QuickFee.



19 November 2021

Investor Presentation

Eric Lookhoff / Managing Director and Chief Executive Officer

QuickFee.

Opening Remarks



Eric Lookhoff
Managing Director and
Chief Executive Officer

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Bio Highlights

- Joined QuickFee in February 2021 as President, US; appointed MD and CEO in July 2021
- 25 years' US payments experience leading organisational turnarounds and operational scale initiatives for private, public, and private equity backed fintechs
- Comprehensive payments ecosystem experience across acquirers, issuers, processors, and networks. Including First Data, Electronic Clearing House, Intuit, Freedom Financial, and Discover Financial Services
- Prior role as Chief Operating Officer of National Litigation Law Group, supporting a firm client base of over 300,000
- Has a Bachelor of Finance from the University of Houston

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Agenda

QuickFee Timeline and Organisational Journey
- ‘how and why we became a payments company’

Professional Services
- ‘how we grow market share and penetrate more volume’

Buy Now, Pay Later (BNPL)
- ‘how payments are distributed in the US and why this is an important key to winning’

Operations, Risk, and Technology
- ‘how we manage risk, create scale, and differentiate our technology’

Financials, Outlook, and Priorities
- ‘how we make money, where we are going, and what is our focus’

Timeline

QuickFee.

2009

- Founded in Australia
- Bruce Coombes establishes QuickFee
- Enterprise professional service focus
- Merchant backed fee-funding solution
- Strong demand for EFT payments
- Strong demand for credit cards

2016

- Expanded to the United States
- Replicated AU strategy and payment solutions
- 29% of Top 100 US accounting firms
- 34% of Top 400 US accounting firms

2019

- Initial public offering (IPO) on ASX
- Consolidated Australia and US businesses
- Initiated design of proprietary technology stack

2020

- COVID-19 impacts
- Accelerated shift to digital invoicing
- Accelerated US payments growth
- Depressed lending in AU and US regions
- Buy Now, Pay Later (BNPL) partnership with Splitit
- BNPL solution launched

2021

- QuickFee becomes a Payments Company
- Eric Lookhoff joins as President, succeeds CEO
- Leadership team strengthened with US payments expertise
- Processing partnership agreement with BlueSnap
- Automated merchant onboarding platform launched with SALIX
- Proprietary technology stack completed
- Connect integration beta launched with Wolters Kluwer
- Northleaf credit facility increases lending capacity 250%
- QuickFee powers Jim's Group BNPL payment plans

Executive Leadership

QuickFee.

Investment in Leadership Talent

- Key roles filled across sales and marketing, payments, and technology
- We have the right talent to execute on our strategy



Core Shared Values

QuickFee.

Our values are our essence and describe not only who we are on our best days, but how we choose to support our customers every day. These foundational and distinctive behaviours underpin our diversity, inclusion, and community programs.



humanity

we bring our humanity to every conversation with an open heart and an open mind



care

we care for our people and the communities in which we serve



serve

we are in service to our customers, stakeholders, and to each other



solve

we solve before we sell because persistent curiosity delivers stronger outcomes



evolve

we rise, fall, fix, and learn together

Core Lines of Business

QuickFee.

PROFESSIONAL SERVICES





BUY NOW, PAY LATER (BNPL)

QuickFee.



Professional Services

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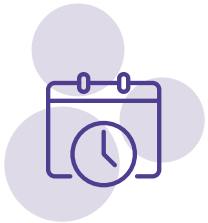
Low-Risk Lending & High-Volume Payments

QuickFee.

QuickFee has a proven business model with approximately 12 years operating in Australia and five years in the US.



Pay Later

Lending

Traditional low risk fee financing for professional firms. Gives customers 3 to 12 months to pay their bill. Backed by firm recourse.



Pay Now

ACH/EFT

Bank transfer payments. Lowest cost option to customers.

Card

Credit card payments. Lowest cost option to merchants, surcharge to customers.

Lending and Payments for Professional Services

QuickFee.



Pay Later

Lending

US + Australia

Client pays a flat 2.95% – 10.95% interest charge, to pay the invoice to QuickFee over time (3 – 12 months)

Free to the professional service firm, receives 100% of the invoice upfront from QuickFee

QuickFee's APR: AU 18.8%, US 16.6% (FY21)

Future interest cost to QuickFee on borrowings will average 6.50% p.a. (Northleaf)

High credit quality - the client loans are guaranteed by the professional firm

Growth opportunity: US$440B accounting and law market in the US



Pay Now

ACH/EFT

Card

US only

Automated Clearing House (ACH) is US version of EFT

ACH: merchant pays a percentage of volume or a fixed monthly fee. Average revenue yield is 0.37% of volume

Credit cards: customer pays 3% surcharge, free to merchant. QuickFee earns 0.18% of card volume via a third party processor (FY21)

Growth opportunity: structural shift to e-invoicing and online payments in the US, accelerated by COVID-19, increase in practice management system integrations

*D&B Hoovers, February 2021

AU Overview – Professional Services



Bruce Coombes
Executive Director and
Managing Director, Australia

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Bio Highlights

- Qualified as a Chartered Accountant in 1985 and has dedicated his career within or providing solutions to the accounting profession
- Founder of both QuickFee AU and QuickFee US, having overseen the business from its start-up phase through to its IPO until 30 June 2021
- Previously a partner in the accounting firm, Macquarie Partners (now part of Deloitte)
- Introduced outsourcing as a solution for Australian accounting firms - the business he created, Accountants Resourcing, was ultimately acquired by a major financial institution
- Has a Bachelor of Business (Accounting) from the University of Technology Sydney and completed a Graduate Diploma of Chartered Accounting with the Institute of Chartered Accountants Australia (now Chartered Accountants Australia and New Zealand)

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Australia in Focus

QuickFee.

Long established and sustainable

- QuickFee operates beside two main competitors in AU – FeeSynergy and SmartAR
- QuickFee has approximately 40% of the AU market for fee funding
- Consolidation and organic growth opportunities exist
- Without growth expenditure, AU is expected to be profitable

KPMG

THE LAW SOCIETY OF NEW SOUTH WALES | MEMBER BENEFITS PARTNER

Piper Alderman

RSM

McInnesWilson LAWYERS

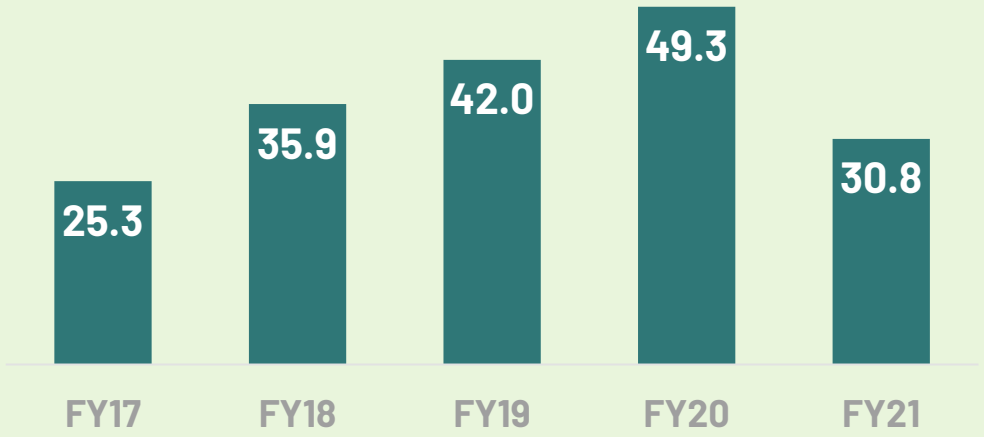
LAW INSTITUTE VICTORIA

AU Lending and Payments

QuickFee.

Australia impacted by effect of government stimulus measures, suppressing the demand for loans

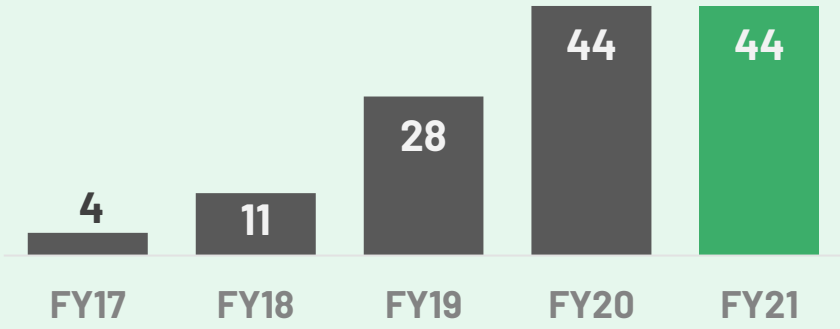
AU Pay Later (A$M)



AU, traditional lending	FY17	FY18	FY19	FY20	FY21
Average[1] loan term (months)	10.6	10.9	10.7	10.7	10.4
Average[1] flat interest on new loans	9.2%	9.2%	9.1%	8.4%	8.6%
Average[1] APR[2] on new loans	20.2%	19.3%	19.6%	18.1%	18.8%
Average transaction size (A$)	13,669	16,466	15,156	14,993	13,695

Pay Now in AU does not drive meaningful revenue due to banking structure, but does support lending

AU Pay Now (A$M)



AU Pay Now (AU$M)	FY17	FY18	FY19	FY20	FY21
EFT TTV[2]	1	3	8	13	14
Card TTV[2]	3	8	20	31	30
Total TTV[2]	4	11	28	44	44

Lending volumes shown here are for the Pay Later product and exclude BNPL volume. Because of this the FY21 numbers will differ from previously reported lending volumes.

[1.] Volume weighted average. [2.] See glossary.

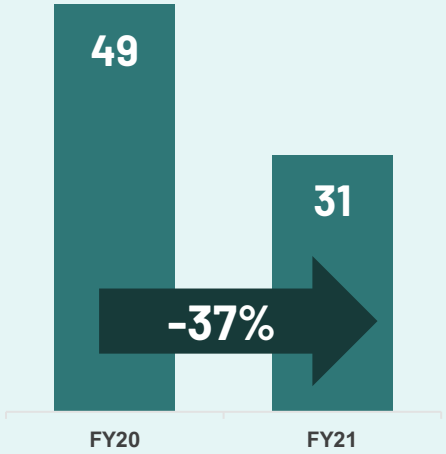
AU Summary

QuickFee.

Lending impacted by government stimulus; positive signs for FY22

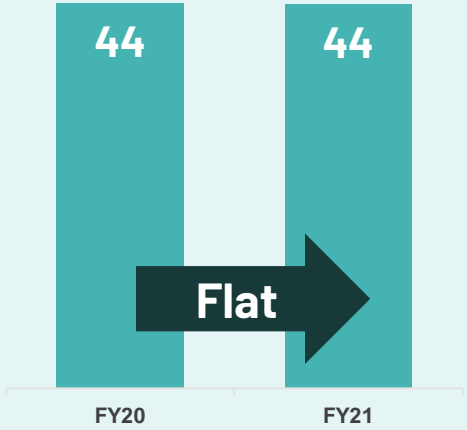
- There was a notable improvement in Q4 FY21, with the last three months of FY21 being the three highest of the financial year in terms of lending volume following the cessation of JobKeeper.
- We continued to expand our customer base despite a decrease in lending demand, including several new major law and professional service associations.
- Bruce Coombes has now transitioned to focus more closely on the Australian market

AU Pay Later (A$M)



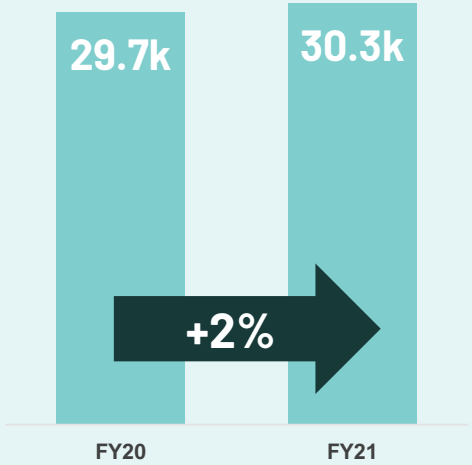
Lending in Australia was impacted by government stimulus measures, down 37% to A$31M

AU Pay Now (A$M)



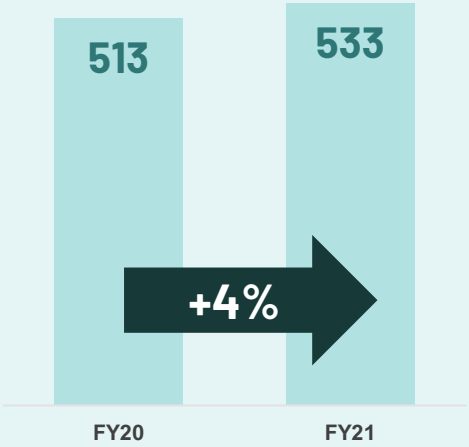
Volumes through the payment gateway were broadly flat

AU Active Customers



30,300 active customers have used a QuickFee AU product in FY21, up 2%

AU Active Merchants



533 active merchants in FY21, up 4% (FY20: 513)

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US Overview – Professional Services



Eric Lookhoff
Managing Director and
Chief Executive Officer

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US in Focus

QuickFee.

Established 2016 and growing rapidly

- QuickFee has no peer at enterprise level of US market (Top 400 firms)
- QuickFee operates beside one main competitor in US at lower end of market – AffiniPay which offers no lending product
- Volume growth opportunities exist due to digital invoicing shift and practice management integrations
- Market share opportunities exist driven by change in go-to-market strategy

BDO UNITED STATES

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withum

Wolters Kluwer

mGO TYPE ATYPICAL

US Payments Organic Growth by Tenure

QuickFee.

