

QUICKFEE Q4 FY24 BUSINESS UPDATE



23 July 2024

President, North America, **Jennifer Warawa**
Chief Financial Officer, **Simon Yeandle**



Revenue up 42% on pcp and EBTDA positive in Q4



Record quarterly revenue of A\$6.1m, up 42% on pcp:

- + Driven by increased transaction volumes and continued margin expansion
- + US Finance revenue up 39% on pcp: Total Transaction Volume (TTV) up 9% and revenue yield up 250 bps
- + Australia Finance revenue up 46% on pcp: TTV up 14% and revenue yield up 300 bps



Growing transaction volumes through Connect:

- + Invoice volumes through Connect up 120% in Q4 FY24, quarter-on-quarter
- + Thomson Reuters Practice CS Integration on track for launch in Q1 FY25



Built platform for scalable integrations

- + Knuula integration launched in May to automate the engagement-to-cash workflow
- + Enables easier integrations with new strategic partners moving forward



Continue tracking towards operating profitability

- + Well-supported placement and oversubscribed SPP raising \$4.4m to fund further loan book growth
- + EBTDA positive in Q4 and tracking towards operating profitability in FY25

Key metrics in Q4 FY24

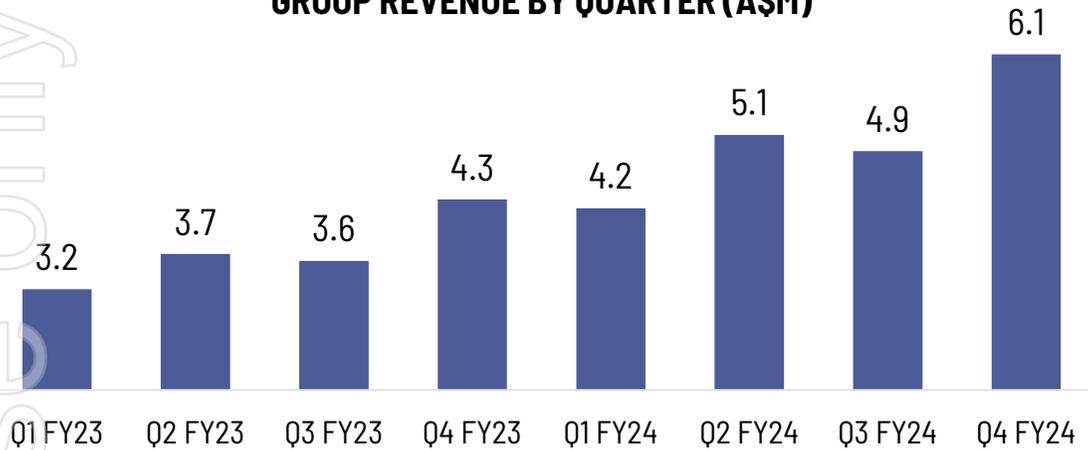
Q4 FY24 PERFORMANCE ¹	Q4 FY24	Q4 FY23	YEAR-ON-YEAR MOVEMENT
REVENUE			
US Finance (Pay Over Time)	US\$ 714k	US\$ 515k	+39%
US Pay Now (ACH & Card)	US\$ 1,499k	US\$ 1,181k	+27%
AU Finance (Pay Over Time)	A\$ 2,274k	A\$ 1,555k	+46%
GROUP REVENUE INCLUDING ANCILLARY PRODUCTS	A\$ 6.1M	A\$ 4.3M	+42%
TOTAL TRANSACTION VALUES (TTV)			
US Finance (Pay Over Time)	US\$ 6.3m	US\$ 5.8m	+9%
US Pay Now	US\$ 432m	US\$ 353m	+22%
AU Finance (Pay Over Time)	A\$ 17.0m	A\$ 14.9m	+14%

