



ASX Release | 21 February 2020

## QuickFee achieves record results across all metrics in H1 FY20

QuickFee Limited (ASX: QFE) ("QuickFee" or the "Company") today announced its financial results for the six months ending 31 December 2019 (H1 FY20).

### Key highlights

- Substantial growth reported in lending to professional firms
  - Australian lending reached A\$24.2 million, up 29% on prior year (H1 FY19)
  - US lending reached US\$5.6 million, up 57% on prior year
  - Combined group lending reached A\$31.9 million, up 33% on prior year
- Revenue up 34% to A\$3.7 million, driven by increased lending and 352 firms signed to QuickFee US
- QuickFee US gaining strong traction as payment portal transaction annualised revenue almost doubling to A\$1.4 million
- Added experience and expertise to the team to accelerate growth
- Continued profitability before customer acquisition costs

Commenting on the H1 FY20 results, QuickFee Chief Executive Officer Bruce Coombes said, *"I am delighted to report that QuickFee has continued its strong momentum, again reporting record results across all key metrics. Our loan books in both Australia and in the US have achieved record levels and in the US we continue to sign up new firms onto the QuickFee platform at a growing rate. The market for professional fee funding in both Australia and the US continues to represent significant growth opportunities, and we have invested heavily in customer acquisition and in our team to position ourselves for sustainable growth."*

*"The US market in particular, where QuickFee has a first mover advantage, remains a very exciting prospect. Lending levels and number of clients have grown strongly, and we are seeing a huge opportunity through the current lack of sophistication in processing online payments in the US, with payment portal transaction revenue almost doubling over the half."*

### Record growth achieved in both the Australian and US markets

QuickFee continued its growth trajectory in H1 FY20, with Australian lending increasing by 29% to \$24.2 million (H1 FY19: \$18.8 million), and US lending increasing by 57% to US\$5.6 million (H1 FY19: US\$3.5 million).

The growth in lending was supported by the number of new US firms signed on to the QuickFee platform steadily increasing to 352. This reflects the investment that QuickFee has made in US customer acquisition, and represents a sound footing for strong growth in future periods.

QuickFee reported revenue of A\$3.7 million for the half, up 33.5% (H1 FY19: \$2.8 million). The after-tax loss for the half was A\$1.8 million (H1 FY19: \$369k loss), which was impacted by the investment of \$1.086 million in new customer acquisition costs as well as \$672k in one-off IPO expenses.

QuickFee has cash reserves of A\$5.8 million as at 31 December 2019, and remains well positioned to fund future growth.

Importantly, QuickFee remains profitable before customer acquisition costs, which represent an investment in future growth.

### **US transactional revenue now represents annualised revenue run rate of over A\$1 million**

The combination of mass volumes of transactions in the US professional services market and a lack of sophistication in processing online payments, represents a huge opportunity for QuickFee in the US. Payment portal transaction revenue almost doubled on the prior year and now represents an annualised run rate of A\$1.4 million. This highlights the increased level of acceptance of online payments in the US. The demand for QuickFee's quick and easy payment solutions is rapidly gaining traction.

QuickFee expects significant growth in transaction revenue going forward, which will be driven by existing and new firms.

### **Strategies to accelerate growth**

During H1 FY20, QuickFee hired a number of new sales representatives and account managers to strengthen the current team and support the expansion strategy. QuickFee also made the key appointment of Mr Francesco Fabbrocino as the Chief Technology Officer (CTO). Mr Fabbrocino is based in the Los Angeles office and brings valuable fintech and payment provider experience to QuickFee. He will lead the rapid development and deployment of technology solutions to meet the specific needs of the B2B professional services market.

In addition, QuickFee officially launched its "Channel Partner" program in the US. The program aims to have independent sales agents (ISAs), affiliates and referral partners become accredited introducers of new business to QuickFee. There are currently over 1 million ISAs operating in the US in professional services, and this channel provides QuickFee with another avenue to rapidly scale its growth in the US. Since its launch, QuickFee has already received over one hundred requests for accreditation from ISAs.

Over the period, QuickFee also successfully completed integrations with Practice Engine (US practice management system) and with Cerebiz (AU MYOB automated debtor reminder tool). These integrations increase the exposure of our lending products to clients of professional firms.

Commenting on the outlook, Mr Coombes said, *"We are very proud of the progress we have achieved in the six months since listing. The continued strong growth in the more mature Australian market is extremely pleasing, and the growth we have been able to generate in the US to date validates the need for professional fee funding and online payments. We believe that we are only beginning to scratch the surface in terms of the market opportunity in the US where we continue to enjoy a first mover advantage."*

*"Following our successful IPO last July, we have applied the funds raised to invest in our team, our sales capabilities, and our technology, in order to optimise our first mover advantage and position ourselves for a bright future. There is certainly a lot of work in front of us to build scale in the US QuickFee business, but we believe that we have the right foundations in place to grow the loan book"*

*and revenue strongly in the short-term, and over the medium-term to generate sustained and growing profitability.”*

### **QuickFee H1 FY20 results conference call**

QuickFee will hold a group investor conference call at **10:30am AEDT on Friday, 21 February 2020** following the release of its results for the six months ending 31 December 2019 (H1 FY20).

Dial in details:

- Participant dial in number: **+61 2 9007 3187** or **1800 558 698 (toll free)** to join the call
- When prompted, please enter **Conference ID: 10003629**

To bypass the operator and gain immediate access to the event participants can pre-register at the following link:

<https://s1.c-conf.com/DiamondPass/10003629-invite.html>

For further information please contact:

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### **About QuickFee Limited**

QuickFee Australia was founded in March 2009 and developed a unique payment gateway for Australian accounting and law firms allowing them to accept monthly payment plans where clients of professional services firms obtain finance online from QuickFee to facilitate payments to the firm in full.

Following the success of QuickFee Australia, QuickFee was established in the US in 2016 as a separate operating entity to pursue opportunities in the much larger market in the USA where no direct competitor exists.

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