Firm adoption grows YOY due to repeat clientele and increased adoption

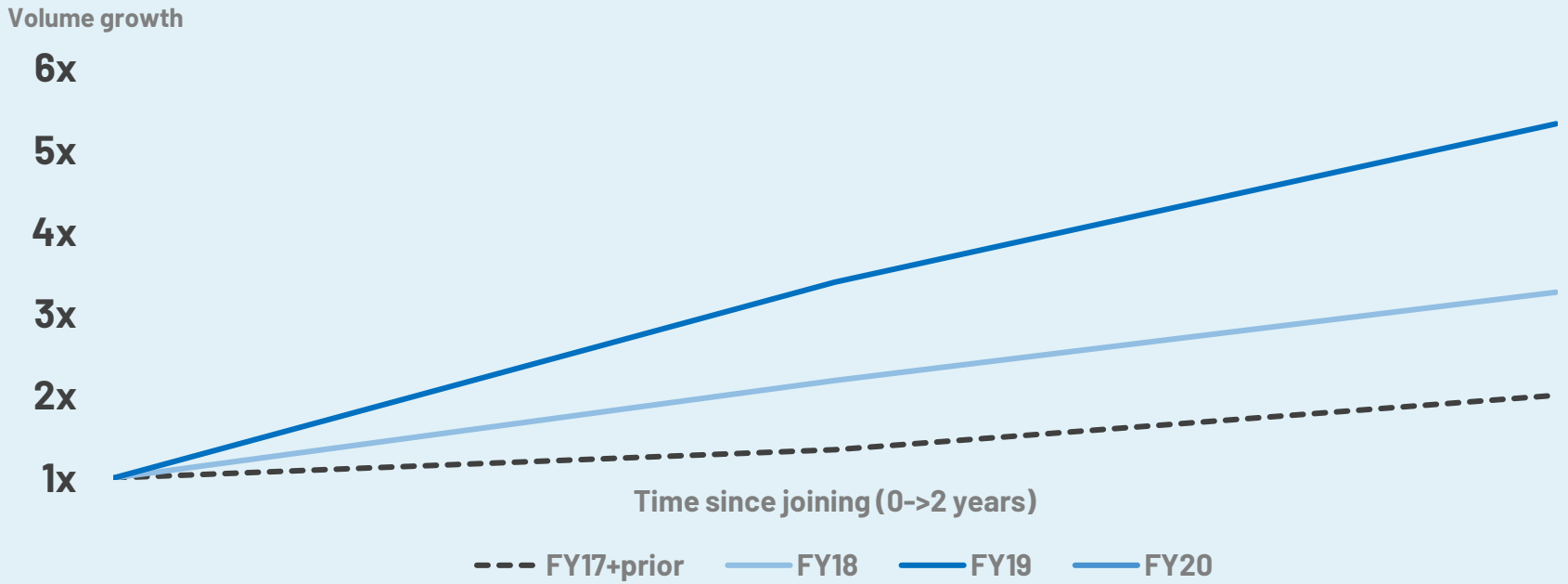
On average, a firm joining QuickFee in…

- **FY17 processed ~ 201% more in FY21…four years later**
- **FY18 processed ~ 327% more in FY21…three years later**

On average, a firm joining QuickFee in…

- **FY19 processed ~ 532% more in FY21…two years later**
- **FY20 processed ~ 379% more in FY21…one year later**

Pay in full volume growth is increasing with each new cohort

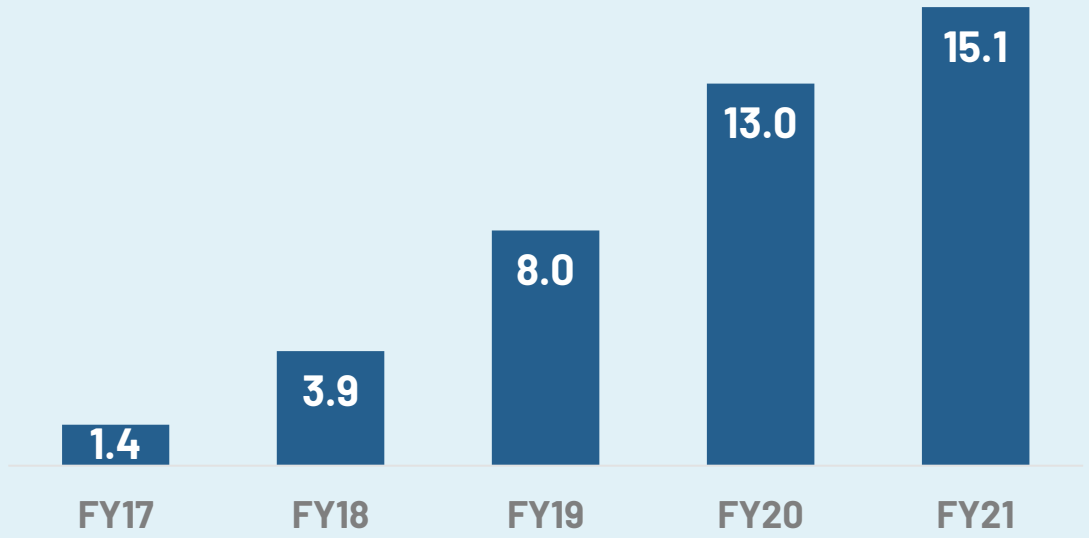


US Lending and Payments

QuickFee.

US generated growth in lending despite government stimulus measures

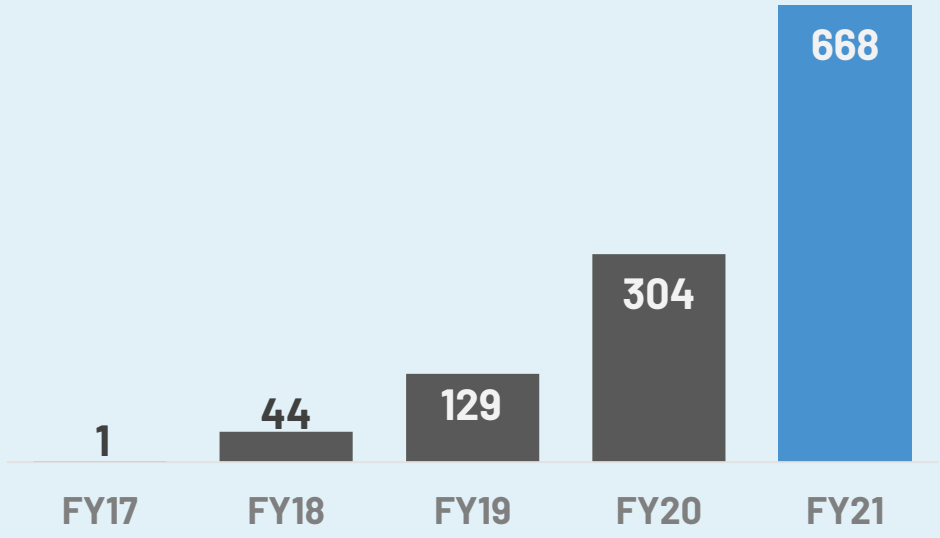
US Pay Later (US$M)



US, traditional lending	FY17	FY18	FY19	FY20	FY21
Average[1] loan term (months)	12.5	11.1	10.9	9.8	8.9
Average[1] flat interest on new loans	9.2%	7.5%	8.3%	8.0%	6.4%
Average[1] APR[2] on new loans	16.9%	15.6%	17.8%	18.2%	16.6%
Average transaction size (US$)	15,907	11,530	10,604	10,181	9,538

COVID-19 accelerated growth in Pay Now

US Pay Now (US$M)



US Pay Now (US$M)	FY17	FY18	FY19	FY20	FY21
ACH TTV[2]	1	28	87	228	537
Card TTV[2]	-	16	42	76	131
Total TTV[2]	1	44	129	304	668

Lending volumes shown here are for the Pay Later product and exclude BNPL volume.
Because of this the FY21 numbers will differ from previously reported lending volumes.
[1.] Volume weighted average. [2.] See glossary.

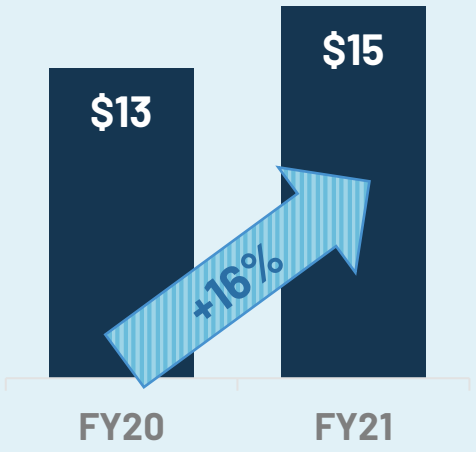
US: Q1 FY21 Summary

QuickFee.

US business continues to benefit from structural shifts to online payments

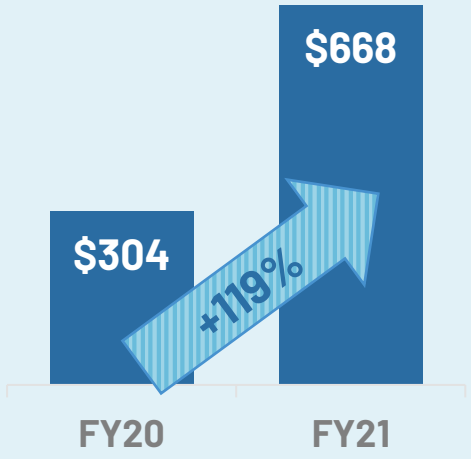
- We anticipate steady growth in US Pay Now volumes as we expand our go-to-market strategy.
- Integrations such as Connect will drive greater volume of e-invoicing and payments.

US Pay Later (US$M)



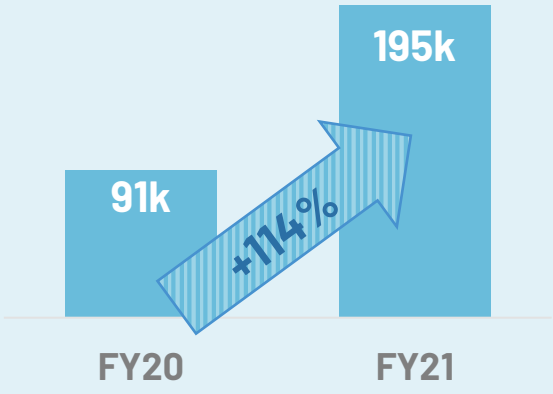
FY21 lending up 16% to US$15m, despite government stimulus measures suppressing demand for lending

US Pay Now (US$M)



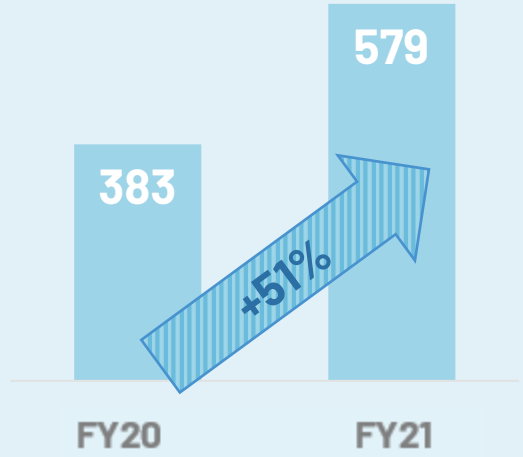
US ACH and CC pay in full (PayNow) transaction volumes were up 119% to US$668m

US Active Customers



195,000 active customers have used a QuickFee US product this financial year, up 114%

US Active Merchants



579 active merchants used QuickFee's US platform this financial year, up 51%

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Go-to-Market Strategy



Aubrey Amatelli
Chief Revenue Officer

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QuickFee.



Bio Highlights

- Served as Executive Director at JPMorgan where she was instrumental in building, scaling and growing the sales and revenue management teams for JPMorgan's middle market payments division
- Most recently she was on the technology commercial banking team helping fintechs grow from seed to IPO
- Started her business development career at early-stage startup, Bloomspot, where she was influential in their rapid growth and acquisition
- Holds a BS in Marketing from Seton Hall University where she played collegiate soccer and was a four-time academic all-star
- Has an MBA with concentrations in Non-Profit Management from Chaminade University of Honolulu

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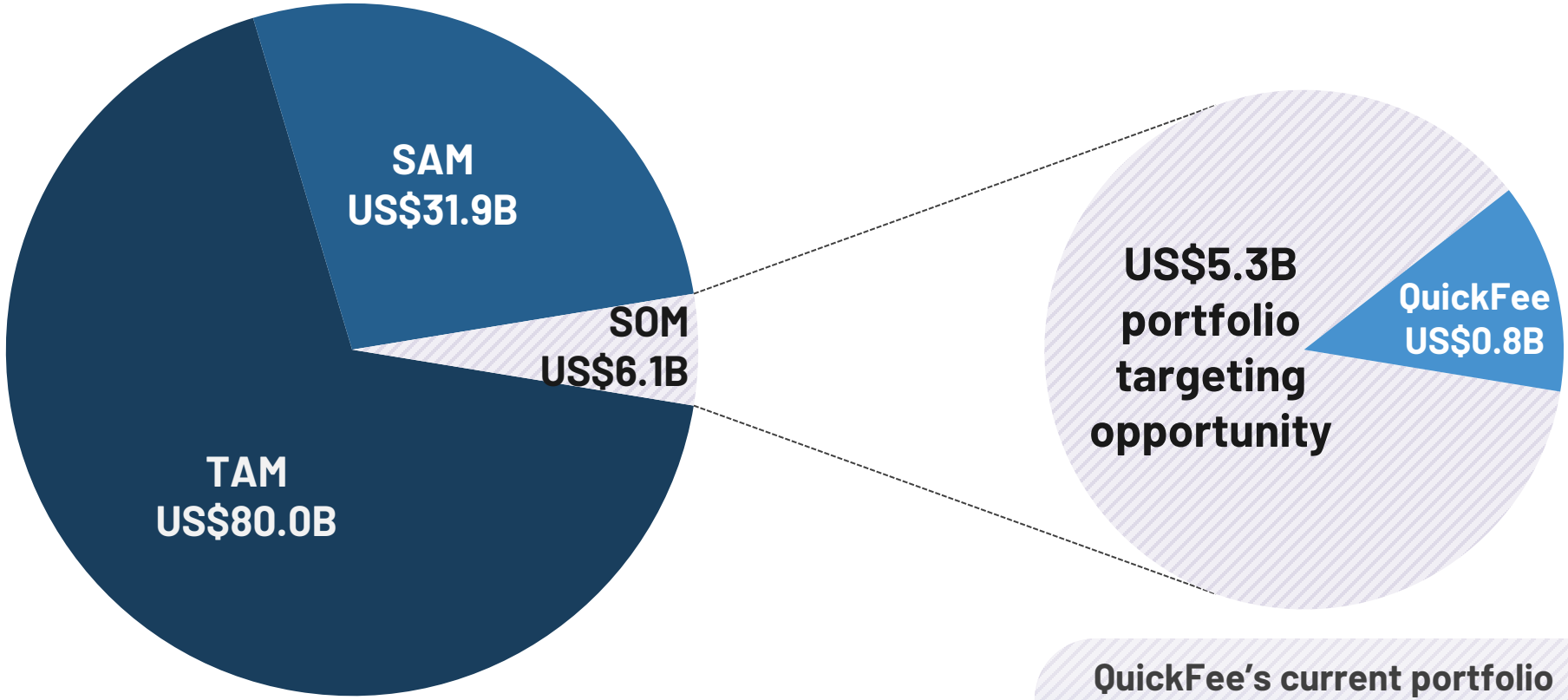
Strategic Opportunity in US Accounting Market

QuickFee.

