

ASX Release | 29 April 2025

Q3 FY25 Quarterly business update

Strong growth continues with record revenue up 29% on pcp;
FY25 earnings guidance revised due to provision for one-off credit loss

QuickFee Limited (ASX: QFE) ("QuickFee", "Company") today announces a business update for the quarter ended 31 March 2025 (Q3 FY25) and a revision to FY25 earnings guidance.

Q3 FY25 HIGHLIGHTS

- **Second consecutive quarter of record quarterly revenue of A\$ 6.3 million, up 29% on the prior corresponding period (pcp):** Reflecting both volume growth and margin expansion in QuickFee Finance in Australia and the US.
- **Increasing transaction volumes through Connect:** Total firm invoices delivered via Connect up 118% quarter-on-quarter, driven by new firm onboarding in Q2 and Q3.
- **EBTDA positive in Q3 FY25**
- **Refinancing discussions progressing in line with expectations:** New funding facilities are expected to be finalised in H2 FY25.
- **Provision for credit impairment in relation to one US firm default for QuickFee Finance:**
 - QuickFee has been unsuccessful in collecting an amount of approximately US\$ 450,000 from one US firm under the guarantee it provided under the terms of the Finance product and a provision has been made for a potential credit impairment of the maximum exposure of US\$ 2.2 million (A\$ 3.3 million)
 - The Board has resolved to commence legal proceedings in the US against the firm and its clients seeking to recover these funds.
- **Underlying business performance on track, but credit impairment provision impacts guidance:**
 - QuickFee's business remains sound and is on track to deliver FY25 EBTDA of A\$1.5 million to A\$2.5 million as previously stated, excluding the provision for credit impairment
 - As a result of the credit impairment provision, the Company is revising its FY25 statutory EBTDA guidance to the range of -A\$ 0.8 million to -A\$ 1.8 million.

| Q3 FY25 PERFORMANCE ¹ | Q3 FY25 | Q3 FY24 | YEAR-ON-YEAR MOVEMENT |
|---|-------------------|------------------|-----------------------|
| REVENUE | | | |
| US Finance (Pay Over Time) | US\$ 0.9 M | US\$ 0.7 M | +29% |
| US Pay Now (ACH & Card) | US\$ 1.2 M | US\$ 1.0 M | +20% |
| AU Finance (Pay Over Time) | A\$ 2.6 M | A\$ 2.0 M | +30% |
| GROUP REVENUE INCLUDING ANCILLARY PRODUCTS | A\$ 6.3 M | A\$ 4.9 M | +29% |
| TOTAL TRANSACTION VALUES (TTV) | | | |
| US Finance (Pay Over Time) | US\$ 7.6 M | US\$ 6.8 M | +12% |
| US Pay Now (ACH & Card) | US\$ 350 M | US\$ 307 M | +14% |
| AU Finance (Pay Over Time) | A\$ 14.1 M | A\$ 13.1 M | +8% |