¹Figures shown are unaudited, from management accounts

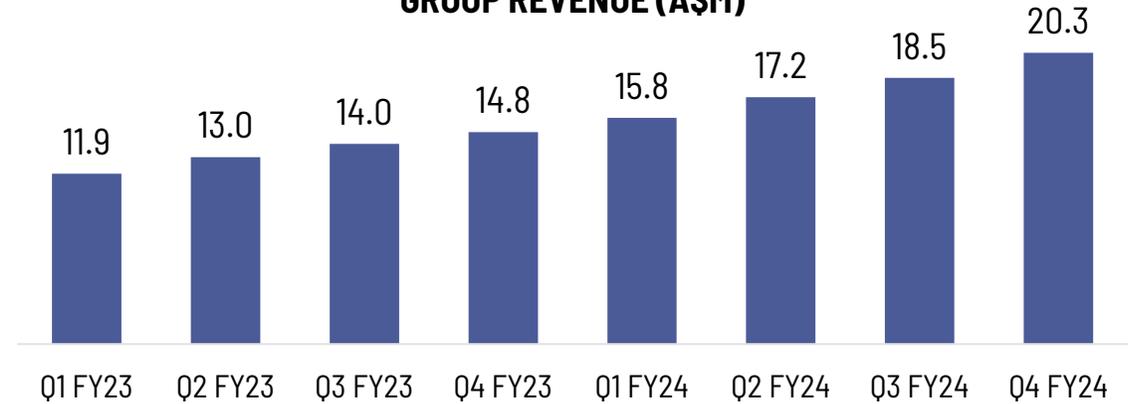
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Strong revenue growth expected to continue

GROUP REVENUE BY QUARTER (A\$M)



'LAST 12 MONTHS' ROLLING GROUP REVENUE (A\$M)



