

ASX Release | 17 September 2020

QuickFee launches interest free product in strategic partnership with Splitit to expand addressable market

A\$17.5 million capital raising to accelerate growth

Highlights

- QuickFee to launch additional instalment product in the US and Australia in partnership with Splitit (ASX:SPT)
- Allows QuickFee to address a much greater share of the professional services market
 - Increases target market by 650,000 accounting and law firms in the US alone
- New product consistent with QuickFee's low risk credit profile given Splitit's credit card pre-authorisation technology
- New interest free product broadens QuickFee's product suite in line with the company's strategy of becoming a market leader in the Advice Now, Pay Later market
- Placement of A\$15.0 million and A\$2.5 million SPP to fund rollout of the new product

QuickFee Limited (ASX:QFE) ("QuickFee") is pleased to announce the launch of its new interest free product, in partnership with Splitit Payments Limited (ASX:SPT) ("Splitit"). The new product will accelerate QuickFee's rapid growth as a leading online payment provider in the "Advice Now, Pay Later" markets in the US and Australia by significantly expanding the addressable market within these professional services segments.

Commenting on the interest free product launch, Bruce Coombes, CEO of QuickFee, said:

“ We are hugely excited by the new partnership with Splitit. Having already achieved strong acceptance amongst professional services firms with our online payment portal and existing lending solutions, this new interest free product allows QuickFee to capture a significantly greater share of the professional services market by providing payment plans to clients of smaller firms, by far the largest part of the market, that we would not normally service.

Importantly, the interest free product allows professional services firms to give clients the essential advice they need.

The Splitit pre-authorisation technology means there is very low credit risk to QuickFee and the professional services firm. **”**

How QuickFee's interest free product works

QuickFee's interest free product is a simple, low cost, low risk solution. The professional services firm sends its client an invoice, the client selects the interest free instalment payment option and enters their credit card details to pay in 4 instalments. The Splitit technology takes the first instalment and pre-authorises the remaining instalments.

No applications are required as no new credit is being offered to clients. Professional services firms pay QuickFee's charges giving their clients access to a convenient online payment plan and making it easier for clients of firms to access essential legal, accounting and financial advice.

Significantly increases the addressable market

The QuickFee interest free product allows QuickFee to provide payment services to smaller firms that typically fall outside QuickFee's credit risk framework, and thereby increases our target market by up to 2,500% in the US and 560% in Australia – this equates to circa 650,000 accounting and law firms in the US (Source: D&B Hoovers).

This product is expected to enable professional firms to service a much broader demographic in need of legal, accounting and financial services, and provide the essential advice their clients need with very little risk associated with client capacity to pay.

The legal market, particularly in the US, tends to be more transactional in nature, and this product is expected to allow legal providers to take on more clients and provide more advice to existing clients, all while removing payment collection risk.

The total value of the opportunity to QuickFee cannot be calculated at this stage.

Capital raising to fund rollout

QuickFee today announced the launch of a placement to raise A\$15.0 million ("Placement"), and a Share Purchase Plan ("SPP") that aims to raise a further A\$2.5 million, to fund the rollout of the interest free product and accelerate QuickFee's growth. Bell Potter is the lead manager and Arnold Bloch Leibler is acting as counsel to QuickFee.

The funds raised will be used to substantially scale up the customer acquisition team, predominantly in the US, to fund the very significant anticipated growth of the receivables book (equity portion of payment plans) with the Splitit opportunity, and research and development for future product releases.

This announcement has been authorised for release by the directors.

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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.