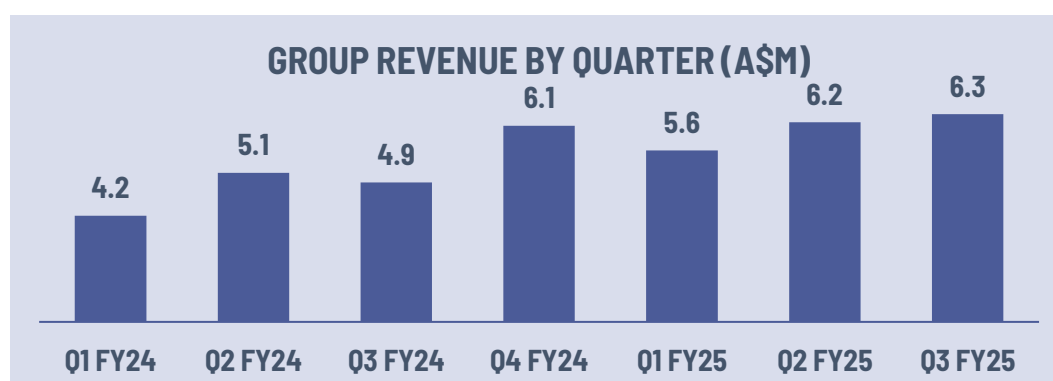
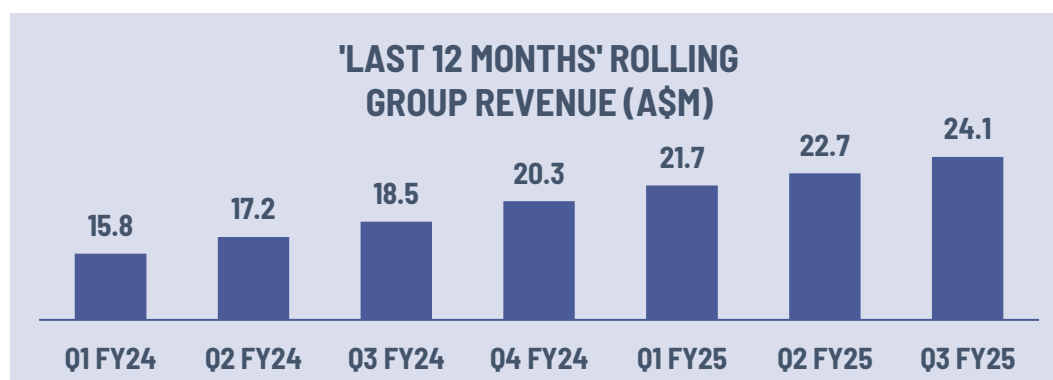
¹ Q3 FY25 financial results are unaudited

QUARTERLY BUSINESS UPDATE PRESENTATION

To watch an accompanying presentation of the quarterly business update and ask any questions, please visit the QuickFee investor hub here: investorhub.quickfee.com/business-updates

GROUP REVENUE COMMENTARY

In Q3 FY25, QuickFee delivered a second consecutive quarter of record revenue of A\$ 6.3 million, up 29% on pcp. QuickFee group revenue by quarter is steadily trending upwards, with the 'last 12 months' rolling group revenue of A\$24.1 million in Q3 FY25, up 30% on pcp. Revenue is seasonally stronger in Q2 and Q4 each fiscal year.

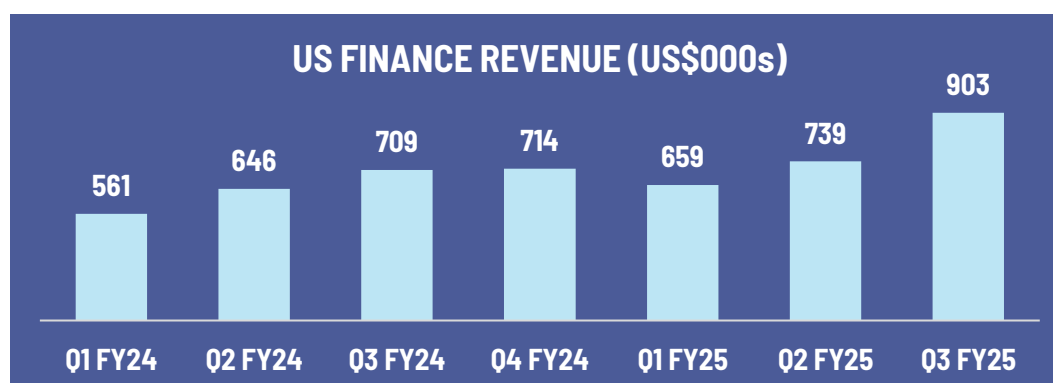
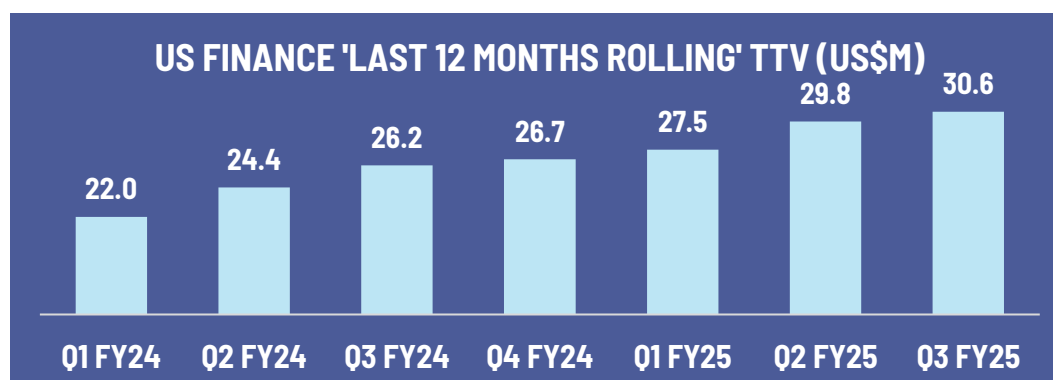