The total US accounting market revenue is ~US$118B. QuickFee estimates US$38B is our core target market relevant to our current product suite.[1]



TAM – Total Addressable Market of US accounting firms – US$80B remaining. QuickFee has historically not focused on this group, includes firms below the Top 400 and single attorney practices.

SAM – Serviceable Addressable Market – US$31.9B remaining. This is our core merchant base and where our products have the best fit, includes Top 400 firms. QuickFee holds a 16% market share of this segment.

SOM – Serviceable Obtainable Market – US$6.1B. This is our existing merchant base, we see ~ 13% of total firm revenue of our merchants.

1. Vertical IQ and managements' estimates & QuickFee CSAT survey, February 2020

QuickFee's current portfolio of accounting firms generates ~US$6.1B revenue.

QuickFee currently captures ~13% of this in ACH/CC payments, which presents huge growth opportunity.

Increasing US Accounting Firm Penetration

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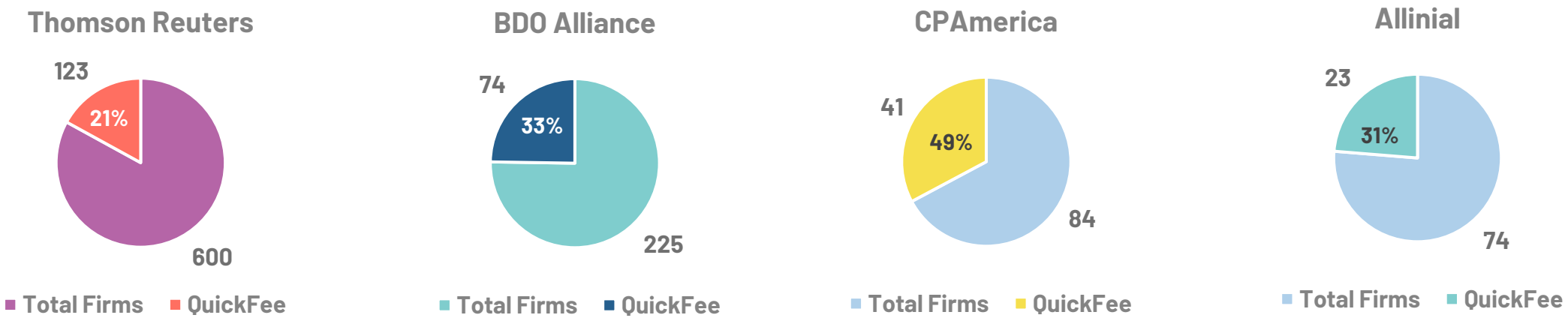
Increasing the Serviceable Addressable Market (SAM) of additional US$31.9B of volume requires penetrating firm affiliation groups



- COVID-19 impact on US conferences and business travel
- FY22 travel beginning to return slowly, but second half is affected by US tax season
- FY23 expected to return to pre COVID-19 new merchant acquisition

Practice Management Integrations

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QuickFee integrations broaden our merchant relationships, create greater lifetime value, and will expand our current 13% penetration level.

- **Integrations with third party software and merchants:**
  - + Cement relationships; connect to the systems our customers already use
  - + Provide higher processing volumes of existing customers
  - + Give us a strong proposition against competition
- **Connect will integrate QuickFee's platform into multiple accounting software products, beginning with CCH[1]; *Practice Management software that 65% of the enterprise market is using***
- **We also have integrations today with: Xero, GreatSoft (part of MYOB)[1]**
- **NEW! BillGo partnership: online banking bill payment integration (~USD$1M per month of potential ACH volume)[1]**

xero

BILLGO

IRIS | Practice Engine

BlueSnap global payments

myob

PracticeEvolve GREAT SOFT

SafeSend

CCH a Wolters Kluwer business

THOMSON REUTERS

[1] Except where previously disclosed to the market under ASX Listing Rule 3.1, the strategic partnerships mentioned above, do not alone or together constitute material agreements, material contracts with customers or market sensitive information under ASX Listing Rule 3.1.

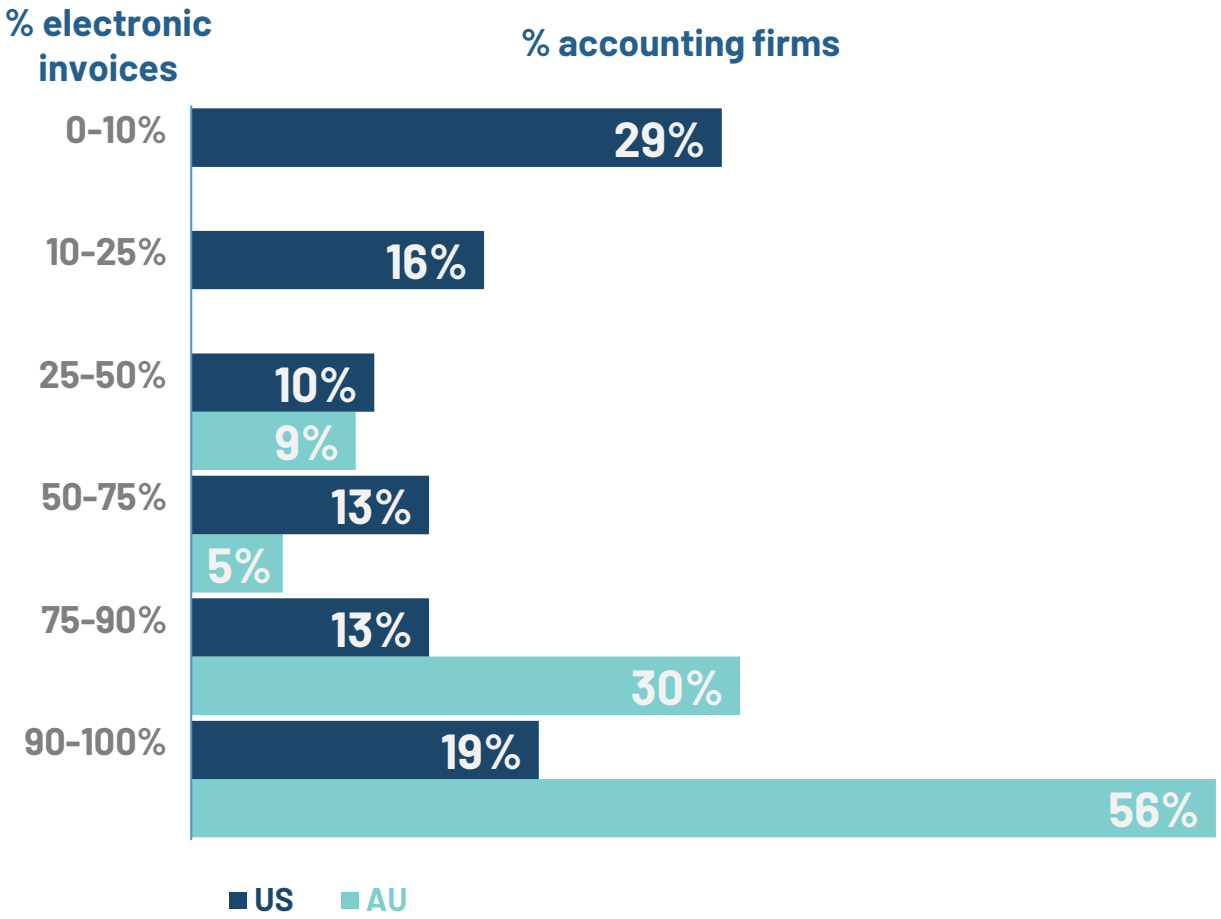
Connect Video



US Tailwinds to Drive Long Term Growth

QuickFee.

Digital transformation drives shift to online payments



- The top accounting firms in the US are focusing on digital transformation with a big push on moving away from paper-based processes including checks
- Significant opportunity to grow both lending revenue and transactional revenue with the 'modernising' of the US market and QuickFee's first mover advantage
- Growing numbers of new firm sign ups a leading growth indicator
- The trend towards electronic invoices represents significant upside
- As this increases in the US, we expect this to lead to more payment plans, and to generate more transactional revenue
- COVID-19 accelerating trend towards online payments

Source: QuickFee CSAT survey (February 2020)

QuickFee.

Strategic Marketing



Jay Alsup

Chief Marketing Officer

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QuickFee.



Bio Highlights

- 20 years' experience strategic integrated marketing, tech stack marketing, digital strategy, and branding
- Successful track record in development of demand generation architectures through marketing automation and solution selling methodologies
- 13+ years of senior leadership experience in B2B SaaS and fintech, developing and leading dynamic marketing teams
- Deep background in accelerating growth among SMBs with focus on buyer journey development, positioning, and pipeline analytics
- Has a BA in Advertising/Marketing from Texas Tech University where he also played collegiate baseball

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How do we increase the

13%

Account Based Marketing

A go to market strategy targeting a specified account or subset of accounts with a synchronised, continuous set of marketing and sales activities

Companies with ABM strategies credit

80% of opportunities

73% of total revenue

to ABM efforts[1]

[1] Terminus State of ABM Report

ABM Flipping the Funnel

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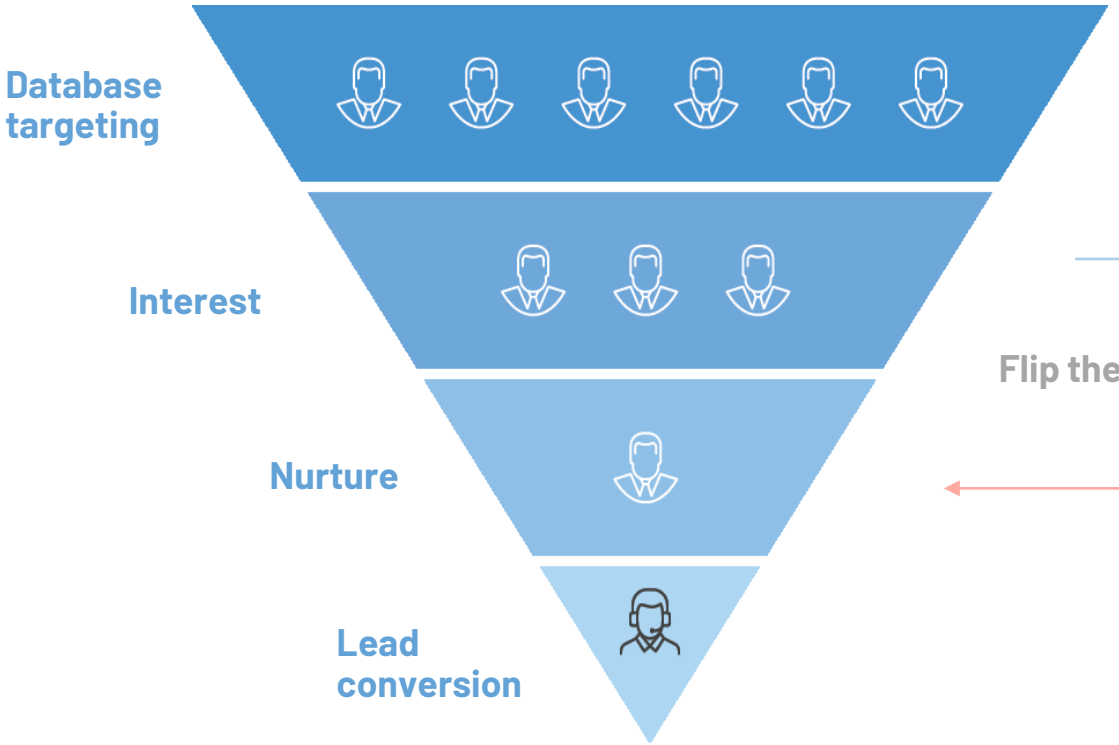
Traditional lead generation