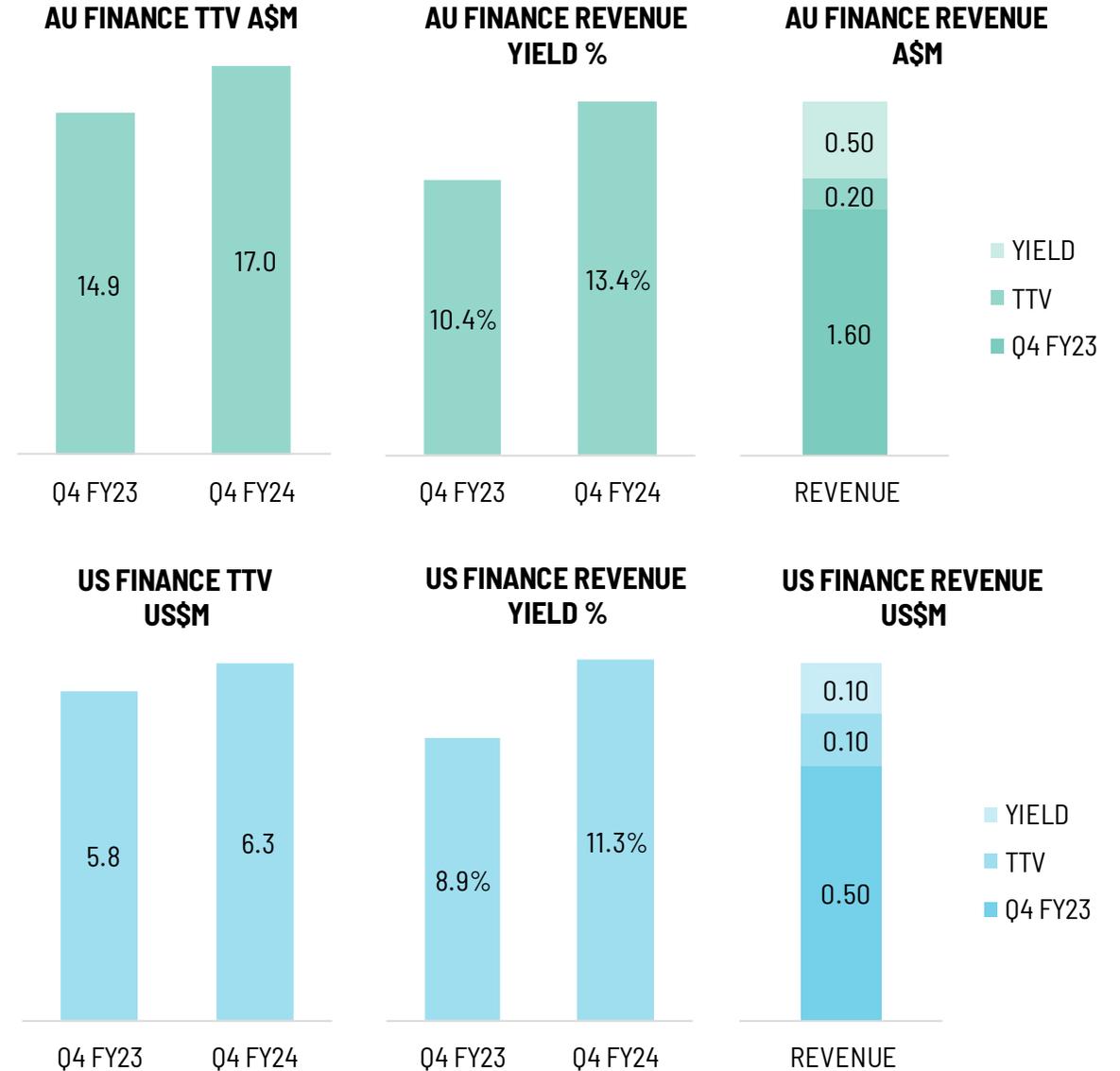
Seasonality

- + Revenue stronger in Q2 and Q4, due to Pay Now seasonal volumes; Q4 traditionally stronger than Q2
- + **Q1:** US northern hemisphere summer, AU start of financial year
- + **Q2:** US lead-up to 1 January tax season start, AU lead up to summer break
- + **Q3:** US tax season runs 1 January – 15 April, AU summer break
- + **Q4:** US out of tax season and billing backlog, AU lead up to EOFY

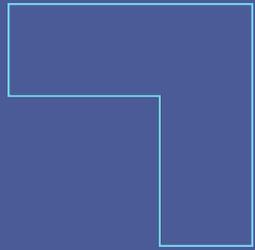
QuickFee Pay Over Time (Finance)

Two levers for revenue growth: Volume & Yield

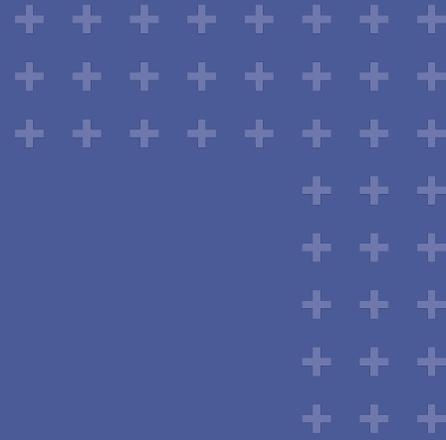
- + In both markets, revenue growth continues to come from both TTV growth and yield improvements
- + Yield improvements are driven primarily by increases in interest rates charged to clients of firms
- + Interest revenue on loans is recognised over the life of the loans, so the effect of recent rate increases will be seen well into FY24



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WHAT WE DO + WHO WE SERVE



QuickFee.

Unique product and payments portfolio

Our customers benefit from increased revenue, improved cashflow, reduction in accounts receivable, improved operational efficiency and reduced cost base.

PAY NOW | ACH/EFT + CARD

Traditional digital payment methods.

- + One payment link to securely accept online credit card, debit card, or ACH/eCheck
- + No caps on ACH processing or maximums on invoicing
- + Credit card surcharge paid by the client

PAY OVER TIME | FINANCE

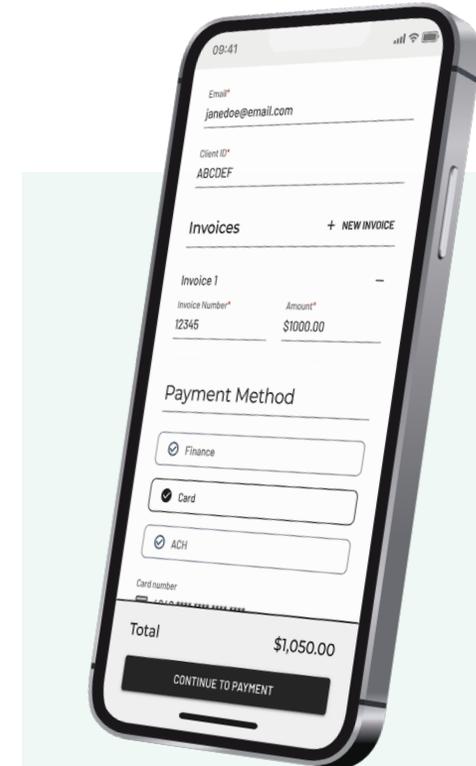
Invoice and fee financing for clients of professional services firms.