US COMMENTARY

The positive momentum in the US business continued in Q3 FY25 with US Finance (Pay Over Time) revenue up 29% on pcp to US\$ 0.9 million (Q3 FY24: US\$ 0.7 million) and US Finance TTV up 12% on pcp to a record US\$ 7.6 million (Q3 FY24: US\$ 6.8 million).

The strong revenue growth reflects increased TTV volumes as well as the revenue yield expansion of 150 bps on QuickFee Finance in Q3 FY25 on pcp. The yield expansion was due to the strong lending in Q2 FY25 compared to the prior year, together with the structurally weaker lending in the third quarter. Both of these factors improve the revenue yield, as the revenue increases in weaker lending quarters proportionally higher than lending volumes.

QUICKFEE FINANCE



QUICKFEE FINANCE

The Finance product allows clients to pay over 3, 6, 9 or 12 months while the firm gets paid in full within three business days at no cost to the firm, usually with no credit approval process for the client. Revenue is generated from the interest paid by the clients of professional services firms when they take out a payment plan to pay the fee invoices they receive. The Finance product has revenue yields that are ~25x greater than the Pay Now product.

As revenue is recognised over the life of the loan term (the US weighted average loan term in H1 FY25 was 9.6 months), TTV growth in any quarter will positively impact revenue in both current and future quarters.

In Q3 FY25, US Pay Now revenue (including both ACH and Card) was up 20% on pcp to US\$ 1.2 million (Q3 FY24: US\$ 1.0 million). US Pay Now TTV increased 14% on pcp to US\$ 350 million (Q3 FY24: US\$ 307 million) on marginally lower revenue yields.

QUICKFEE CONNECT (US only)

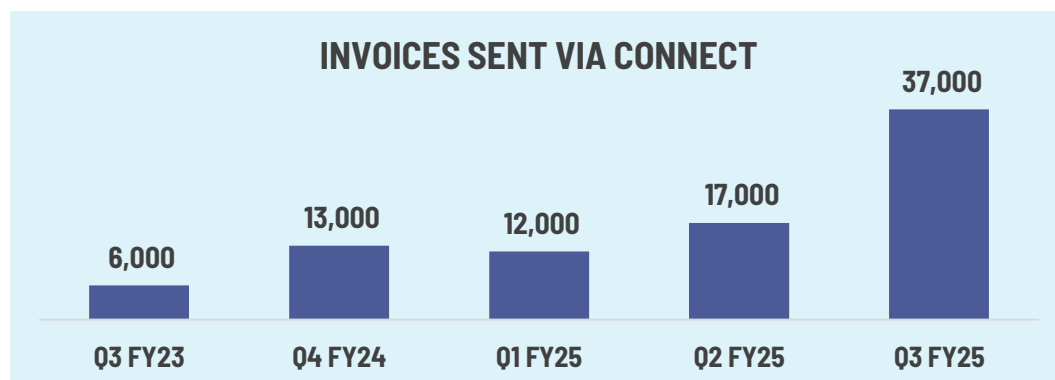
QuickFee Connect offers a scalable Accounts Receivable solution that is designed specifically for accounting firms with a competitive subscription pricing model. It delivers an ecosystem for firms that want to build their own tech stack with deep functionality.

Connect automatically emails firms' invoices to their clients with a link to the QuickFee portal to enable all e-invoice recipients to pay over time with QuickFee's Finance product or pay in full via EFT/Card. By delivering up to 100% of firms' invoices electronically and directing more of firms' clients to pay online rather than by check, Connect drives both new subscription revenue streams and increases all products' TTV.