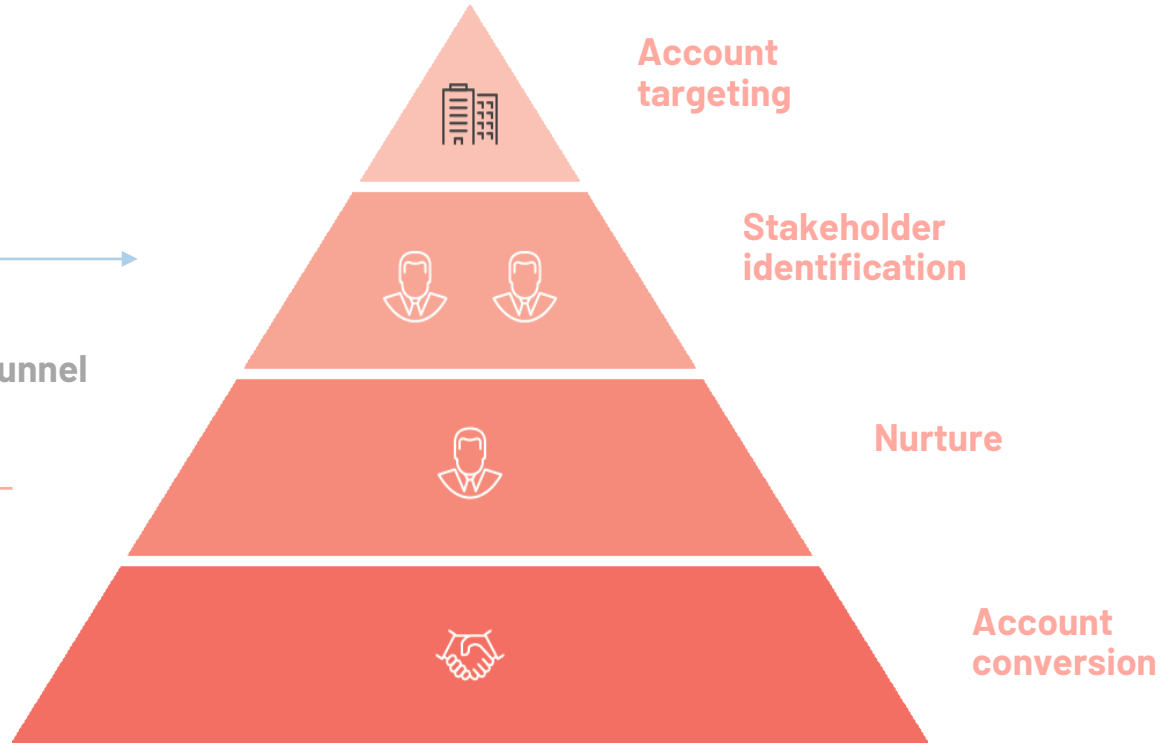
Fishing with nets



Flip the funnel

Account Based Marketing

Fishing with spears



ABM Buying Journey

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ABM Strategy



Target Account Buying Journey

Problem identification

- Display ads to spark problem exploration
- LinkedIn posts promoting benchmarking content

Solution exploration

- Direct mail that shares case studies from look-alike accounts
- Email campaign for buying stakeholders
- Verticalised web content

Requirement building

- LinkedIn messages from sales team
- Invitations to webinars – demos and solutioning
- Retargeted display ads for web visitors

Stakeholder selection

- Networking activities for key stakeholders
- Sales rep call structures and cadences to promote late-stage content
- Programmatic display ads for unengaged stakeholders

ABM Tactical Share of Voice

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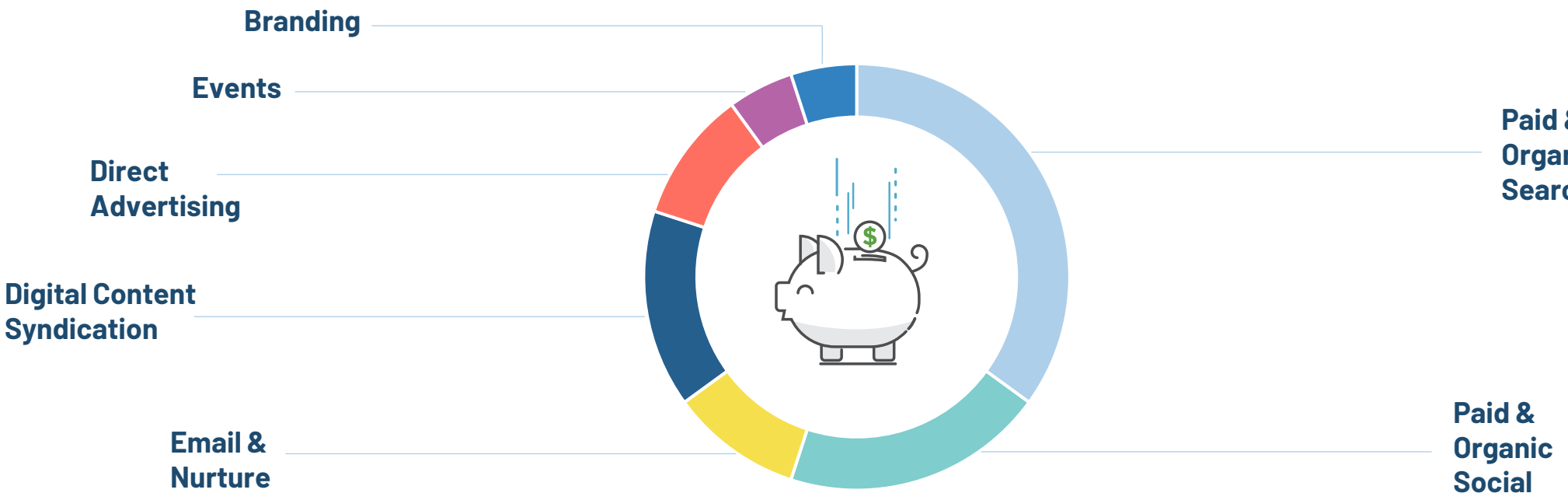

Paid & Organic Search	Paid & Organic Social	Content Syndication	Email & Nurture	Direct Advertising	Events	Branding
Google Bing SEM/SEO	LinkedIn Facebook Twitter Instagram YouTube	3rd party republishing of blog posts, articles, podcasts, infographics, etc.	Direct email, drip, nurture strategies to support stakeholder strategies and in-pipeline cultivation	Digital, print, OOH advertising strategies to support brand awareness and stakeholder strategies	Webinars Virtual events Tradeshows Customer events	Positioning of content and visuals, including content strategies, organic, paid, and social aimed at stakeholders

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Buy Now, Pay Later

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US Payments Landscape

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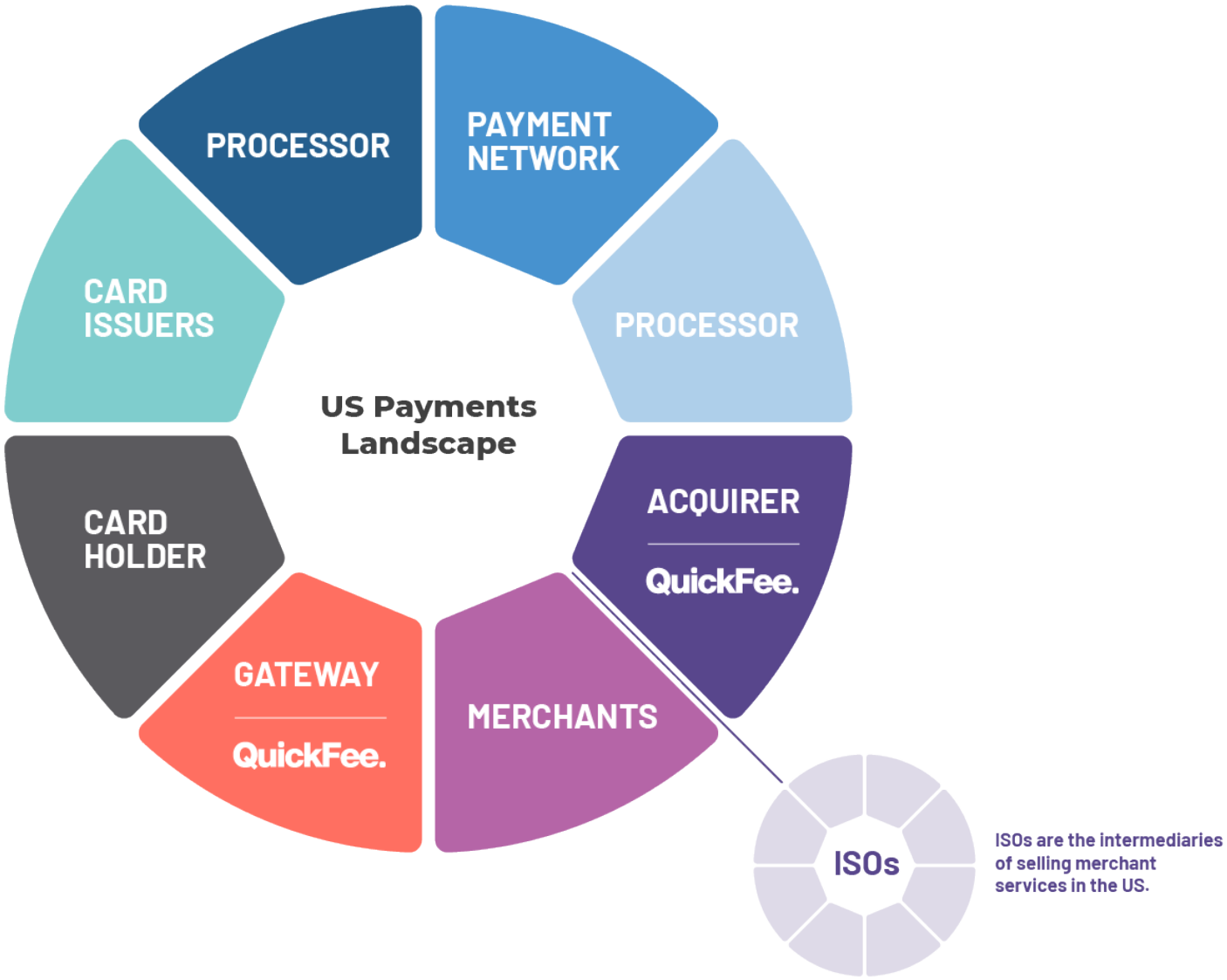
Independent Sales Organisations (ISOs) distribute the overwhelming majority of merchant payment services in the US.



BNPL Powered by QuickFee

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BNPL

Easy low risk financing alternative for any service business.
Clients make 4 interest-free monthly payments on credit card.



US + Australia

BNPL model for service businesses: merchant pays 4.99% - 6.99% flat and receives 100% upfront, consumer pays CC surcharge (US: 3.0% and AU: 1.5%)

Consumer pays for purchase in 4 instalments: 1× upfront then 3× monthly

QuickFee captures 100% of transaction value via a card pre-authorisation, minimising credit risk

NO credit application, NO impact to consumers' credit score, NO late fees

Leverages available credit line balance up to existing card limit, secures credit risk

Recycles capital at a greater velocity, delivering lower loan book growth but realizing net interest income faster

QuickFee's APR: 40.2% – 56.4%, QuickFee's cost of processing: ~ 2.48% of transaction

US average order value (AOV): US$2,800

BNPL Partnerships and Integrations

QuickFee.

Building a Serviceable Addressable Market (SAM) for BNPL

- **98 ISOs signed up as at 15 November 2021 (~150,000 total potential US merchant locations)[1]**
  - + Provides ISOs with a unique product to increase merchant acquisition and take market share
  - + Creates a 'hole' in ISO merchant volume requiring our BNPL solution to be applied quickly
  - + Increases distribution quickly without the need for increasing direct sales staff
- **Huntington Learning Centers (~2,800 potential US merchant locations)[1]**
- **NEW! Major automotive dealership management system (DMS) provider signed for marketplace integration (~9,000 merchant locations, ~40% of new vehicle and repair market in North America)[1]**
- **NEW! Jim's Group 20-year franchise agreement signed (~4,400 franchise merchants in AU home services)[1]**
- **Automated merchant application and underwriting platform (launched September 2021)**
  - **Merchants signed per qualified leads +90%**
  - **Cost per merchants signed down 48%**

BlueSnap global payments

splitit

SALIXDATA

Huntington Learning Center

Jim's Your Local Expert

ISOs

BISON Mercantile Payment Technologies

Blitz2Market

CARDZ3N

R. Mayte Creates

END ZONE SOLUTIONS

Frux Marketing

UniversalPay

[1] Except where previously disclosed to the market under ASX Listing Rule 3.1, the strategic partnerships mentioned above, do not alone or together constitute material agreements, material contracts with customers or market sensitive information under ASX Listing Rule 3.1.

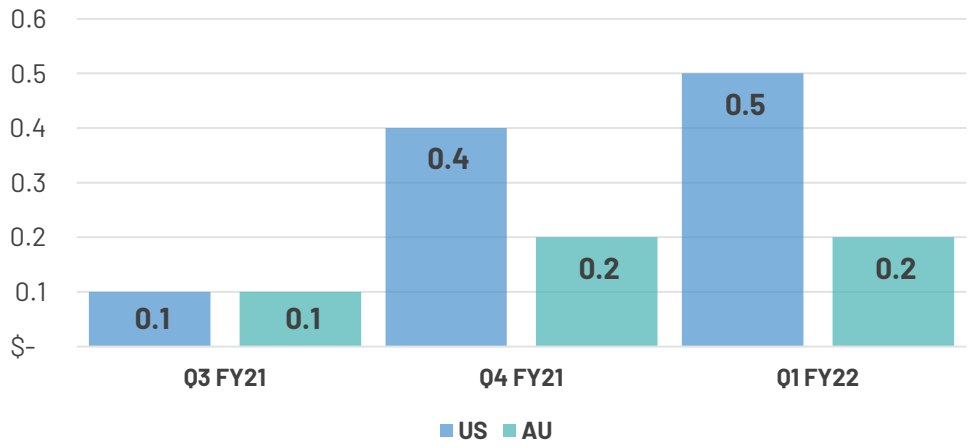
BNPL Video



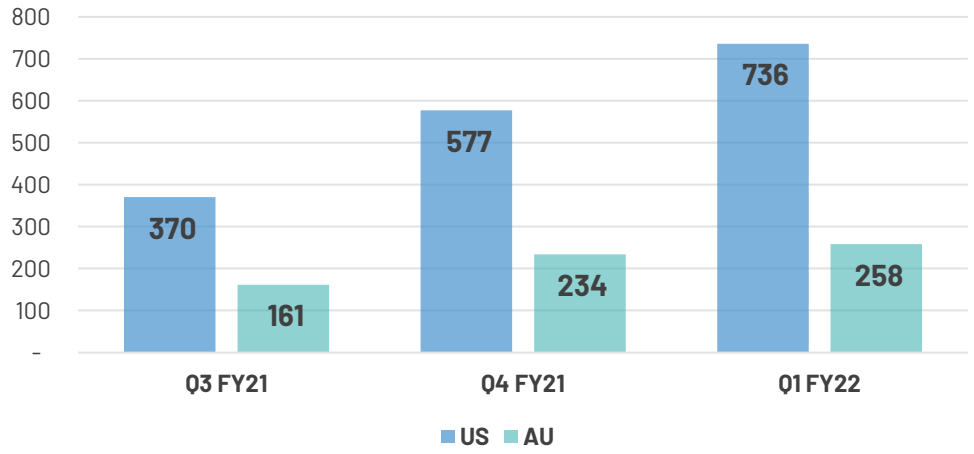
BNPL Portfolio Activity

QuickFee.

