

ASX Release | 29 November 2023

QuickFee 2023 Annual General Meeting address, presentation and business update

QuickFee Limited (ASX:QFE) ("QuickFee") attaches the following documents to be presented at its 2023 Annual General Meeting ("AGM") today:

- Chair's address;
- Management presentation slides, including a business update on Q2 FY24 to date; and
- Resolutions to be put to shareholders including the respective final proxy votes received.

The results of the AGM will be communicated to the ASX shortly after its conclusion.

This announcement has been authorised for release by the directors.

— END —

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About QuickFee

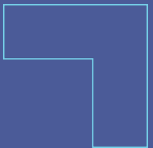
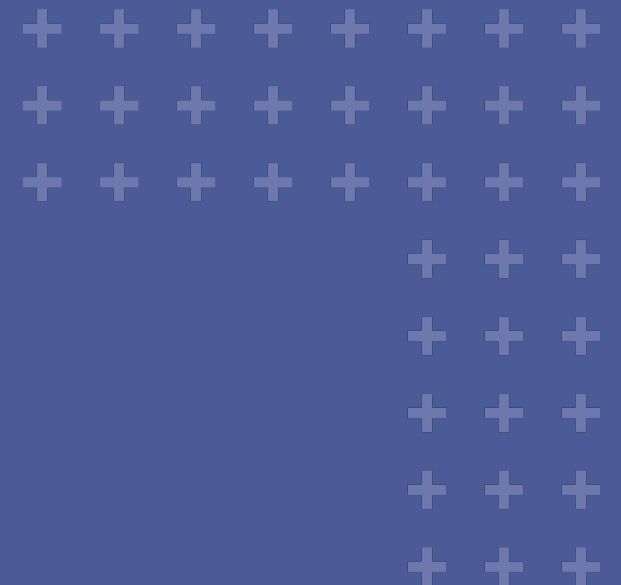
QuickFee (ASX: QFE) is a fast-growing financial technology company. Our mission is to help professional service firms accelerate their accounts receivables and get paid faster. With multiple online payment options and powerful e-invoicing integrations for practice management systems, the QuickFee platform 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.

QuickFee Limited 2023 Annual General Meeting

29 November 2023



AGENDA

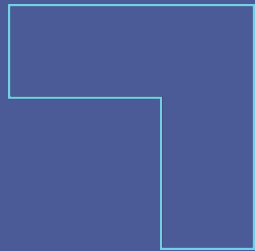
Chair's address

Management presentation

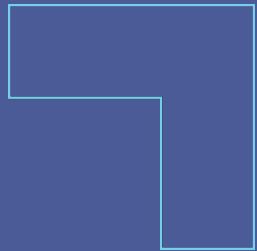
Fiscal Year 2023 review

Fiscal Year 2024 update and outlook

Meeting formalities



CHAIR'S ADDRESS



Your Board & senior leadership team



Dale Smorgon
Non-Executive
Chairman



Michael McConnell
Non-Executive
Director



Bruce Coombes
Executive Director and
Managing Director, Australia



Jennifer Warawa
President,
North America



Simon Yeandle
Chief Financial Officer and
Company Secretary

Chair's Address

Dear shareholders,



On behalf of the Board, I am pleased to welcome you today as the Chair of QuickFee Limited. I extend a warm welcome to shareholders who are attending in person and online, and to my fellow directors.

I also welcome all members of our dedicated management team both in Australia and in the United States.

It is my pleasure to present the financial results for the year ended 30 June 2023, in which we delivered a strong set of financial results, in addition to further strengthening our management team and refining our growth strategy to refocus on our core professional services lending and payments offerings.

In the second half of FY23 and moving into FY24, we have seen clear evidence that we are now reaping the benefits of the considerable investment in product development in recent years to deliver both transaction volume and yield growth on a lower cost base.

We have always maintained that demand for our lending solutions would remain strong in more challenging economic conditions. We saw this in FY23 and we are continuing to see strong demand into FY24, as our clients want solutions to protect and preserve their cash.

In FY23, we delivered record results across all key metrics. Total group revenue was up 37% to \$14.8 million. This was primarily driven by record financing volumes in both the US and Australia, at increasing revenue yields.

We delivered 24% growth in US Finance volumes at an increase of 150 bps and 22% growth in Australian Finance volumes at an increase of 130 bps, due to a renewed focus on our higher margin lending products.