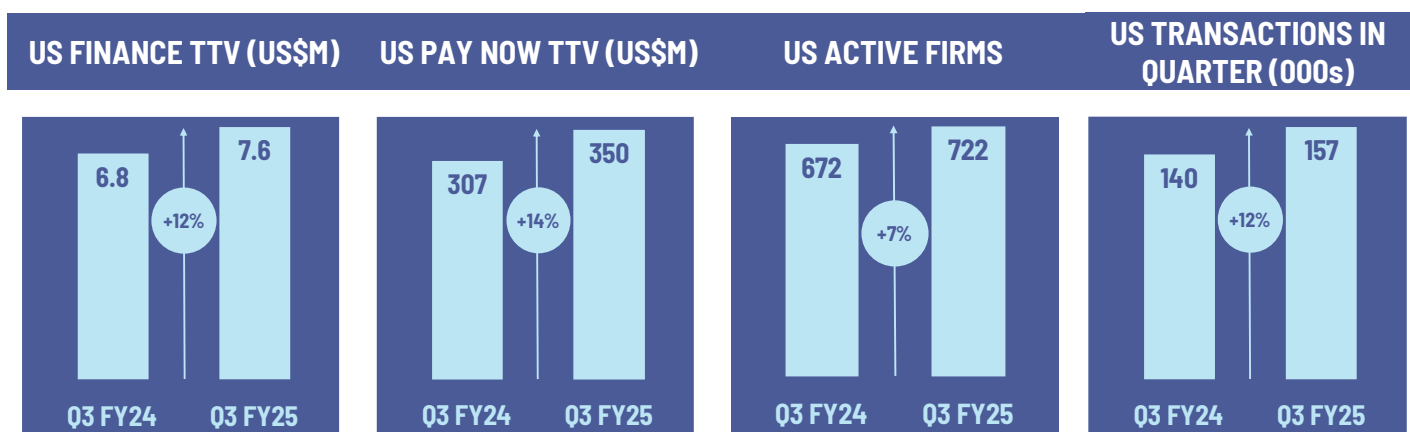
Increasing transaction volumes through Connect

In Q3 FY25, the transaction volumes on the Connect platform increased substantially with over 37,000 invoices delivered, compared to 17,000 in Q2 FY25, up 118% quarter on quarter. This was driven by new firm onboarding in Q2 and Q3 and the increasing adoption of Connect by existing clients.

QuickFee now has 64 clients onboarded onto the Connect platform, with a further pipeline of approximately 35 customers which have signed up and are in various stages of onboarding.



US OPERATIONAL METRICS



US Active firms grew to 722 (Q3 FY24: 672) and US transaction numbers grew 12% on pcp. QuickFee continues to attract larger firms, which have the potential to deliver higher transaction volumes through the QuickFee payments platform.

North America President, Jennifer Warawa said:

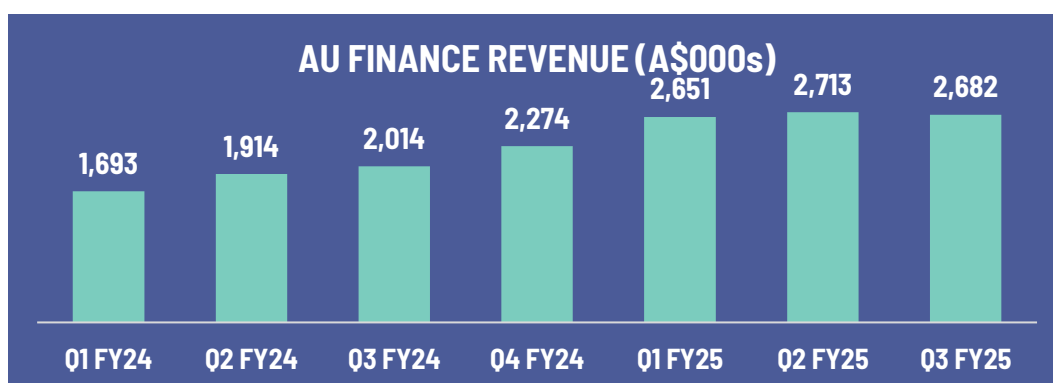
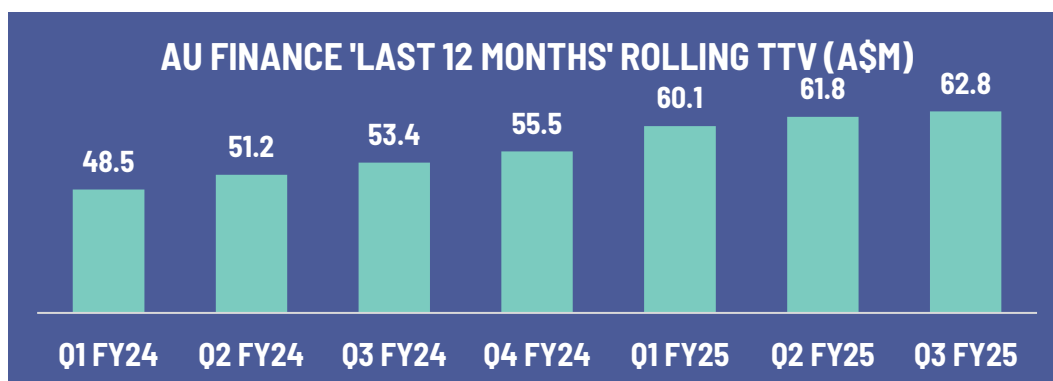
"In the past quarter, our focus has been on execution and driving transaction volumes through QuickFee Finance and the Connect platform. I am very pleased that we delivered 118% growth in invoices through Connect, quarter-on-quarter. Our onboarding pipeline remains strong in Q4, giving us confidence that this new recurring, high-margin subscription revenue stream will continue to expand over time."