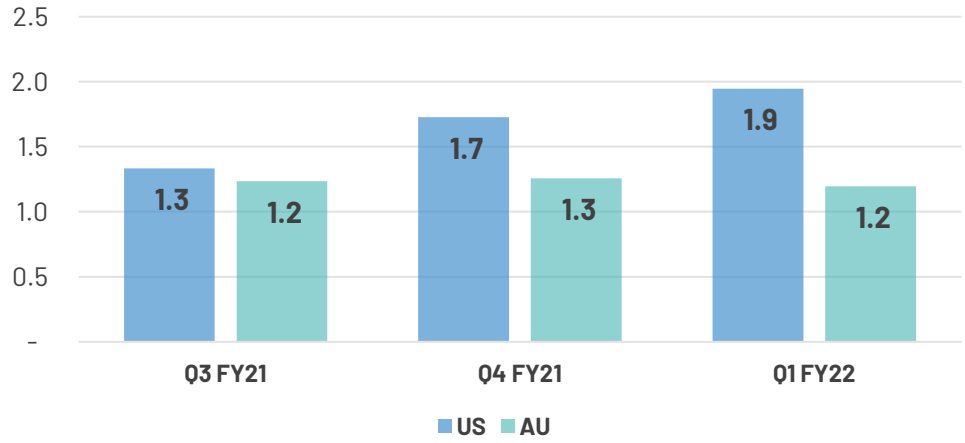
Volume (US$M / A$M)



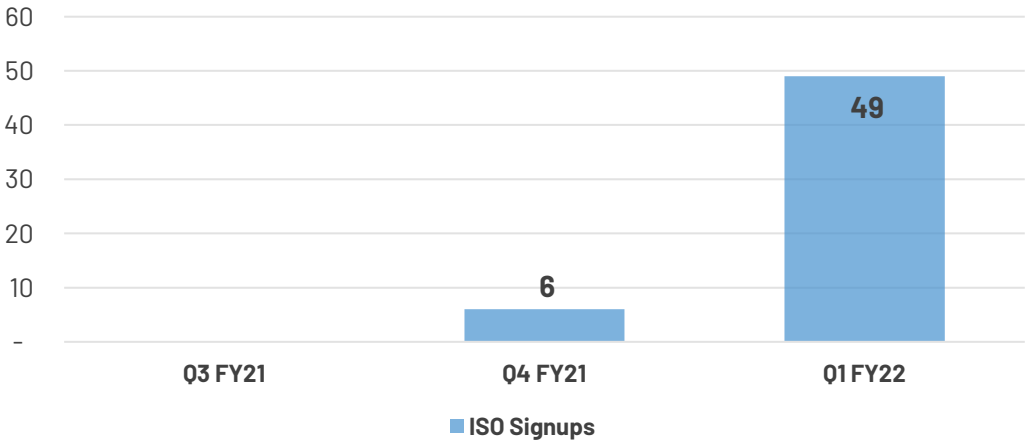
Signed Merchants



Transaction Velocity



ISO Signups (US only)



Valuing the US BNPL Portfolio

QuickFee.

	US volume backlog formula	Q1 FY22		
Step 1: estimate processing volume	Signed US Merchants at 30 September 2021	736		
	Q1 FY22 Activation Rate	18%		
	Q1 FY22 Engagement Rate	34%		
	Q1 FY22 Transaction Velocity	1.9		
	Q1 FY22 Average Transaction Value	$2,159		
	x 12 = Run rate volume backlog	**$2,296,123**		

	Revenue backlog formula		% of run rate volume backlog	
Step 2: estimate gross interest revenue	Run rate volume backlog	$2,296,123		
	Theoretical weighted average merchant fee / yield (4.99% - 6.99%)	5.81%		
	= **Run rate interest revenue**	**$133,405**	5.8%	
Step 3: estimate processing revenue	Run rate volume backlog	$2,296,123		
	Credit card surcharge yield	3.00%		
	= **Run rate processing revenue**	**$68,884**	3.0%	
			8.8%	**Net transaction yield**
Step 4: estimate platform revenue	Signed merchants	736		
	x Retention rate	94%		
	x (1- Engagement Rate)	66%		
	x Monthly minimum	$9.95		
	x 12 = Run rate platform revenue	**$54,371**	2.4%	

Total BNPL Run Rate Gross Income	**$**	**256,659**		**Total estimated revenue from merchant cohort**

AU Overview – BNPL



Bruce Coombes
Executive Director and
Managing Director, Australia

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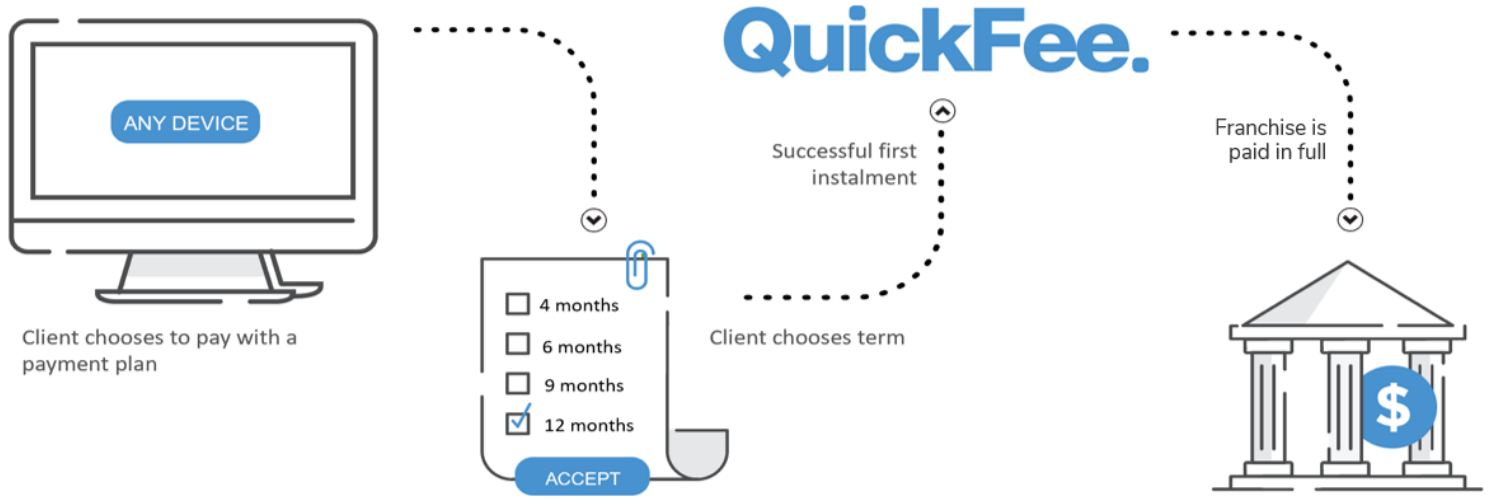
Jim's Financial Services – Agreement Key Features

QuickFee.

Jim's Pay Plans will meet increasing demand from franchisees and their customers for instalment payment plans across a range of franchise divisions of the Jim's Group.



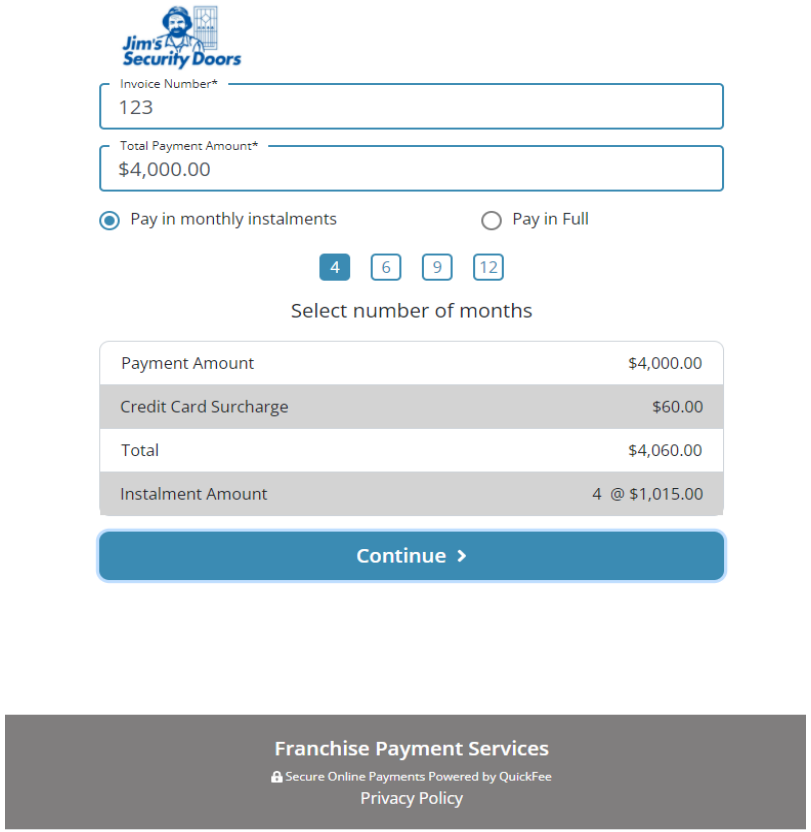
- **Franchisees offer customers the option of paying in 4, 6, 9, or 12 month instalments under a white-label version of QuickFee's BNPL instalments product, to be known as 'Jim's Pay Plan'.**
- **Using a homeowners' debit or credit card, with no credit check or pre-authorisation required.**
- **Can be accessed digitally via QR code, invoice or quote link, text to pay, computer, tablet or phone.**
- **An initial rollout will see the solution implemented across the Jim's Antennas, Jim's Fencing, Jim's Security Doors and Jim's Pest Control divisions.**
- **The 20-year contract provides access to potentially over 4,400 franchisees in 50 divisions.**

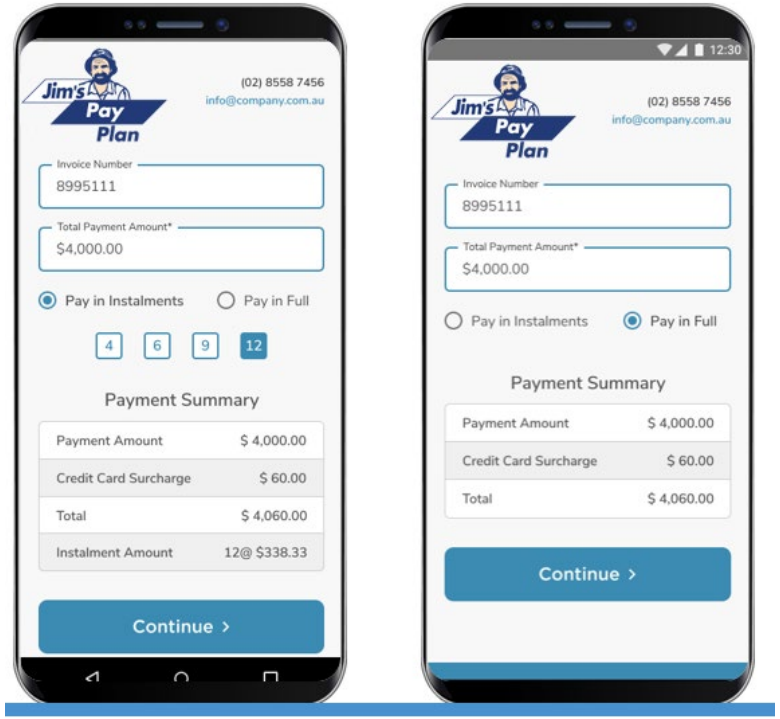
Jim's Pay Plan – From Any Device

QuickFee.

Payment plans may be selected from any device, simple, quick, and secure.

Jim's Your Local Expert





QuickFee.

Operations, Risk, and Technology



James Drummond

Chief Operating Officer

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QuickFee.



Bio Highlights

- Commenced career working in public practice where he attained his CPA qualification
- Led role in Malaysia running the accounting and tax business process outsourcing (BPO) service of MYOB (ASX:MYO)
- Ran accounting and tax processing teams for various AMP SMSF brands (Multiport, Cavendish)
- Established US Operations for QuickFee - oversees ACH processing operations, Risk and Underwriting

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Significant Technology Development

QuickFee.