- + Get paid in full every time and give extra breathing room for good clients who fall behind
- + Generate client payment plans with 3, 6, 9, or 12-month terms
- + No cost to the Firm
- + No credit checks or lengthy applications for clients

QUICKFEE CONNECT | AUTOMATION

An easy way to automate the entire bill-to-cash workflow.

- + Save hours of unbillable time and make the switch to e-invoicing
- + Set automated email reminders to help clients pay on time
- + Clients get personalised invoice links so they can pay in 1 click
- + Integrations with leading practice management solutions



Winning with a unique customer value proposition

Traditional ACH and card processors

No integration with practice management solutions, manual workflow for firms

Credit card surcharges are not able to be passed on to their clients

Other 'Pay Over Time' Finance providers

Consumer focused, low invoice maximum (typically \$17,500)

Hard credit check required for every customer

Other A/R automation platforms

Only serve top tier, very large firms, and are too highly priced for most of the market

QuickFee.

Designed specifically for professional service firms

No invoice maximum for QuickFee Finance

No hard credit checks for clients of firms

Integration with the leading practice management solutions

Pricing that works for all sizes of firms

Why firms work with QuickFee

1

They want to **Reduce A/R** – A/R is typically the #1 item on a firm's balance sheet, and we help turn A/R into cash.

2

They want to **Grow their Business** – there are many priorities competing for cash, and we can help find more of it for firms and their clients.

3

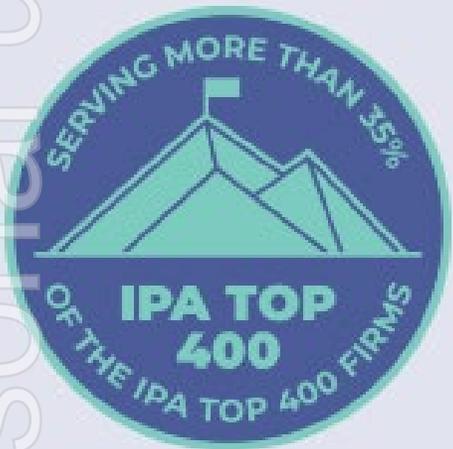
They want to **Automate their Processes** – we increase efficiency while improving the client and employee experience.

4

They want to **Save on Fees** – stop spending money on credit card fees by reducing or eliminating merchant fees.



Trusted by top professional service firms



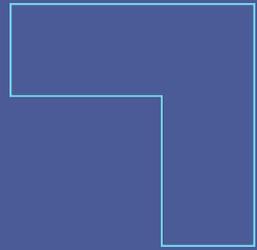
Here's what our customers say:



FRAZIER & DEETER

QuickFee's been a lifesaver for us...They've helped us with ACH fees and Credit Card charges, and then also payment plans for our clients. Most of our clients have taken a 3 or 6-month option at nominal interest. It's really been helpful for us to erase the pain point of collection issues.

Shawn Fowler, CFO



UNITED STATES:

**FOCUS ON FINANCE PRODUCT
AND CONNECT IS
ACCELERATING GROWTH**



Unlocking transformational growth in the US

Drive Cost Effective Growth Through Automation

Leverage automation across all functional areas to ensure we are driving growth in the most efficient, cost-effective, scalable way possible.

QuickFee Finance

Revenue yields on the Finance product are approximately 25x those of Pay Now.