The economic uncertainty during Q3, driven by evolving US policy dynamics, led to slower decision-making among accounting firms and their clients. While this caution has tempered short-term adoption of new services, it has also highlighted the growing need for payment flexibility—an area where QuickFee is well-positioned to support firms navigating financial pressure. Our continued focus on efficiency and profitability ensures we remain resilient amid these market conditions."

AUSTRALIA (AU) COMMENTARY

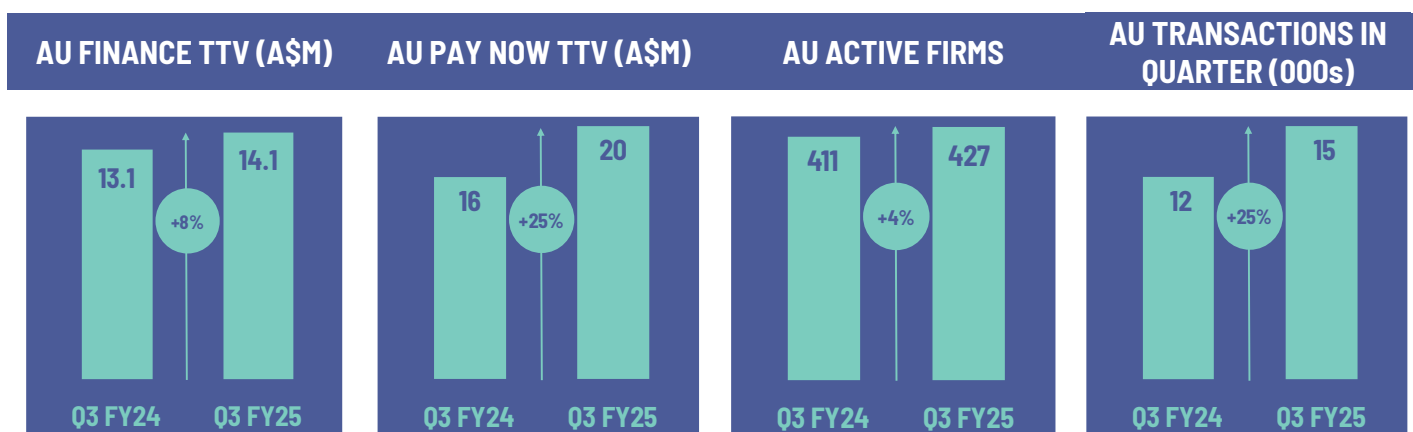
The Australian business had another strong quarter in Q3, with AU Finance revenue up 30% on pcp to A\$ 2.6 million (Q3 FY24: A\$ 2.0 million). This revenue growth was driven by an 8% increase in AU Finance TTV to A\$ 14.1 million (Q3 FY24: A\$ 13.1 million) and significant margin expansion with a 360 bps increase in revenue yield in Q3 FY25 compared to the prior period, primarily due to growth in the disbursement funding loan book.