In FY23, we significantly improved operating profitability, at the NPAT and EPS level, by removing non-essential costs from the business with operating expenses down 21% on the prior year.

In FY23, we put the foundations in place for scalable growth. We continued to invest in proprietary technology and our development strategy will be further enhanced under the leadership of our new CTO, Dave Moore.

We continued to increase the QuickFee Connect integrations with practice management systems and we have made good progress on establishing new partnerships.

And importantly, we made key leadership appointments in FY23, including Jennifer Warawa as President, North America, who has been with us for just on a year now.

Under Jennifer's leadership our US growth strategy has been further refined and we remain as confident as ever on the significant growth potential for QuickFee in the US market.

When we reported our FY23 results in August this year, we told investors that we were at an inflection point in revenue and earnings and tracking towards operating profitability in FY24 and I am pleased to report that this remains the case.

We have since announced a very strong Q1 result, with group revenue up 31% on pcp, US Finance revenue up 62% on pcp and Australian Finance revenue up 54% on pcp, in addition to increased yields across the portfolio.

In addition, we recently expanded our funding facilities to support the growing legal disbursement business in Australia and the outlook for continued growth in that part of our business remains positive.

This strong momentum has continued into Q2, with October lending at record levels in the US. So we are on track to have a strong first half and we expect the second half results to be even better.

We continue to successfully execute on our plan for scalable growth and we remain tracking towards operating profitability in FY24.

The Board is confident that we have the right leadership and management in place to drive growth across the Australian and US markets.

I would like to thank the entire QuickFee team for their hard work and dedication in another busy year. My fellow directors and I would also like to thank our shareholders for their ongoing support. We remain optimistic that QuickFee is well positioned to scale its operations and earnings over the years ahead.

**Yours
sincerely,**

Dale Smorgon
Non-executive Chairman

FY23 Results Overview



Record FY23 results across all key metrics



Refocus on serving accounting and law firms in the US and Australia



Group revenue up 37% to A\$14.8 million driven by:

- + Australia Finance TTV growth of 22% to A\$46.4 million, revenue yield of 11.3% (up 130bps)
- + US Finance TTV growth of 24% to US\$20.9 million, revenue yield of 8.8% (up 150 bps)
- + US Pay Now TTV up 21% to US\$1.2 billion, yield stable at 0.38% for US ACH and 0.18% for US Card
- + Record active firm numbers of 525 in Australia and 756 in the US



Significant improvement in operating profitability, NPAT and EPS; **operating expenses down 21%**

FY23: Foundation in place for scalable growth



Investment in proprietary technology



New QuickFee Connect integrations with practice management systems



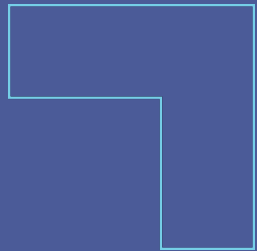
Key structural changes to re-commit to professional services firms

- + Key leadership appointments, being:
 - + Appointment of Jennifer Warawa as President, North America
 - + Appointment of new Head of Growth & Customer Success, Chris Smith
 - + Appointment of new US Strategic Alliances & Partnerships lead, Rafael Casas
- + Streamlining the US team with a focus on professional services
- + Discontinuation of Buy Now Pay Later (BNPL)



At an inflection point and tracking towards operating profitability in FY24. Expect 2H FY24 to be stronger than 1H FY24.

MANAGEMENT PRESENTATION



FY23 Highlights - Financials

Record results across all key metrics

- + Revenue up 37% to A\$14.8 million
- + Gross profit up 24% to A\$9.4 million
- + Adjusted EBITDA* up 48% to A\$(6.6) million
- + Operating expenses down 21%
- + NPAT up 40% to A\$(8.1) million
- + Operating cash flow improvement of A\$6.8 million
- + Loan book growth of 31% to A\$43.2 million
- + Bad debts at 0.1% of lending
- + Sufficient liquidity headroom to execute on growth strategy

Financial Performance

A\$'M	FY23	FY22	%+/-
Finance (Pay Over Time) revenue**	7.8	5.3	+47%
Pay Now revenue	7.0	5.5	+27%
Total revenue	14.8	10.8	+37%
Gross profit	9.4	7.6	+24%
Gross margin %	64%	70%	-6bps
Adjusted EBITDA*	(6.6)	(12.6)	+48%
NPAT	(8.1)	(13.5)	+40%

