

ASX Release | 6 May 2020

QuickFee completes \$7.5 million Placement in well-supported raise to fund US growth

Highlights

- **Successful Placement of \$7.5 million to fund growth opportunities**
- **QuickFee's directors to participate in the Placement¹**
- **COVID-19 driving unprecedented US transaction volumes as firms switch to electronic payments – doubling since February – leading to highest ever US revenues**
- **Continued resilience of QuickFee business model throughout COVID-19 lockdown**

QuickFee Limited (ASX:QFE) ("QuickFee") is pleased to announce the successful completion of a \$7.5 million share placement ("Placement") to sophisticated and professional investors in a very well-supported capital raising, with QuickFee receiving strong support from existing shareholders and new investors.

Following record lending in the March quarter and QuickFee US's highest-ever transactional revenue in April as a result of COVID-19 accelerating the shift to online payments, QuickFee has raised new capital to fund continued loan book growth and technology initiatives. The funds will be used to build further on QuickFee's first mover advantage in the US, reduce the impact of any potential restriction on credit availability as a result of COVID-19, and invest in new technology development initiatives.

Commenting on the very well-supported Placement, Bruce Coombes, CEO of QuickFee, said:

“ We are extremely pleased to have received overwhelming demand for the Placement from new and existing shareholders. The progress that QuickFee has achieved, particularly in the US over the past two months, has been extremely encouraging, and the Placement will enable us to capitalise on further growth opportunities.

We are seeing a growing acceptance of QuickFee's online payment portal in the US, and this has been further accelerated by COVID-19 which has expedited the shift to online payments. Since February this year, we have seen transaction volumes more than double, and we now have more than 25% of the top 400 US CPA firms signed onto QuickFee's platform.

The funding from the Placement positions QuickFee to continue its rapid growth and invest in technology development to further embed our solution into professional services firms. ”

¹ Subject to shareholder approval

Placement details and use of funds

QuickFee has successfully completed a share Placement to institutional and professional investors, raising \$7.5 million (before costs). The Placement was strongly supported by new and existing institutional, family office and sophisticated investors, as well as the directors who are each subscribing for 1 million shares (subject to shareholder approval in approximately six weeks).

The Placement comprises an offer of 35,714,286 fully paid ordinary shares in QuickFee at an issue price of \$0.21 per share. The issue price represents a discount of 8.7% to the last close price, and 10.8% to the 15-day VWAP prior to the trading halt on 5 May 2020.

New shares issued under the Placement will rank equally with QuickFee's existing ordinary shares on issue. Bell Potter acted as lead manager to the offer and Arnold Bloch Leibler acted as counsel.

Use of funds:

Below is a breakdown of how the Placement funds will be used:

Use of funds	Amount
Fund increased loan book	\$6.0 million
Technology development	\$1.1 million
Transaction costs	\$0.4 million
Total	\$7.5 million

US transaction volumes experience unprecedented growth, accelerated by COVID-19

US payment portal transaction volumes during April experienced unprecedented growth, with COVID-19 office closures expediting the switch by US professional services firms from cheques to electronic payments through QuickFee's proprietary payment portal.

Transaction volumes have more than doubled since February 2020, with the annualised transaction volume run rate now at US\$546 million on the back of US\$45.5 million processed in April. This compares with US\$30.1 million processed in March and US\$10.7 million processed on average for each month in FY 2019.

As announced in the March 2020 quarter business update, QuickFee's business has continued its growth trajectory despite the impact of COVID-19. The continued strong results achieved in April are a testament to the continued strength and resilience of the QuickFee business.

This announcement has been authorised for release by the directors.

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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.