QUICKFEE FINANCE



AU OPERATIONAL METRICS

Transactions in Q3 FY25 increased 25% on pcp to 15,000 and the number of Active Firms transacting in the quarter increased by 4% on pcp to 427 (Q3 FY24: 411).



The 'Q Pay Plan' BNPL product also continued to grow strongly with Q3 FY25 TTV up 78% to A\$ 1.6 million on pcp (Q2 FY24: A\$ 0.9 million). In response to the recent legislated changes requiring BNPL operators in Australia to hold an Australia Credit Licence (ACL), QuickFee has submitted an application to ASIC. While its ACL application is in the process of being formally approved, ASIC has granted a transitional period to any applicant, which will allow the Company to continue to offer BNPL products.

PROVISION FOR POTENTIAL CREDIT IMPAIRMENT

In recent weeks, several clients of one of QuickFee's US firms failed to pay their QuickFee Finance loan instalments. QuickFee has been unsuccessful in collecting an amount of approximately US\$ 450,000 from the firm under the guarantee it provided as part of QuickFee's standard terms of business.

QuickFee and its US legal advisers have commenced an internal investigation into both the firm and its clients to with a view to establishing the reasons for the defaults, the extent of any credit impairments for the Company and any recovery available to QuickFee through avenues such as litigation and the insurance policies in place. The firm operates outside the typical CPA and legal verticals QuickFee focuses on; after a detailed review of the whole lending book, QuickFee considers this to be a one-off event. The amount (if any) ultimately recoverable from the firm and its clients remains uncertain, however the Company's maximum exposure to the firm is approximately US\$ 2.2 million (A\$ 3.3 million). The Board has today resolved to commence legal proceedings in the US against the firm and its clients with a view to recovering amounts that QuickFee alleges are due and payable. QuickFee makes no statement about its prospects in the litigation.

Based on all information currently available, QuickFee management has determined that it should record a provision for its exposure in full and record a non-cash credit loss expense of approximately A\$ 3.3 million in the Company's April 2025 financial results. The Company does not intend to provide any further information in relation to the litigation including by way of update while the litigation is in progress. To the extent an outcome of the litigation is material, it will make an announcement at the appropriate time.

REVISED FY25 EARNINGS GUIDANCE

QuickFee's business remains sound and is on track to deliver underlying FY25 EBTDA of A\$1.5 million to A\$2.5 million as previously stated, excluding the provision for credit impairments. As a result of the above provision, the Company is revising its FY25 statutory EBTDA guidance by the amount of the credit loss provision, to the range of -A\$ 0.8 million to -A\$1.8 million.

BALANCE SHEET AND LIQUIDITY

At 31 March 2025, the Company had A\$ 5.3 million unrestricted cash on hand, with borrowing growth capacity of a further A\$ 1.5 million from existing facilities available to fund future loan book growth. The Company has seen substantial loan book growth the fiscal year, at a group level up A\$ 9.6 million (17%) to A\$ 64.8 million (30 June 2024: \$55.2 million). This growth has been funded approximately 85% by borrowings and 15% with own funds and the pending refinancing of facilities will substantially increase the Company's borrowing capacity.

QUICKFEE LOAN BOOKS



Refinancing discussions progressing in line with expectations

QuickFee is in advanced discussions with several potential lenders to secure financing to replace the Northleaf Capital Partners Limited ("Northleaf") fee funding receivables facility and the Wingate Corporate Investments ("Wingate") legal disbursement funding receivables-backed facilities in full.

At 31 March 2025, the Northleaf Capital facility was drawn to \$50.0 million from a total available of A\$ 63.7 million and the Wingate facility was drawn to A\$8.5 million from a total available of A\$10 million.

Refinancing discussions are progressing well and in line with expectations, with new funding facilities expected to be finalised by the end of June 2025. This will ensure QuickFee continues to be fully funded to achieve sustainable profitability.

OUTLOOK

Non-executive Chairman Dale Smorgon said:

"Our underlying business performance remains very strong, with quarterly revenue up 29% on pcp. We are delivering clear evidence that our growth strategy is working, as the two key drivers of revenue growth were QuickFee Finance and Connect. Our focus is now on continued execution, in order to maintain this positive momentum moving forward.

The refinancing of our credit facilities is well progressed and this will provide further headroom to continue to support the growth in our loan books. The one-off potential credit loss from a firm in the US in no way dilutes our expectation of further profitable volume and revenue growth.