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

** Per segment notes in financial statements. Includes Finance interest and other revenue from application fees etc.

US Profit and Loss

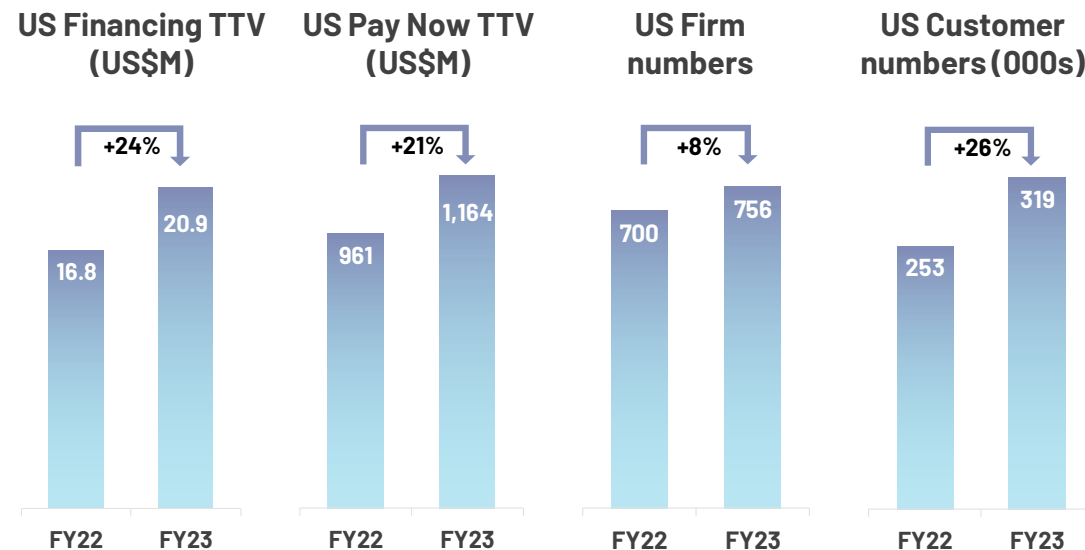
US business approaching profitability

- + **Strong revenue growth:** Revenue increased by 36%, driven by 24% growth in US lending to US\$20.9 million at an 8.8% average revenue yield (up 150 bps); and 21% growth in Pay Now TTV to US\$1.2 billion
- + **Improved profitability:** Significant improvement in adjusted EBITDA to A\$(0.7) million, indicating the US business is tracking towards operating profitability
- + **New customer acquisition:** Strong growth in firm numbers (up 8% to 756) and customer numbers (up 26% to 319K) indicating greater penetration of the QuickFee solution within each firm
- + **Focus on margin improvement:** Higher proportion of new customer acquisitions utilised the higher margin Finance product; 120 firms sign-ups in FY23, of which 49 signed up to Finance
- + **Refreshed US sales strategy:** Implementation of new territory-based sales model and updated remuneration structure, effective early FY24, is driving new firm acquisition, Connect sign-ups and Finance TTV growth

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

US Financial Performance

A\$'M	FY23	FY22	%+/-
Pay Over Time (Finance) revenue	2.6	1.6	+63%
Pay Now (ACH/EFT + Card) revenue	6.1	4.8	+27%
Total revenue	8.7	6.4	+36%
Gross profit	6.1	5.0	+22%
Gross margin %	70%	78%	-8bps
Adjusted EBITDA*	(0.7)	(4.8)	+85%



