growth of the receivables book.

The rollout of the “interest free” product is on track for a mid-October launch.

The build of the receivables management system and e-invoicing product for the US market is expected to be launched this quarter. This remains a major development for QuickFee and is expected to help further drive take-up of QuickFee's lending product. ”

Appointment of Simon Yeandle as Chief Financial Officer

QuickFee is delighted to announce the appointment of Simon Yeandle as Chief Financial Officer (CFO), who commenced his position with QuickFee today, 9 October 2020.

Simon is a Chartered Accountant with over 25 years' experience in SaaS, fintech, media and fast-growth, high-volume global organisations. He brings experience as an established CFO within ASX listed businesses such as oOh!media (ASX:OML) and 3P Learning (ASX:3PL), where he led the finance function and oversaw a number of successful acquisitions and debt/equity raising projects.

Commenting on the appointment, CEO Bruce Coombes said:

“ We are extremely pleased with Simon's appointment as CFO. Given Simon's significant experience in senior financial roles and high growth companies, we are very excited to welcome him to the QuickFee team and look forward to his contribution to continue our rapid growth. ”

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This announcement has been authorised for release by the directors.

For further information please contact:

Corporate: **Bruce Coombes, CEO**
p : +61 418 286 842 or +1 310 584 1173
e : bruce@quickfee.com

Investors: **Eric Kuret, Market Eye**
p : +61 3 9591 8904
e : eric.kuret@marketeye.com.au

QuickFee.

All things payments, all things receivables for professional service firms

Founded in 2009 and operating in Australia and the United States, QuickFee offers payment and lending solutions to professional service firms.

In July 2019, QuickFee Australia and QuickFee US became wholly owned by QuickFee Limited and completed an IPO on the ASX.

QuickFee's fully integrated online payment platform and lending solution enables clients to securely pay invoices up front or over time. This ensures professional firms are paid immediately and in full, while clients enjoy the flexibility of paying by instalment.