QuickFee Unified Business Engine (QUBE)

Major technology and processing platform development across all four revenue streams

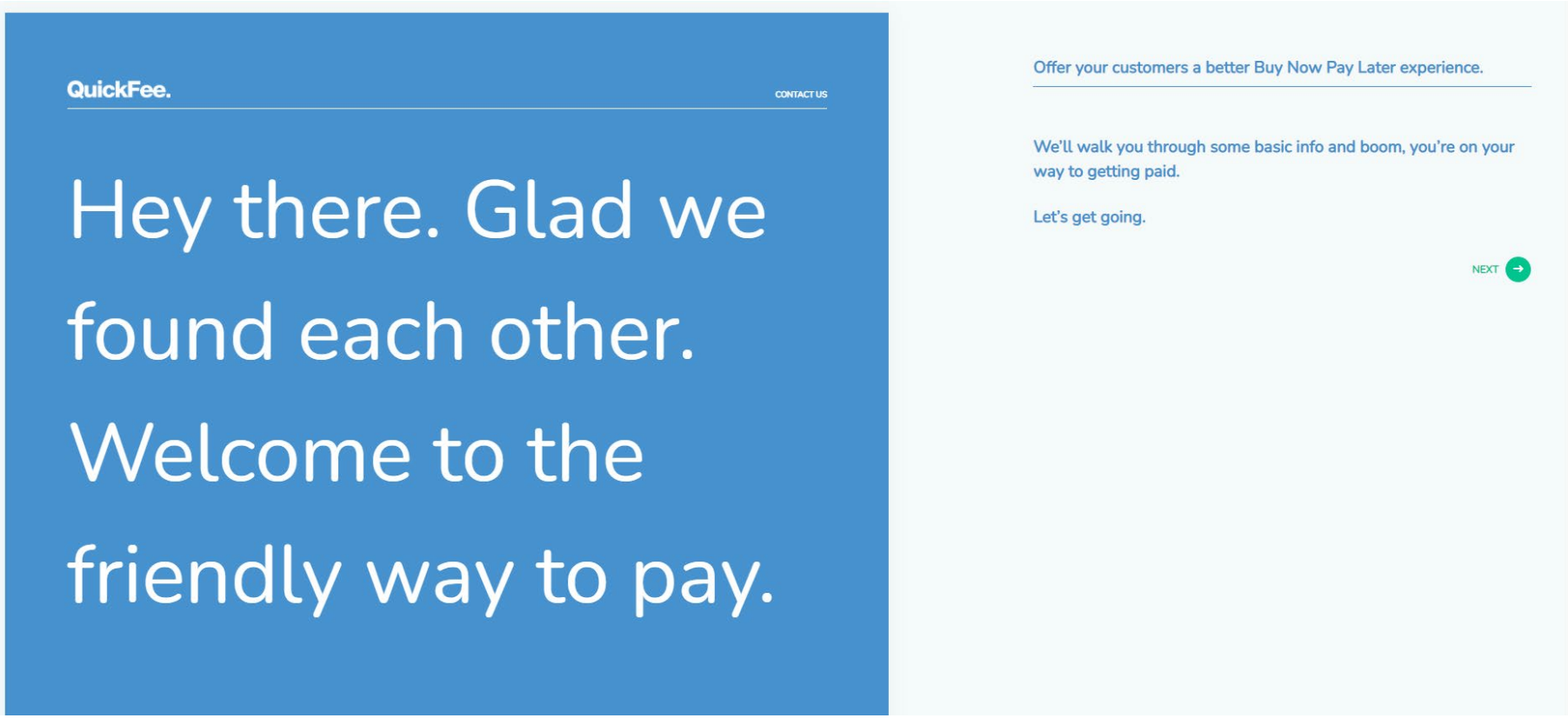
- We completed initial development of our proprietary processing services (QUBE) beginning with BNPL. Remaining migrations over FY22 will include ACH/EFT, Card and Lending
- Kepler: our new 'merchant direct' application platform, which enables fully automated merchant underwriting and onboarding – launched in Q1 FY22
- We have implemented merchant fraud monitoring solutions as part of the QuickFee Instalments product
- We have also built and launched a new merchant portal, which centralises all our independent back-office platforms
- Other upcoming product and tech development includes:
  - Further Connect integrations to more software platforms
  - Further API and software integrations to ISOs accelerating BNPL adoption

Online Merchant Application

- Improved merchant experience
- Strengthened underwriting with use of 30+ tools
  - KYC business and owner identity verification
  - Bank validation
- New workflow system
  - Sales enablement to follow up abandoned applicants
  - Abandonment email notifications to increase sign ups
  - Prohibited industries review
  - Average ticket size review
- Automated processes
  - System account creation (Salesforce and QUBE)
  - Approval email including payment link, QR code and materials to get started

Online Merchant Application

Welcome Screen



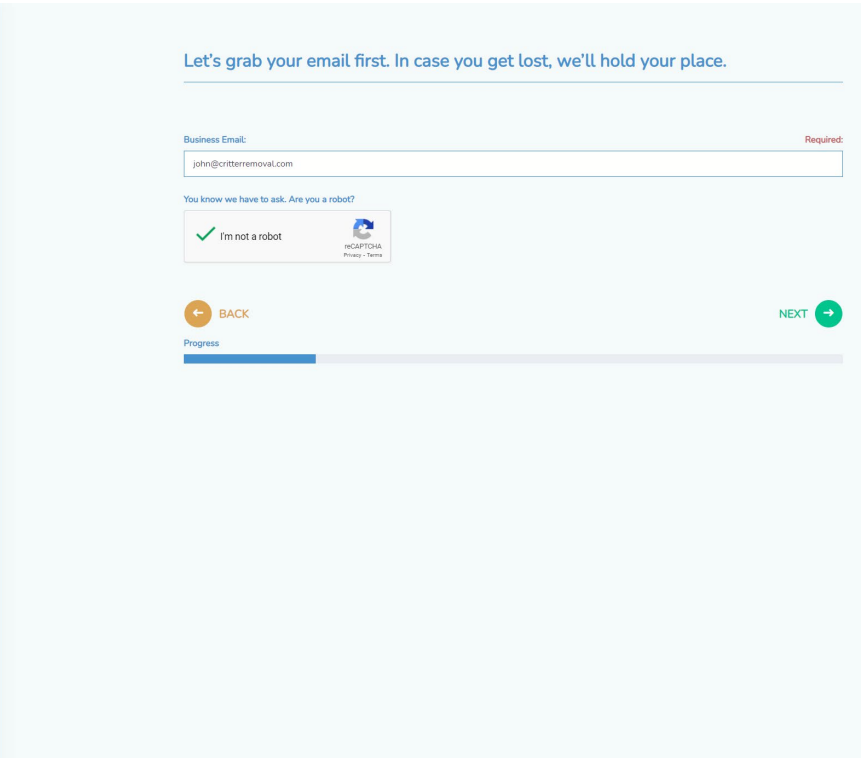
Online Merchant Application

EKATA

Step 1: Email Capture

QuickFee. CONTACT US

You're giving customers the flexible payments they want.



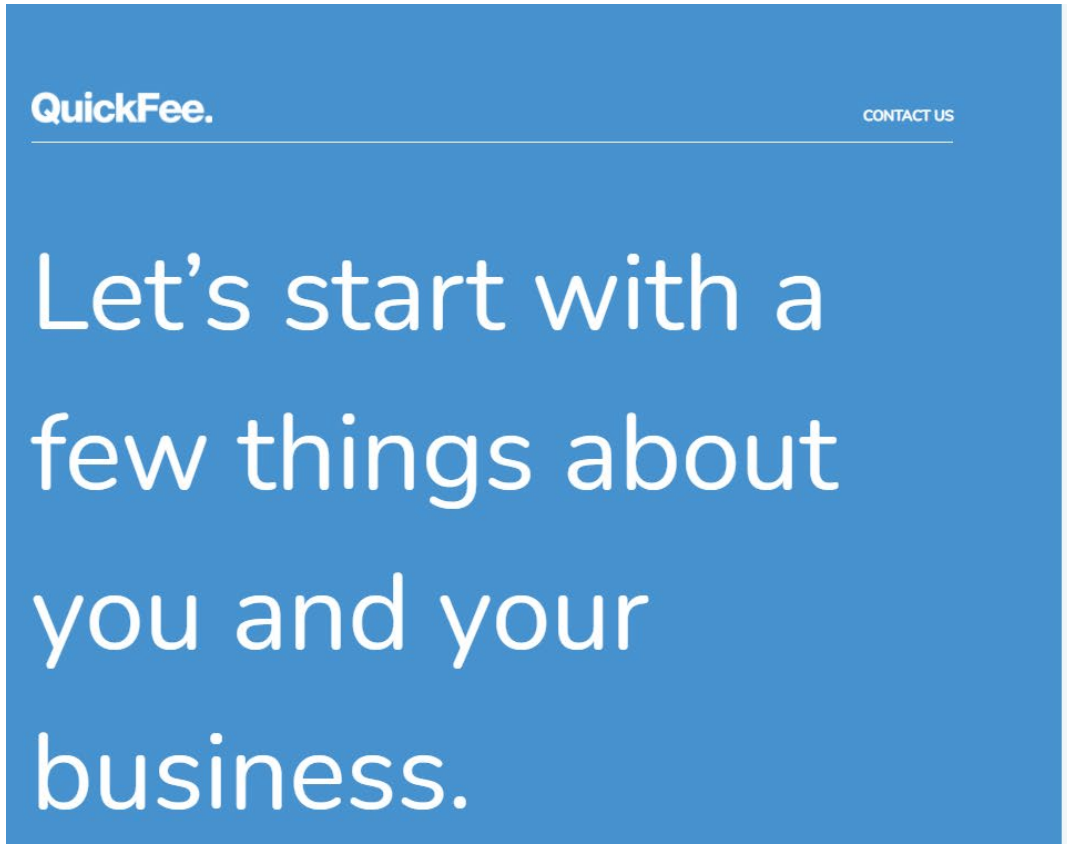
Online Merchant Application

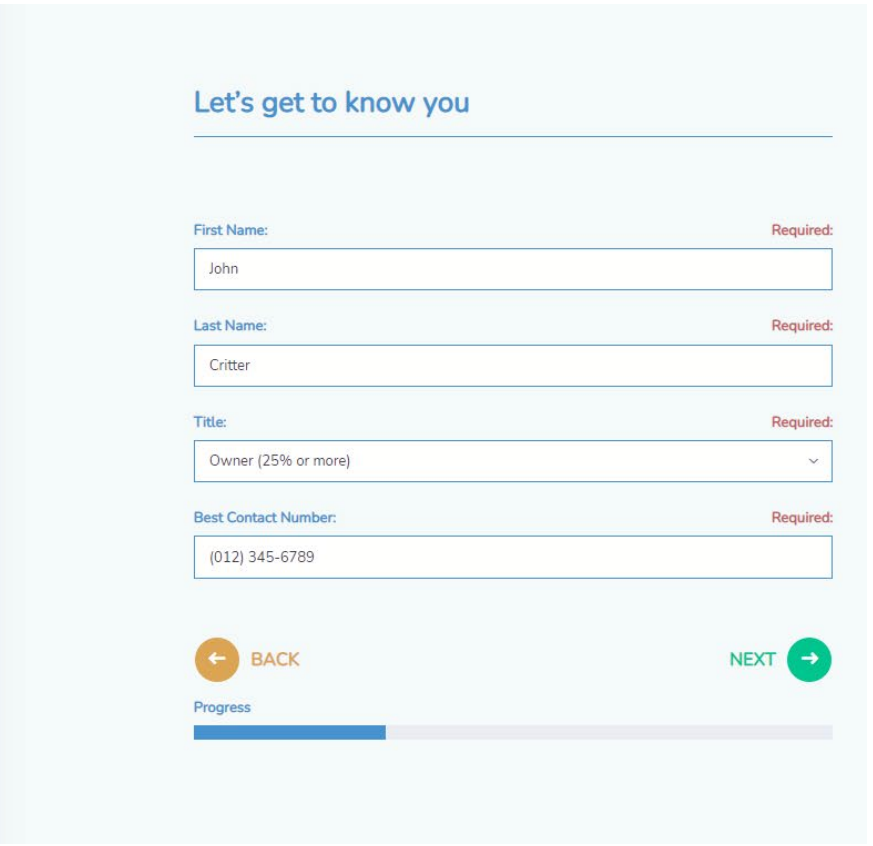
EKATA

BlueSnap global payments

giact A REFINITIV COMPANY

Step 2: Identity Information





Online Merchant Application

EKATA

BlueSnap global payments

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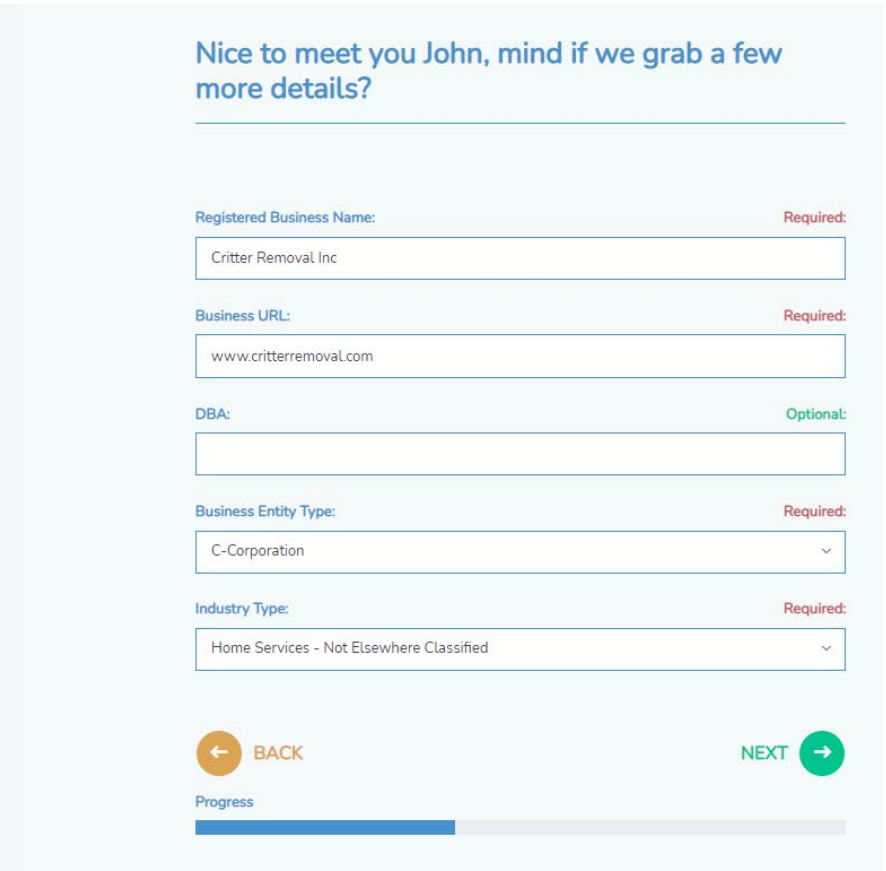
SALIXDATA