Connect Adoption

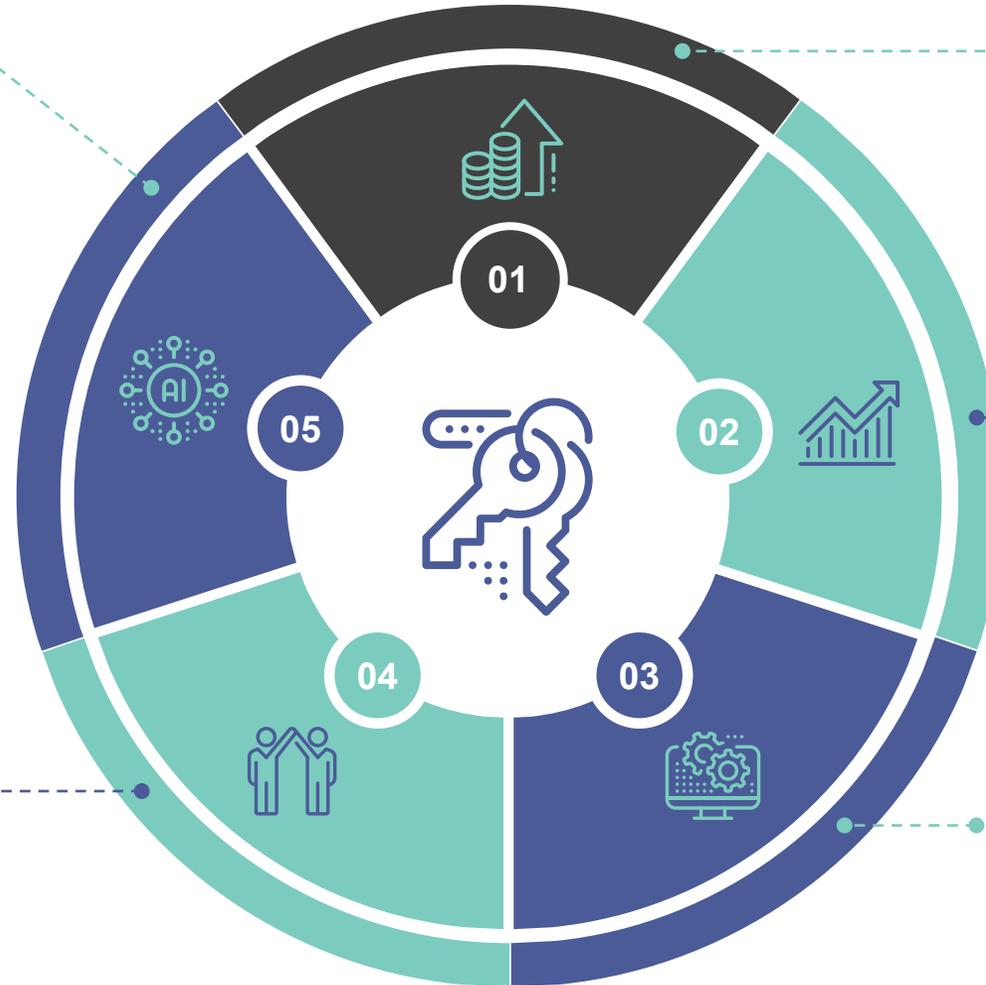
Early results show that firms that adopt Connect can see double transaction volume over pcp.

Differentiated Technology

Shift Product Development from a cost center to a difference maker, delivering world-class solutions that provide a significant competitive advantage.

Strategic Alliances + Partnerships

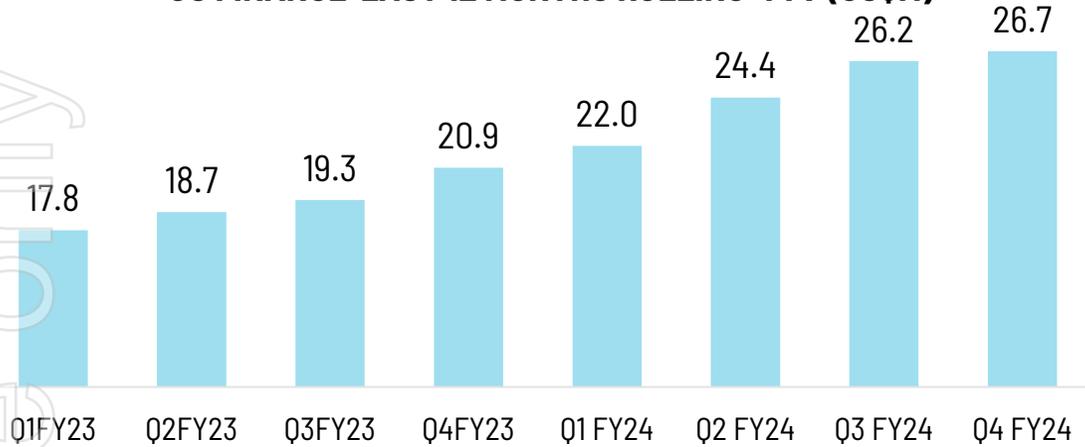
Leverage strategic partnerships to bring new customers to QuickFee at scale.