As Jennifer Warawa departs on 2nd May, I would like to thank her for her significant contribution to QuickFee over the past 2.5 years. She has been instrumental in resetting the growth strategy and putting the right team in place to deliver on that strategy and we wish her the very best in her new role.

We have an experienced and dedicated senior leadership team in the US and we are committed to ensuring a smooth transition to a new US President over the months ahead. The foundations of our marketing and product strategy are in place, and our focus is now on accelerated execution. I remain confident that QuickFee is well positioned to continue this strong growth trajectory."

This announcement has been authorised for release by the directors.

— END —

¹ Except where previously disclosed to the market under ASX Listing Rule 3.1, the strategic partnership(s) mentioned in this release, do not alone or together constitute material agreements, material contracts with customers or market sensitive information under ASX Listing Rule 3.1.

² All figures shown are unaudited, from management accounts.

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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 or the QuickFee investor hub at investorhub.quickfee.com.

QUICKFEE INVESTOR HUB

To stay up to date with the latest news and announcements, access investor-related resources including ASX releases, video updates, educational material and insights into the QuickFee's activities, people and strategic direction, and interact with QuickFee by posting questions and feedback, we encourage investors to sign up to the QuickFee investor hub.

- Visit the QuickFee investor hub at investorhub.quickfee.com or scan the QR code here:



- Sign up for a QuickFee investor hub account at investorhub.quickfee.com/auth/signup
- Post questions and feedback in the Q&A section.

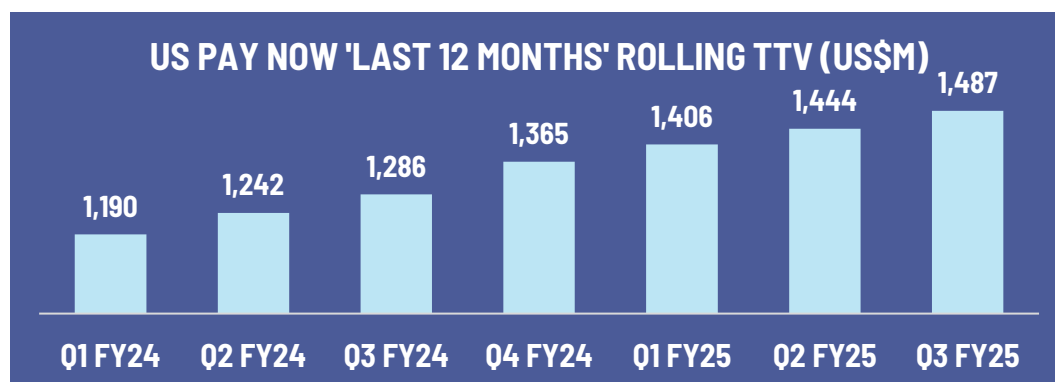
APPENDIX

DETAILED OPERATIONAL & FINANCIAL METRICS

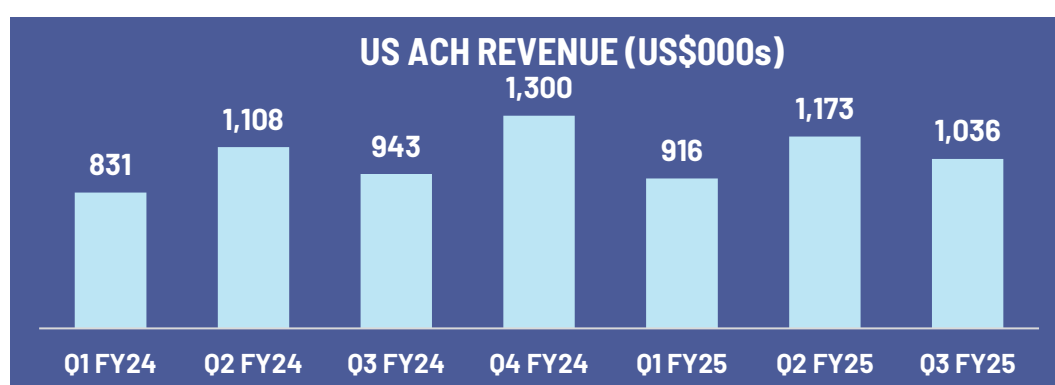
US FINANCE REVENUE

| TTV IN US\$M REVENUE IN US\$000s | Q3 FY25 | Q3 FY24 | % +/- |
|-------------------------------------|--------------|--------------|-----------------|
| TTV | 7.6 | 6.8 | +12% |
| Financing revenue (interest) | 855 | 671 | +27% |
| Payments and other revenue | 48 | 38 | +26% |
| Total revenue | 903 | 709 | +27% |
| <i>Total revenue/volume yield %</i> | <i>11.9%</i> | <i>10.4%</i> | <i>+150 bps</i> |