Step 3: Business Details





Online Merchant Application

EKATA

BlueSnap global payments

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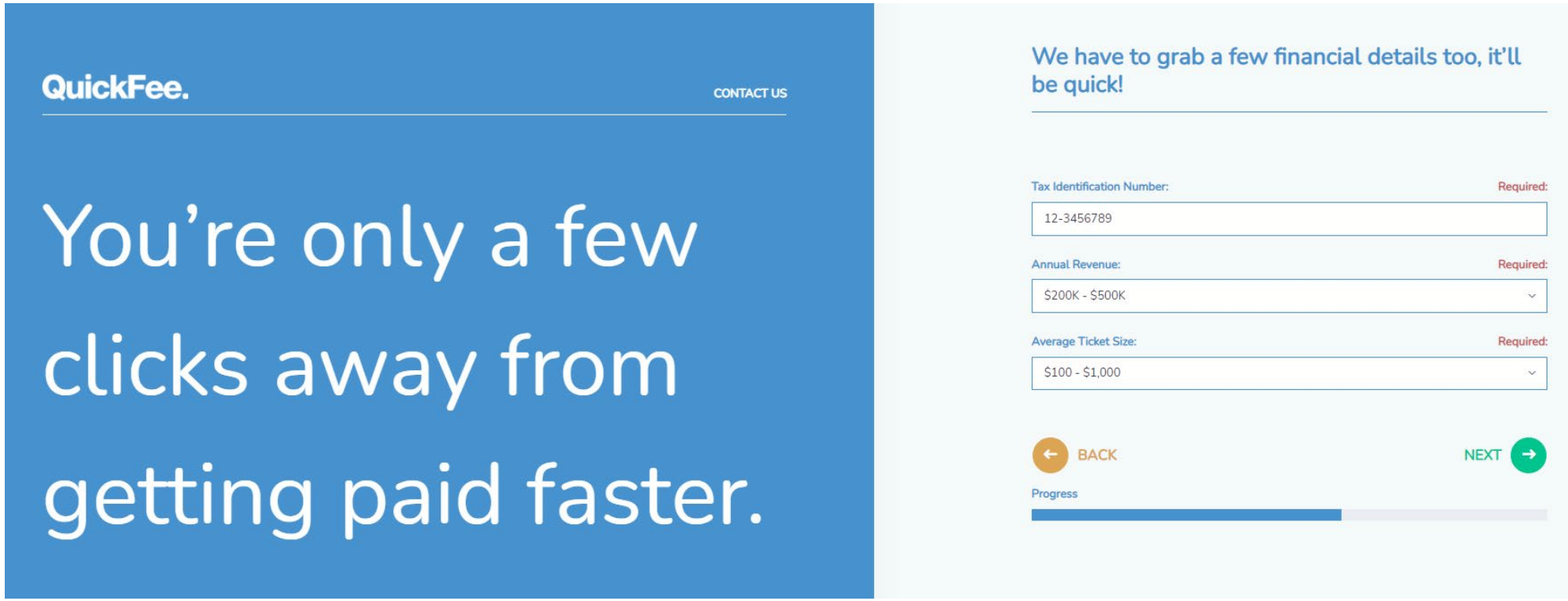
Step 4: Business Information