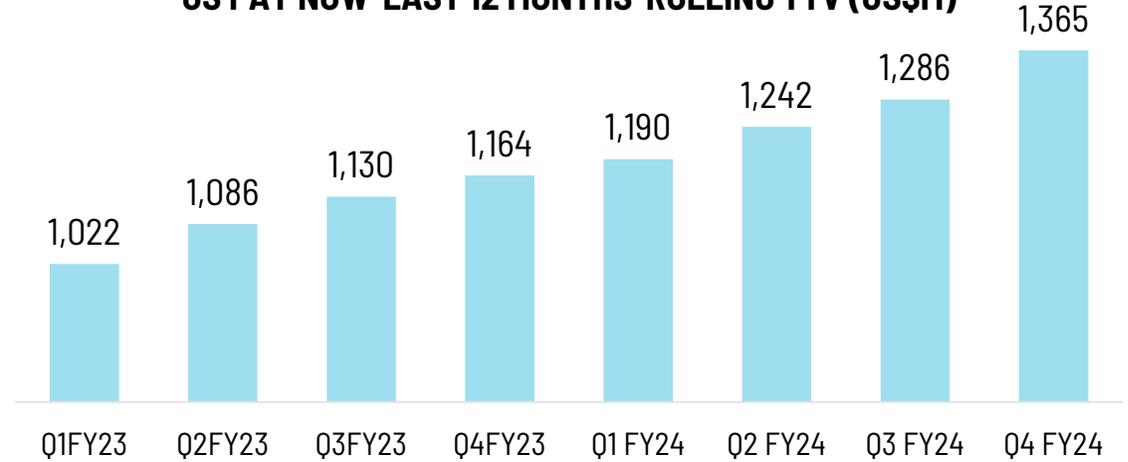
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US growth across all products

US FINANCE 'LAST 12 MONTHS ROLLING' TTV (US\$M)



US PAY NOW 'LAST 12 MONTHS' ROLLING TTV (US\$M)



QuickFee Finance is a key differentiator in competitive payments market

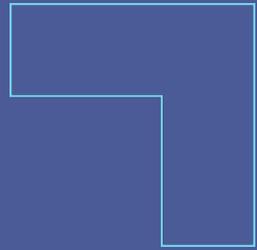
- + Revenue yields on the Finance product are approximately 25x those of Pay Now
- + US Finance revenue up 39% in Q4 FY24 on pcp

Sales seeing accelerated success with larger firms, making way for opportunity for higher transaction volumes

- + Average revenue of new firms signed up was US\$ 19 million in Q4, compared to US\$ 4.5 million in Q3
- + Larger firm size gives QuickFee the potential to capture more transaction volume, to accelerate growth

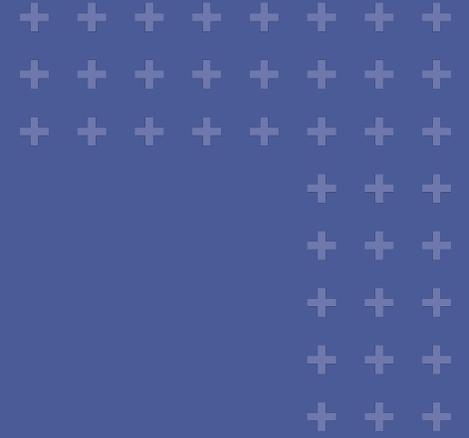
Growing transaction volumes through Connect