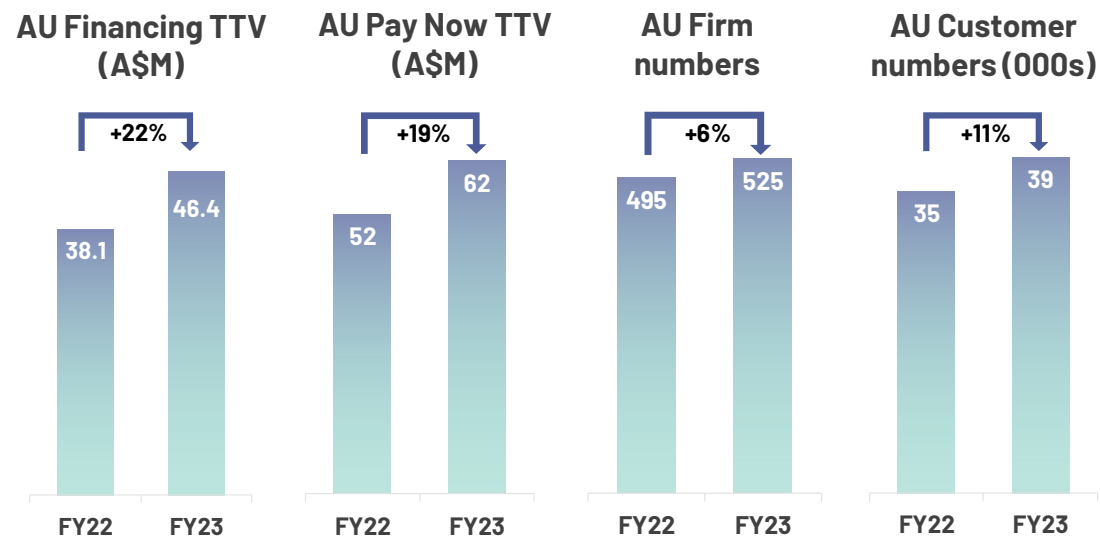
AU Profit and Loss

Growing demand for fee funding solutions as economy contracts

- + **Strong revenue growth:** Revenue up 36% to A\$6.1 million, driven by a 37% increase in Finance revenue to A\$5.2 million; 22% growth in lending to A\$46.4 million; and an increase in Finance revenue yield to 11.3% (up 130 bps)
- + **EBITDA positive:** Increase in gross profit, up 22% to A\$3.3 million and significant increase in adjusted EBITDA to A\$0.2 million
- + **New customer acquisition:** The legal disbursement funding product has shown substantial growth and accounted for 15% of the Australian loan book at 30 June 2023.
- + **Improved penetration within firms:** Continued growth in firm numbers to 525 (up 6%) and customer numbers (up 11% to 39k)

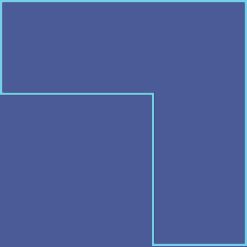
AU Financial Performance

A\$'M	FY23	FY22	%+/-
Pay Over Time (Finance) revenue	5.2	3.8	+37%
Pay Now (Payments) revenue	0.9	0.7	+29%
Total revenue	6.1	4.5	+36%
Gross profit	3.3	2.7	+22%
Gross margin %	54%	60%	-6bps
Adjusted EBITDA*	0.2	(0.3)	+100%



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

FY24 TO-DATE PERFORMANCE



Q1 FY24 Results Overview



Group revenue up 31% on the prior corresponding period (pcp) to \$4.2 million:

- + US Finance revenue up 62% on pcp: Total Transaction Values (TTV) up 23% and revenue yield up 230 bps to 9.5%
- + Australia Finance revenue up 54% on pcp: TTV up 24% and revenue yield up 310 bps to 15.4%
- + US Pay Now TTV up 11% to US\$268 million



New US sales strategy delivering early results

- + 44 new US firm sign-ups, of which half have adopted QuickFee Finance
- + New strategic partnerships with Allinial Global and IRIS Software Group



Expanded funding facilities to support growing Australian legal disbursement funding business

- + A new A\$10 million funding facility, which will provide immediate additional liquidity of A\$4.3 million cash
- + The current disbursement funding (DF) loan book was approximately A\$8 million at 30 September 2023
- + The new facility will provide an advance rate of 85% of Australian DF receivables and will provide up to A\$10 million of additional liquidity as the DF book grows

Q2 FY24 to-date progress

Q2 FY24 to-date (1 October 2023 to 15 November 2023)

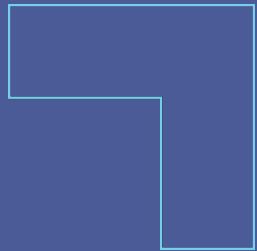
- + October 2023 was a record month for lending in the US hitting US\$2.5 million for the first time
- + US Finance TTV up 35% on pcp (1 October 2022 to 15 November 2022*)
- + Australia Finance TTV up 15% on pcp (1 October 2022 to 15 November 2022*)
- + US Pay Now TTV up 19% on pcp (1 October 2022 to 15 November 2022*)

Sufficient liquidity headroom

- + Expanded funding facilities are expected to close by 1 December 2023
- + Total cash and available borrowings at 31 October 2023 on a pro forma basis was A\$6.8 million, providing sufficient liquidity to reach profitability

* Unaudited management information which is not intended to be interpreted as a forecast for full Q2 FY24 performance.

