

ASX Release | 14 June 2022

QuickFee Limited

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QuickFee Limited (ASX:QFE) ("QuickFee") today announces a business update for the months of April and May 2022 ("Q4 FY22 to-date").

Highlights

- **Record US processing volumes in March, April and May 2022 consecutively;**
- **Continued improvement in lending in Australia and the US, with May in Australia being the strongest month to date in FY22;**
- **Results signal QuickFee's confidence in targeting an accelerated path to profitability by the end of FY23 within existing cash and borrowing facilities.**

Total transaction values (TTV)	April & May 2022	April & May 2021	Year-on-year movement
Professional services			
US ACH (Pay Now)	US\$185m	US\$127m	+46%
US Card (Pay Now)	US\$41m	US\$29m	+41%
Total US Pay Now	US\$226m	US\$156m	+45%
US Financing (Pay Later)	US\$2.7m	US\$2.4m	+13%
AU Financing (Pay Later)	A\$7.1m	A\$6.6m	+8%
BNPL (Buy Now, Pay Later)			
BNPL total transaction volume – US	US\$0.9m	US\$0.3m	+200%
BNPL total transaction volume – AU	A\$0.2m	A\$0.1m	+100%

Operational update

QuickFee is pleased to report that it has achieved record ACH and credit card processing volumes in the US for March, April, and May consecutively, driven by continued momentum in its professional services merchant portfolio and go-to-market strategies executed this financial year.

In the US, ACH and credit card volume in May 2022 was USD\$122 million, a 17% improvement on April 2022's record of USD\$104 million. ACH and credit card volume for Q4 FY22 to-date was US\$226 million, up 45% over pcp. BNPL continued to supplement total lending, with 25% of lending coming from the BNPL product in the US in Q4 FY22 to-date.

In Australia, QuickFee achieved A\$4.5 million in lending for the month of May 2022, which is the best performing month of FY22 so far, and is up 8% over pcp in Q4 FY22 to-date.

The performance in March, April, and May 2022 positions QuickFee to finish FY22 with strong growth and an accelerated volume run-rate, putting QuickFee on a shortened pathway to profitability. This acceleration is driven by comprehensive improvements across the business, which are already delivering:

- increased revenue yields and gross profit rates in its ACH and credit card products;
- increased transaction volume, organic growth, higher average order values and net new sales; and
- reduced costs of acquisition, operations and technology expenses commensurate with the completion of its proprietary payments platform, QUBE.

Management transition

As a result of continued execution of the company's strategic plan, QuickFee has positioned itself to step down certain redundant operating and technology spends which were needed to establish the company's present technologies. Additionally, some changes have occurred within the senior leadership team:

- Francesco Fabbrocino transitioned from CTO to the company's Strategic Advisory Board in late-April and continues to provide high-level expertise across product and technology;
- James Drummond will transition from COO to a consultant role for QuickFee in early July focussing on certain business-wide operational efficiencies;
- Given our talented bench of product, technology, and operations professionals developed over the financial year, these collective responsibilities will be assumed within existing resources, providing opportunities for diverse perspectives, and improving our organisational scale.

Share Purchase Plan (SPP)

QuickFee's recently announced SPP, which opened on 17 May 2022, closes at 5pm (Sydney time), Wednesday, 15 June 2022. Eligible shareholders have the opportunity to purchase new shares under the SPP. Under the SPP, QuickFee will offer up to 5,000,000 new shares to eligible shareholders with a registered address in Australia and New Zealand, to raise up to A\$0.5 million.

The SPP follows the successful completion of the A\$4.0 million Placement in May 2022, which together provide sufficient cash to allowing QuickFee to accelerate its proven go-to market strategies and leverage its completed proprietary technology stack, to target reaching run-rate profitability by June 2023.

Allotment of the new shares under the SPP is scheduled for Tuesday 21 June 2022, with these shares expected to be quoted and trading on the ASX on the same day.

Commenting on the updates, QuickFee CEO Eric Lookhoff, said:

"We are delighted to announce consecutive record processing volumes for ACH and card in the US in April and May 2022, highlighting the strong momentum we continue to see within the QuickFee portfolio. Even more notable is the improvement in our profit drivers through increased yields, reduced operating expenses, and improved scale. Taken together, these achievements accelerate our profitability."

"I would like to acknowledge the significant contributions that both Francesco and James made to QuickFee and I am delighted that we will continue to benefit from their experiences in new roles. I am equally encouraged by the opportunities these changes provide for our talented team and I am incredibly confident as we move forward."

"I would also like to thank our shareholders that are supporting us through the recent Share Placement and Share Purchase Plan. We are confident that with continued focus on executing our strategies, we will achieve our accelerated path to profitability by the end of FY23 well within our existing cash resources."

This announcement has been authorised for release by the directors.

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About QuickFee

QuickFee offers online payment and financing solutions for professional, commercial, and personal services providers. Since 2009, QuickFee has helped its merchants meet the rising consumer demand for flexible payments and provide a more personalised billing experience.

With QuickFee, businesses can accept payment by EFT/ACH, card, payment plan, or a Buy Now, Pay Later instalment plan. Customers are empowered to pay how and when they want, while professionals get to focus on what they do best.

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