- + Invoice volumes through Connect up 120% in Q4 FY24, quarter-on-quarter
- + Total number of invoices sent through Connect in H2 FY24 was more than 10x those sent in H1 FY24



AUSTRALIA:

**CONTINUED STRONG ORGANIC
GROWTH**



Australia: Continued strong organic growth

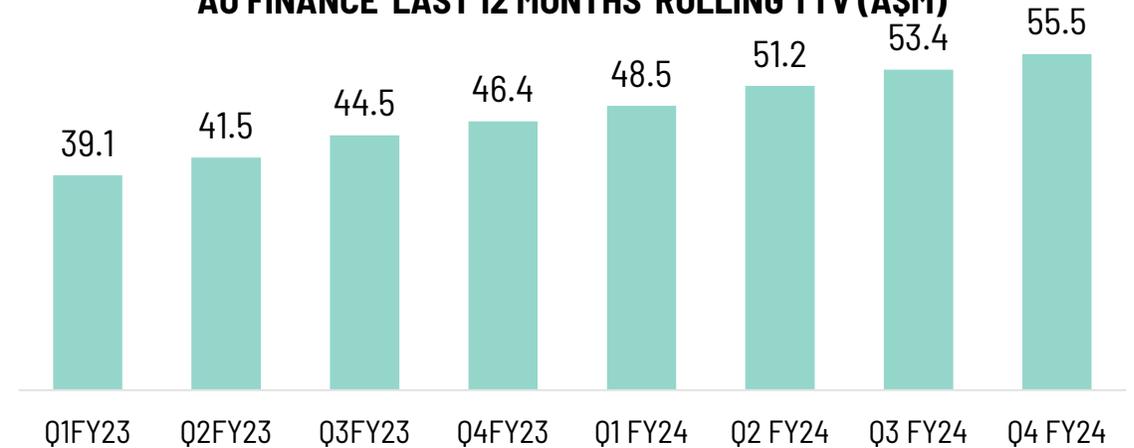


QuickFee well established as a market leader, with ~40% of the AU market for fee funding

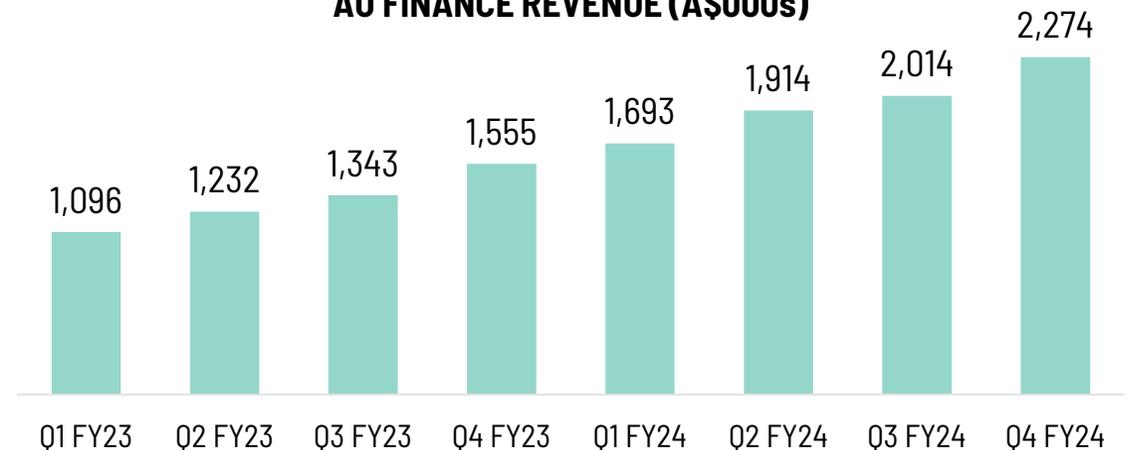
- + Very strong Q4 with record month in June 2024
- + AU Finance revenue up 46% on pcp
- + Strong organic growth through existing firms
- + In a mature market, favourable economic conditions continue to drive demand
- + Low credit losses