OUTLOOK



Executing on the plan for scalable growth in the US



Improve and optimise sales and customer success teams

- + New remuneration structure implemented in August to align commissions with company sales targets
- + Refreshed digital marketing strategy to strengthen brand awareness and pipeline
- + Improved cross-sell outcomes with over half of new sign-ups in Q1 FY24 also having QuickFee Finance



Exponential growth through 'one to many' relationships

- + Rafael Casas joined as Director Strategic Alliances & Partnerships in June 2023
- + Established strategic partnerships with Allinial Global and Iris Software Group to drive customer acquisition
- + Early results with increase in inbound enquires and qualified leads



New Chief Technology Officer, Dave Moore

- + Experienced technology leader in strategy, product development, cloud computing, big data and machine learning
- + Strengthens position as leader in financial technology industry
- + Recognised as being one of the most accomplished CIOs in central Texas, as finalist in ORBIE Awards in 2023

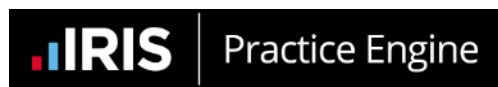


Opening of US Head Office in Plano, Texas

US Practice Management integrations

- + Broaden our firm relationships
- + Create greater lifetime value
- + Expand our current 12% penetration level (% of firm revenue captured)

Current Integrations



Planned Integrations



THOMSON REUTERS



Star Practice Management



INTUIT
quickbooks



canopy



KARBON

“The Smart Way to Reduce A/R”



Outlook

At an inflection point and well positioned for growth



Growth in both the US and Australia expected to continue, buoyed by economic tailwinds



Strong start to FY24 and strengthened management team provides confidence in ability to execute on growth strategy



Focus on reducing cash burn in FY24, with a focus on the fastest path to profit via QuickFee Finance and Connect

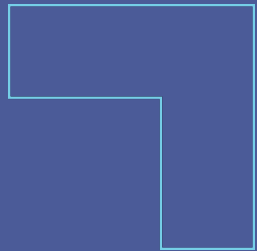


Strengthened capacity for growth through expanded funding facilities, taking 31 October 2023 pro forma liquidity headroom to A\$6.8 million



Tracking towards operating profitability, with H2 FY24 expected to be stronger than H1 FY24

MEETING FORMALITIES: RESOLUTIONS



Resolution 1

Adoption of remuneration report

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the remuneration report as contained in the Company's annual financial report for the financial year ended 30 June 2023."

Proxy results

For	Against	Proxy's discretion	Total	Abstain
98,526,832	632,742	1,617,969	100,777,543	194,695
97.76%	0.63%	1.61%		

Resolution 2

Re-election of director – Dale Smorgon

“That for the purpose of 14.2 of the Company’s Constitution, ASX Listing Rule 14.4 and all other purposes, Dale Smorgon, a Director, retires by rotation, and being eligible for election, is re-elected as a Director of the Company.”

Proxy results

For	Against	Proxy's discretion	Total	Abstain
154,218,517	415,860	1,619,884	156,254,261	85,687
98.69%	0.27%	1.04%		

Resolution 3

Approval to issue Performance Rights to Dale Smorgon

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue of up to 1,136,364 Performance Rights to Dale Smorgon under the QuickFee Performance Rights and Option Plan (PROP) on the terms and conditions described in the Explanatory Statement accompanying this Notice.”

Proxy results

For	Against	Proxy's discretion	Total	Abstain
98,345,978	1,657,969	1,657,969	101,661,916	36,887
96.74%	1.63%	1.63%		

Resolution 4

Approval to issue Performance Rights to Bruce Coombes

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue of up to 2,737,030 Performance Rights to Bruce Coombes under the QuickFee Performance Rights and Option Plan (PROP) on the terms and conditions described in the Explanatory Statement accompanying this Notice.”

Proxy results

For	Against	Proxy's discretion	Total	Abstain
95,783,487	3,326,954	3,326,954	102,437,395	30,496
93.50%	3.25%	3.25%		

Resolution 5

Approval to issue Performance Rights to Michael McConnell

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue of up to 1,107,955 Performance Rights to Michael McConnell under the QuickFee Performance Rights and Option Plan (PROP) on the terms and conditions described in the Explanatory Statement accompanying this Notice.”