US PAY NOW TTV

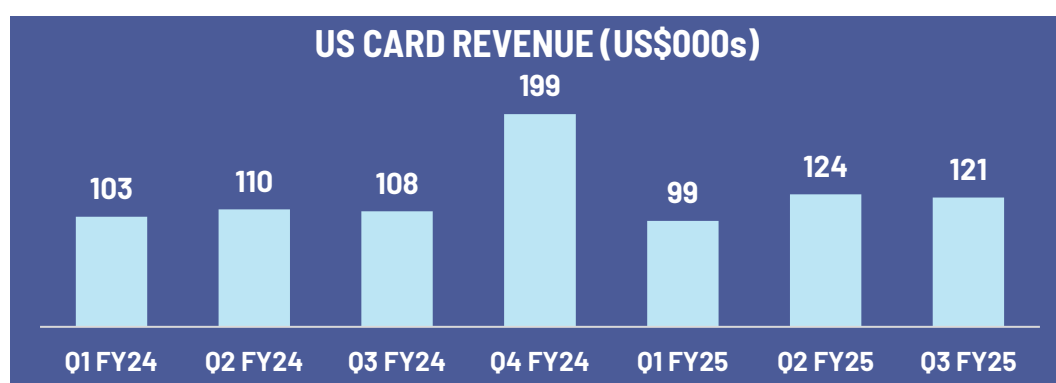


US ACH REVENUE



| TTV IN US\$M REVENUE IN US\$000s | Q3 FY25 | Q3 FY24 | % +/- |
|-------------------------------------|--------------|--------------|---------------|
| TTV | 288 | 251 | +15% |
| Total revenue | 1,036 | 943 | +10% |
| <i>Total revenue/volume yield %</i> | <i>0.36%</i> | <i>0.38%</i> | <i>-2 bps</i> |

US CARD REVENUE



| TTV IN US\$M REVENUE IN US\$000s | Q3 FY25 | Q3 FY24 | % +/- |
|-------------------------------------|--------------|--------------|---------------|
| TTV | 62 | 56 | +11% |
| Total revenue | 121 | 108 | +12% |
| <i>Total revenue/volume yield %</i> | <i>0.20%</i> | <i>0.19%</i> | <i>+1 bps</i> |

US Card revenue is the net revenue share QuickFee receives from its card processors, not the gross amount surcharged to customers.

AU FINANCE

| TTV IN A\$M REVENUE IN A\$000s | Q3 FY25 | Q3 FY24 | % +/- |
|---------------------------------------|--------------|--------------|-----------------|
| TTV | 14.1 | 13.1 | +8% |
| Financing revenue (interest) | 2,442 | 1,829 | +34% |
| Payments and other revenue | 240 | 185 | +30% |
| Total revenue | 2,682 | 2,014 | +33% |
| <i>Total revenue/volume yield % *</i> | <i>19.0%</i> | <i>15.4%</i> | <i>+360 bps</i> |

GLOSSARY OF TERMS

| | | |
|--|---|---|
| ACH | Automated Clearing House | A type of electronic bank-to-bank payment in the US, equivalent to EFT in Australia |
| 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 |
| CARD / CC | Debit / 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) | |
| KYC | Know your customer | Practice to verify the identity of customers in compliance with laws and regulations |
| MERCHANT | A firm. | |
| 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 | |
| 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 | |
| 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. | |
| TRANSACTIONS IN QUARTER | The aggregate number of completed Pay Now transactions and new Finance loans (payment plans) originated in the relevant quarter. | |
| PCP | Previous corresponding period | For example, the pcg for the December 2024 quarter is the December 2023 quarter |
| TTV | Total transaction value | The total value of all transactions for the relevant product(s) |