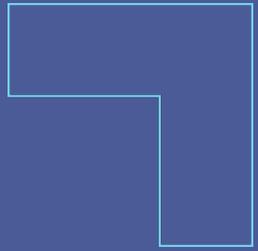
AU FINANCE 'LAST 12 MONTHS' ROLLING TTV (A\$M)



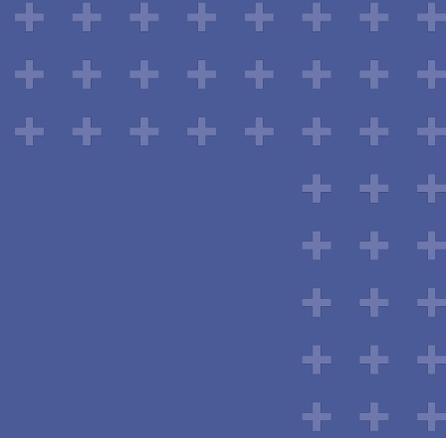
AU FINANCE REVENUE (A\$000s)



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FY24 PERFORMANCE AND OUTLOOK



Strengthened balance sheet

Cash and liquidity

- + Finalised a A\$4.417 million capital raise in June 2024, including an oversubscribed SPP of A\$ 667,400 and a well-supported placement of A\$3.75 million
- + Capital raised will be used to fund further loan book growth in the US and AU
- + Strengthened balance sheet to achieve sustainable profitability within existing cash and borrowings facilities
- + A\$6.9 million available cash on hand, with borrowing capacity of a further A\$19.6 million from existing facilities available to fund future loan book growth, as at 30 June 2024
- + QuickFee funds 10-15% of loan book growth from its own cash reserves



FY24 Performance

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FY24 PERFORMANCE ¹	FY24	FY23	YEAR-ON-YEAR MOVEMENT
REVENUE			
US Finance (Pay Over Time)	US\$ 2,630k	US\$ 1,730k	+52%
US Pay Now (ACH & Card)	US\$ 4,702k	US\$ 3,979k	+18%
AU Finance (Pay Over Time)	A\$ 7,895k	A\$ 5,226k	+51%
TOTAL TRANSACTION VALUES (TTV)			
US Finance (Pay Over Time)	US\$ 26.7m	US\$ 20.9m	+28%
US Pay Now (ACH & Card)	US\$ 1,365m	US\$ 1,164m	+17%
AU Finance (Pay Over Time)	A\$ 55.5m	A\$ 46.4m	+20%

¹Figures shown are unaudited, from management accounts.

FY24 Earnings Guidance

QuickFee provides the following guidance on its results for the full financial year ended 30 June 2024¹.

A\$	FY24	FY23 reported
Revenue	20.0m to 20.5m	14.8m
Gross profit	12.5m to 13.0m	9.4m
Operating expenses ²	16.0m to 16.5m	16.0m
EBTDA (after interest on borrowing facilities)	(3.0)m to (4.0)m	(6.6) m
Net (loss) after tax	(4.0)m to (5.0)m	(8.1) m
Net loan receivables (30 June 2024 / 30 June 2023)	54.0m to 55.0m	32.9m

¹Figures shown are unaudited, from management accounts.

Outlook



Focus on reaching sustained profitability

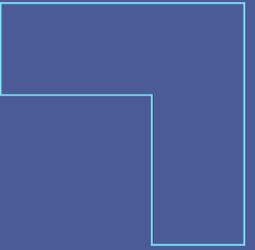
- + Positive momentum in key metrics
- + Continue to manage cost base carefully
- + Focus on fastest path to profit: QuickFee Finance and Connect solutions
- + Confident in the growth potential in both the US and Australia and in our achievement of sustained profitability ahead



Continued focus on unlocking transformational growth in the US

- + Experienced team executing on the growth strategy
- + Engaging with firms outside key verticals in accounting and legal
- + Scalable technology foundation with enhanced systems redundancy
- + Build and execute strategic partnerships to enable exponential growth
- + Launch of new Connect subscription model and additional integrations





QUESTIONS



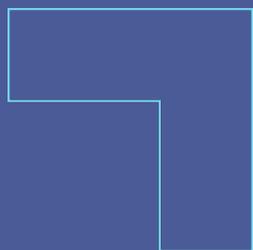
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Glossary

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