Proxy results

For	Against	Proxy's discretion	Total	Abstain
98,392,369	931,404	1,617,969	100,941,742	30,496
97.48%	0.92%	1.60%		

Resolution 6

Approval of additional share issue capacity under ASX Listing Rule 7.1A

"That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, the Shareholders of the Company approve the issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of the issue, calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Proxy results

For	Against	Proxy's discretion	Total	Abstain
153,273,808	1,373,760	1,643,644	156,291,212	48,736
98.07%	0.88%	1.05%		

Disclaimer

The material contained in this document has been prepared by QuickFee Limited ACN 624 448 693 ('company') and contains general information about the company's activities current as at the date of this presentation (29 November 2023). By accepting this document, you agree to be bound by the below terms and conditions.

This presentation is provided in summary and does not purport to be complete and is intended to be read in conjunction with the company's other announcements to ASX. The information contained in this presentation is not intended to be relied upon as advice to current shareholders or investors as it does not take into account the investment objectives, financial position or needs of any particular shareholder or investor. Shareholders and investors should assess their own individual financial circumstances and consider talking to a financial adviser or consultant before making any investment decision.

This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to the company's businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Such statements involve known and unknown risks, uncertainties, assumptions, and readers are cautioned not to place undue reliance on these forward-looking statements. No representation is made as to the accuracy, completeness or reliability of the presentation

QuickFee does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. None of the company, its subsidiaries, nor their respective directors, officers, employees, contractors or agents accepts responsibility for any loss or damage resulting from the use of or reliance on this presentation by any person. While due care has been used in the preparation of forecast information, actual results, performance or achievements may vary in a materially positive or negative manner from those expressed or implied by such statements. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside QuickFee's control.

Past performance is not a reliable indication of future performance and no guarantee of future returns is implied or given. Some of the information in this presentation is based on unaudited financial data which may be subject to change.



Glossary

ACH	Automated Clearing House	A type of electronic bank-to-bank payment in the US, equivalent to EFT in Australia
Active customer	Any customer who has transacted with QuickFee in the relevant period	
Active firm	Any firm that has had a transaction with QuickFee in the relevant period	
APR	Annual percentage rate	The annual rate of interest on payment plans or loans
BNPL or Q Pay Plan	BNPL powered by QuickFee	QuickFee's 'Buy Now, Pay Later' product to enable a customer to pay their invoice in 3-12 instalments using the unused balance of their credit card
CC	Credit card	
Connect	QuickFee's product name for its point-of-payment integration, e-invoicing, automated collections and receivables management product	
Customer	The customer of a merchant, who will use one of QuickFee's payment options to pay their invoice	
EFT	Electronic funds transfer	An Australian domestic payments network that facilitates the transfer of funds electronically
Firm	Typically used to describe a professional services firm (e.g. an accounting or law firm)	
Gross Trading Margin (GTM)	Gross Trading Margin is calculated as Gross Profit per QuickFee's audited financial statements, less bad debt write-offs (which are included in general and administrative expenses)	
KYC	Know your customer	Practice to verify the identity of customers in compliance with laws and regulations
Merchant	A firm.	
Net Transaction Margin (NTM)	Net Transaction Margin is a non-IFRS measure that is not audited but is derived from audited figures and is a financial metric used by management to track QuickFee's unit economics of processing individual transactions, after deducting any bad debt write-offs. It excludes fixed platform and staff costs and any interest on funding facilities, as these costs are not incurred as a result of processing individual transactions.	
QuickFee Financing/ Finance/ Lending/ Pay Over Time	QuickFee's traditional merchant-guaranteed fee funding product that enable customers to take out a payment plan to pay their invoice, while QuickFee settle to the merchant immediately	
QuickFee Pay Now	QuickFee's payment gateway that enables customers to pay their invoice in full to the merchant with or without taking out a payment plan	
Revenue yield	Revenue recognised in accordance with QuickFee's accounting standards, divided by TTV, for the relevant product(s)	
Total Liquidity	Cash and cash equivalents held, plus undrawn borrowings that are available to be drawn from QuickFee's asset-backed credit facility based on the quantum of eligible loan receivables.	
TTV	Total transaction value	The total value of all transactions for the relevant product(s)
pcp	Previous corresponding period	For example, the pcp for the December 2023 quarter is the December 2022 quarter

CONTACT DETAILS

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