

ASX Release | 26 August 2021

QuickFee announces FY21 full year results

Major progress achieved across technology and products; record results in key US market

QuickFee Limited (ASX:QFE) ("QuickFee") today announced its financial results for the year ended 30 June 2021 (FY21).

Commenting on the FY21 results, QuickFee CEO, Eric Lookhoff, said:

“ The 2021 financial year was another year of significant progress and growth for QuickFee, despite the continued challenging environment that was faced due to the COVID-19 pandemic and the subsequent government stimulus that was introduced in both the US and Australian markets.

In addition to continuing to grow our business in the key US market where we again delivered record results, we further diversified and expanded into a multi-revenue payments and lending business through the evolution of our technology and products. This shift for QuickFee was important and necessary to respond quickly to the changing environment resulting from COVID-19 driven payments behaviour.

Key milestones include the development of our proprietary payment technology platform in Q1 FY21, the initial launch of our “buy now, pay later” instalment product in Q2 FY21, attracting a deeply experienced team of payment professionals across the enterprise during Q3 and Q4 FY21, and significant growth in our US payments business eclipsing the US\$1 billion lifetime TTV mark in April 2021.

The investments we have made position QuickFee strongly for the continued adoption of online payments and invoices, and to attract more merchants and customers to our platform.

We have strong foundations in place to become a significant player in online payments in the US and Australian services industry. ”

Key financial information (A\$M)	FY21	FY20	Movement
Revenue	8.8	8.5	up 4%
Gross profit	6.3	5.7	up 11%
Adjusted EBITDA ¹ before growth expenses and significant items	0.1	0.8	down 88%
Adjusted EBITDA ¹	(7.9)	(3.5)	down 126%
NPAT	(8.5)	(3.8)	down 124%
EPS (cents)	(4.0)	(2.5)	down 38%
Cash and cash equivalents	21.3	15.0	up A\$6.3m

¹ Adjusted EBITDA = statutory EBITDA less interest expense on loan book borrowings

Key highlights in FY21

- Full year lending in the US up 20% to US\$15.6 million (FY20: US\$13.0 million);
- US PayNow transaction volumes up 119% to US\$668.4 million (FY20: US\$304.6 million) with COVID-19 continuing to accelerate a shift to online payments;
- Continued growth in active merchant signings in both the US and Australia, with US at 579 (up 51%) and Australia at 533 (up 4%);
- Increases in active customers across both the US (+114% on FY20) and Australia (+2% on FY20);
- Successfully completing a A\$17.5 million share placement and purchase plan in a strongly supported capital raising, enabling continued investment in people and technology;
- Launch of QuickFee Instalments, which continues to gain traction in both Australia and the US with a total of 811 new merchants across both markets signing up to the product in FY21;
- Significant technology and processing platform developments across all four revenue streams; and
- Investment in personnel across the enterprise in product, sales, operations, risk management, and technology all bringing substantial experience to QuickFee.

Commenting on QuickFee's outlook, Eric Lookhoff said:

“ Following the investments made across product development, personnel, and technology, we enter FY22 in a really strong position to take advantage of the opportunities in front of us.

The QuickFee platform is approaching a US\$1 billion transaction run rate and is well positioned to grow further following the investments we have made, our expanded go-to-market strategy beyond traditional direct sales, and through new integration capabilities such as our Connect e-invoicing solution. Every additional dollar that goes through the platform delivers increased revenue to QuickFee given the low operational fixed cost base.

The QuickFee Instalments product has confirmed the strong demand for flexible payment options, across both existing and new verticals. Lending volumes and transaction numbers grew in consecutive quarters in both the US and Australia, and we expect this product to be a key driver of future growth for QuickFee.

We anticipate a return to pre-FY20 lending levels as COVID-19 government stimulus measures abate. There was a notable improvement in the last quarter of FY21 in Australia, and we expect this to continue into FY22.

While there have been short-term headwinds in the lending side of the business, we look forward with a great deal of enthusiasm to our rapid evolution into a more full-service payments business. QuickFee's payment solutions have traditionally served a growing portfolio of enterprise professional service merchants, and we will continue to deepen our market leading position in this important space. The payments landscape is evolving rapidly, and there are significant opportunities for QuickFee to expand to other segments of the services sector, particularly home and automotive repair, education, and health and wellness. Our suite of products and leading position in professional services are leverageable assets across new markets with even higher yielding products. ”

Results call

Managing Director & CEO, Eric Lookhoff, and CFO, Simon Yeandle, will be conducting a briefing session for investors and analysts today at 11:00 am AEST.

To pre-register for the briefing, please following the link below:

<https://s1.c-conf.com/diamondpass/10015530-asm45s.html>

This announcement has been authorised for release by the directors.

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About QuickFee

QuickFee Limited (ASX:QFE) is a fast-growing financial technology company providing an innovative suite of online payment solutions and loan origination offerings to professional, commercial, and personal services providers, helping customers access the advice and services they need, with the choice to pay now or over time.

QuickFee's fully integrated online payment platform and financing solutions enable merchants to accept payments by card, EFT/ACH, payment plan, or a "buy now, pay later" instalment plan.

QuickFee currently operates in the United States and Australia. For more information, visit quickfee.com.