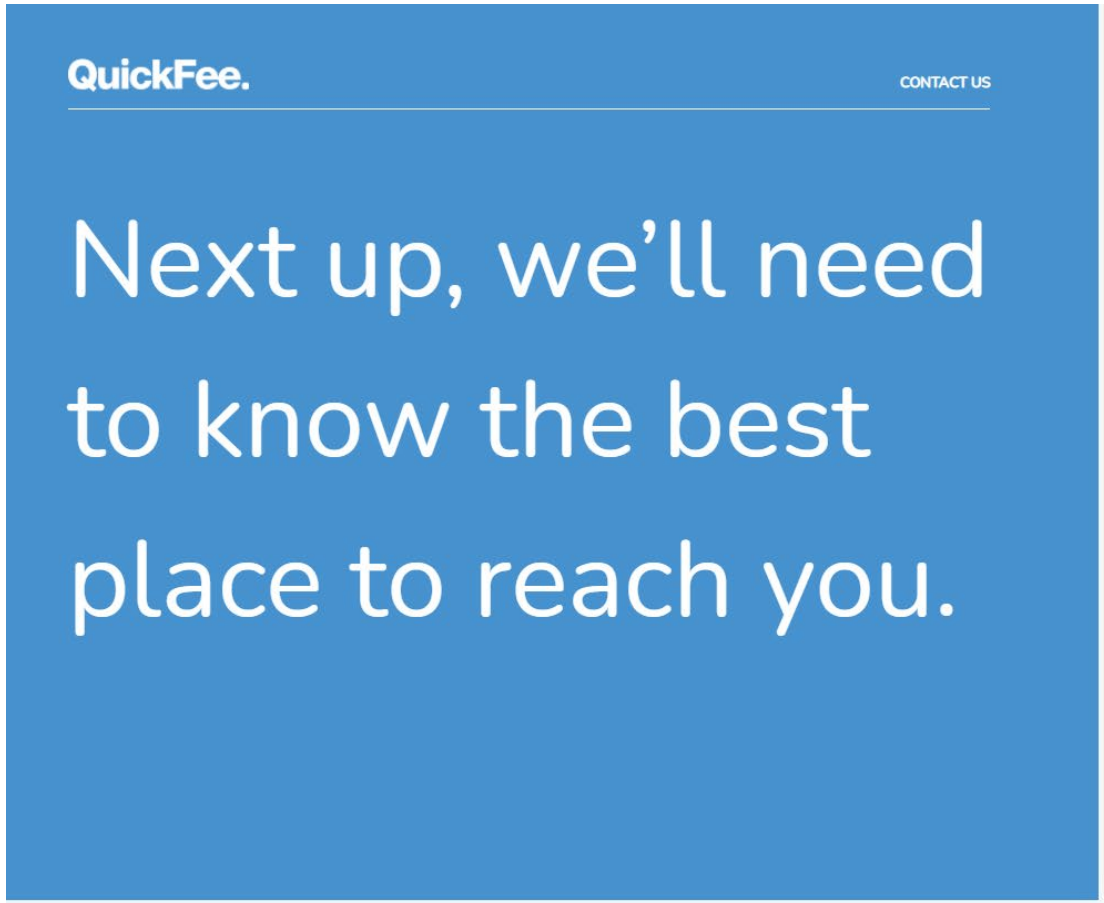


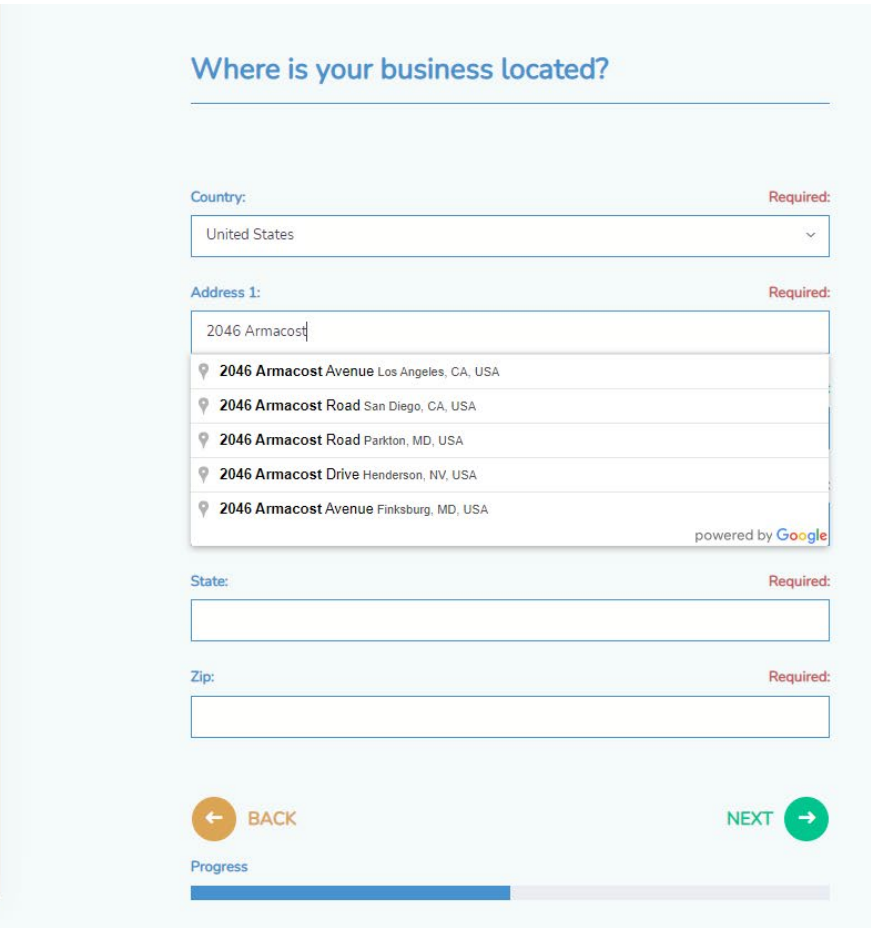
Online Merchant Application

Google

BlueSnap global payments

Step 5: Business Address





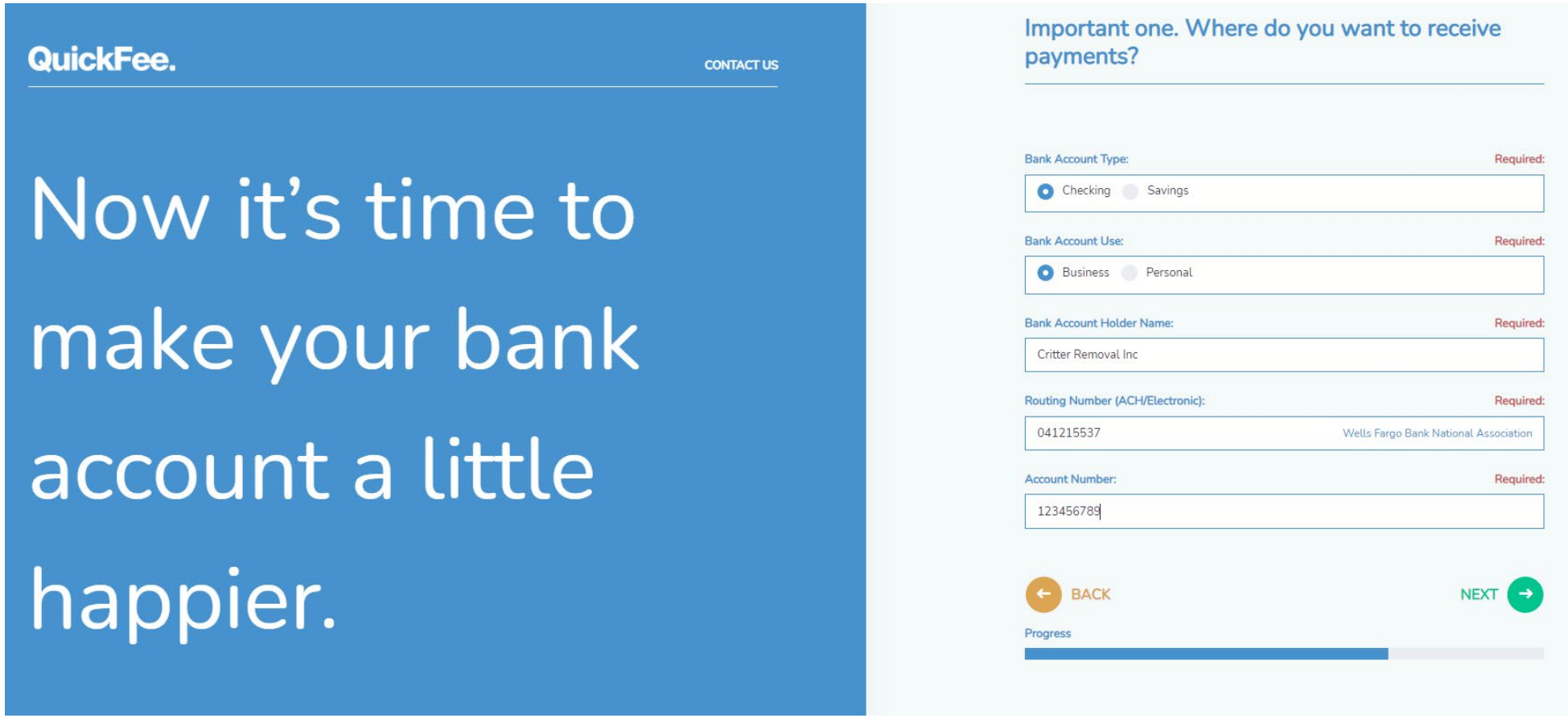
Online Merchant Application

ACCUITY
A LexisNexis® Risk Solutions Company

giact®
A REFINITIV COMPANY

BlueSnap®
global payments

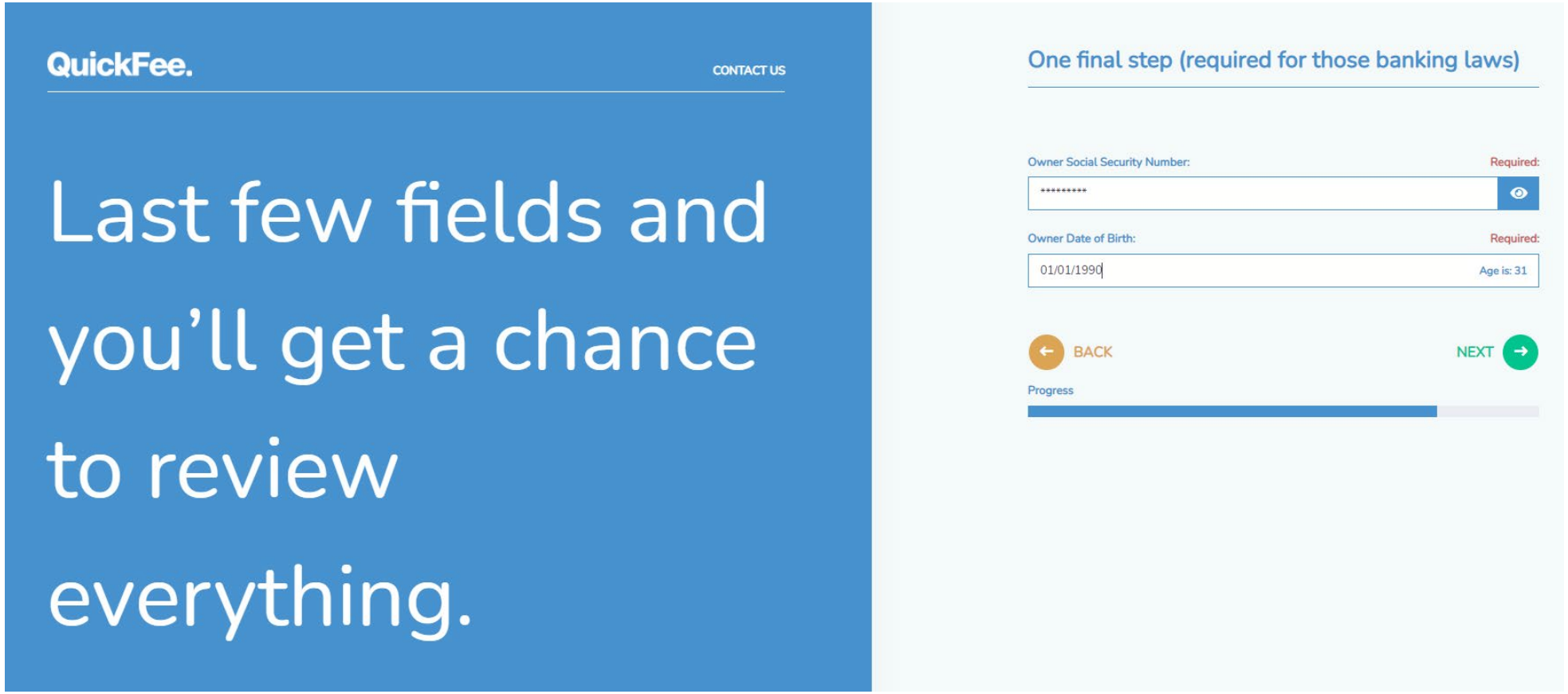
Step 6: Bank Details



Online Merchant Application

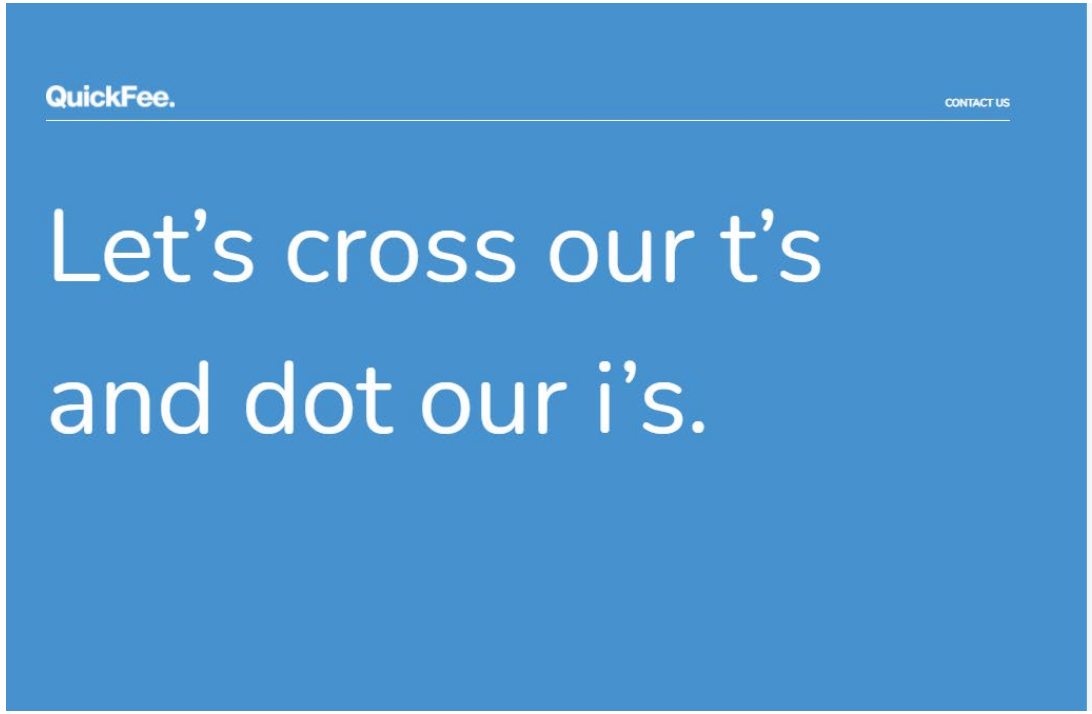
BlueSnap global payments

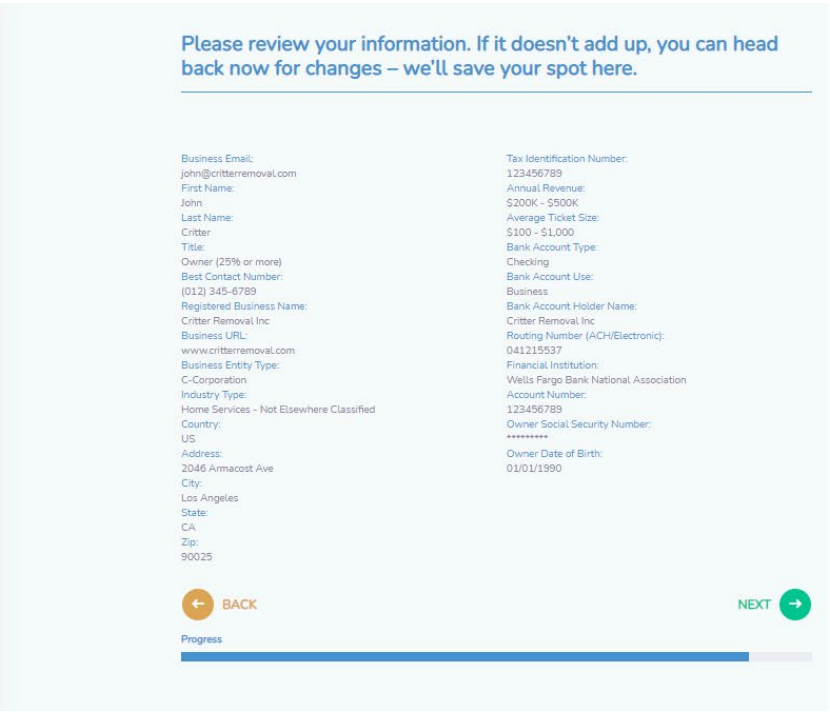
Step 7: Owner Details



Online Merchant Application

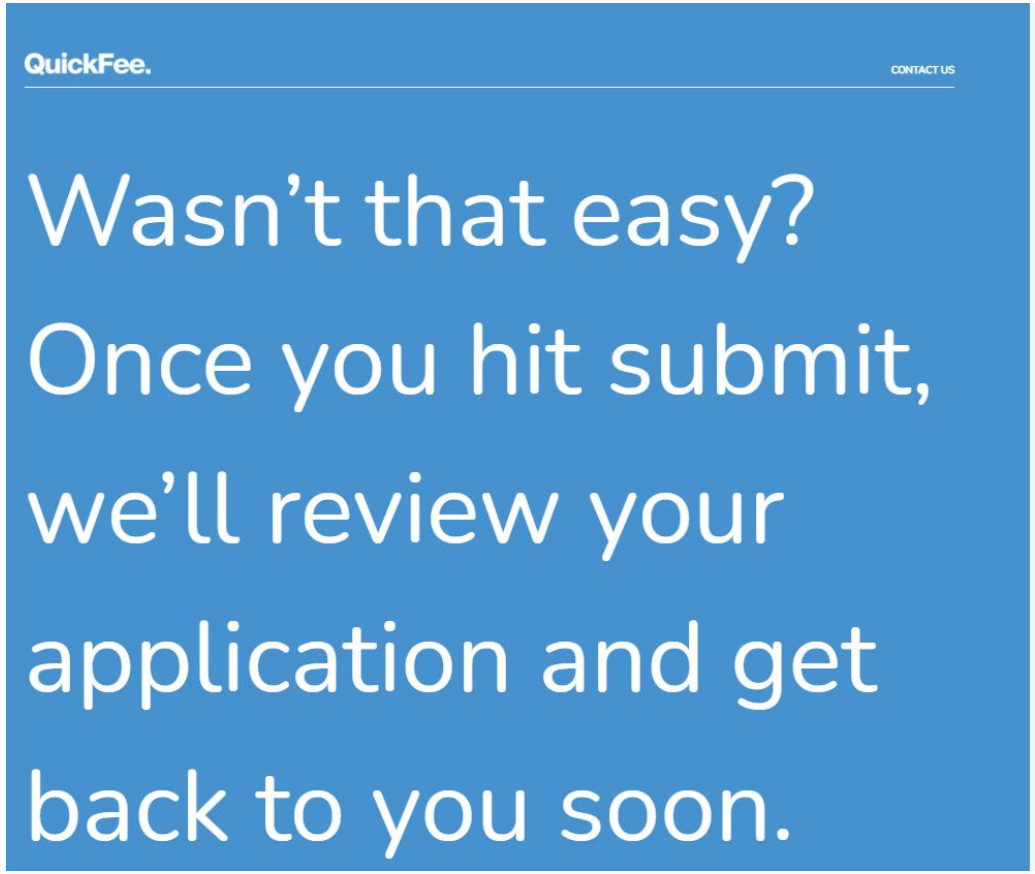
Confirmation Review

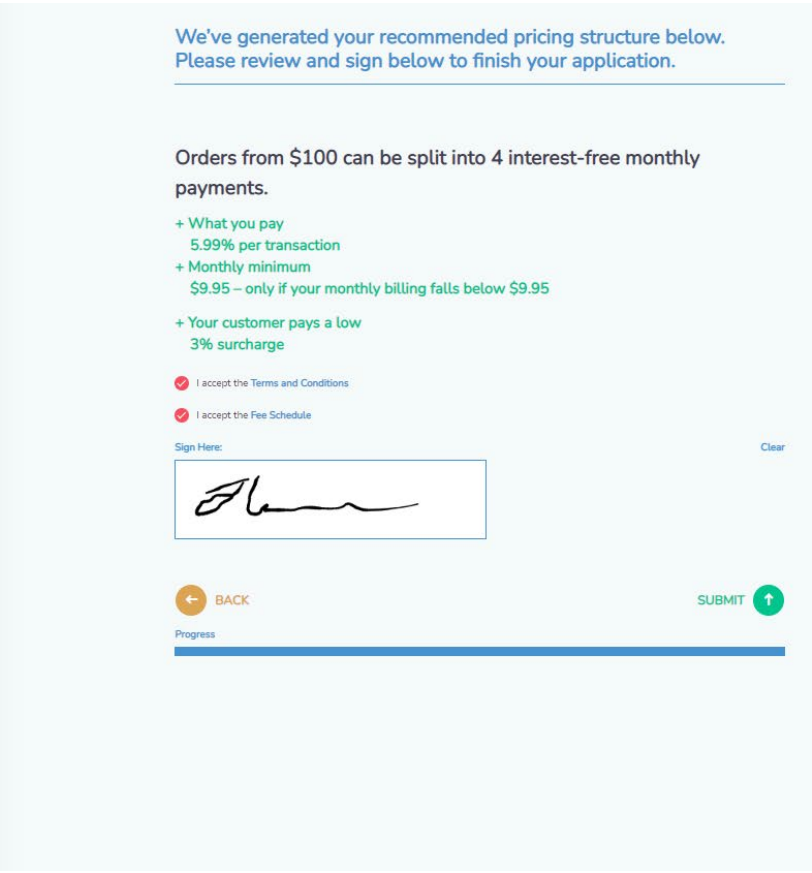




Online Merchant Application

Step 8: Signature Page





Online Merchant Application

QR Code Example



Financial Overview



Simon Yeandle
Chief Financial Officer

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Bio Highlights

- Chartered Accountant with 30+ years' experience in finance, fintech and media industries through Australia, Europe and US
- Was CFO of leading Australian out-of-home media company oOh!media (ASX: OML) in Sydney for 10 years
- Most recently CFO at software company 3P Learning (ASX: 3PL) also in Sydney
- Has held senior management positions in media companies including CNN and Foxtel

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Liquidity

QuickFee.

Well funded with adequate liquidity and growth capacity

Northleaf Capital Partners funding deal

- Delivers US$70 million-equivalent multi-currency receivables facility
- US$40 million committed first lien facility, consisting of a US$5 million revolver and a $35 million term loan
- An additional optional US$30 million accordion feature subject to Northleaf's approval
- Attractive terms which will lower the average overall cost of borrowing as the US business scales
- 4-year asset-backed facility with an advance rate of up to 90% of receivables

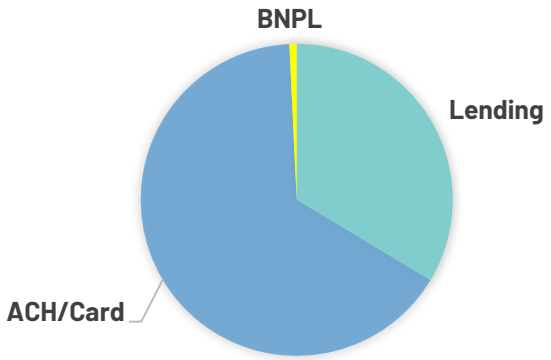
Credit risk

- Continued robust credit risk management
- Provision for expected credit losses A$131k (0.26%) of lending. FY17 to FY21 five-year average 0.31% of lending
- FY17 to FY21 bad debt write-offs averaging 0.21% of lending

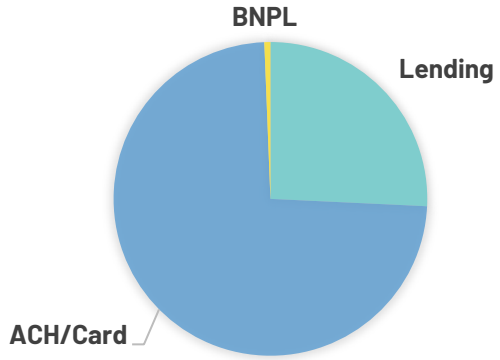
US Revenue Mix

QuickFee.

US REVENUE FY21



US MARGIN FY21



KEY METRICS

FY21	Pay Now (ACH / Card)	Lending	BNPL
Total transaction volume (TTV; USM)	537 / 131 = 668	15.1	0.5
Active customers	195,000	2,198	132
Active merchants	579	291	66
Average TTV / merchant (US$ p.a.)	1,150,000	52,000	6,500[3]
June 2021 loan book (US$M)		5.0	neg.
Average[1] loan term (months)		8.9	3
Average[1] flat interest on new loans		6.4%	4.99% - 6.99%
Average[1] APR[2] on new loans		16.6%	40.2% - 56.4%
Average transaction size (AOV; US$)	2,300 / 1,600	9,538	2,800

[1.] Volume weighted average. [2.] See glossary. [3.] Based on a partial year since launch

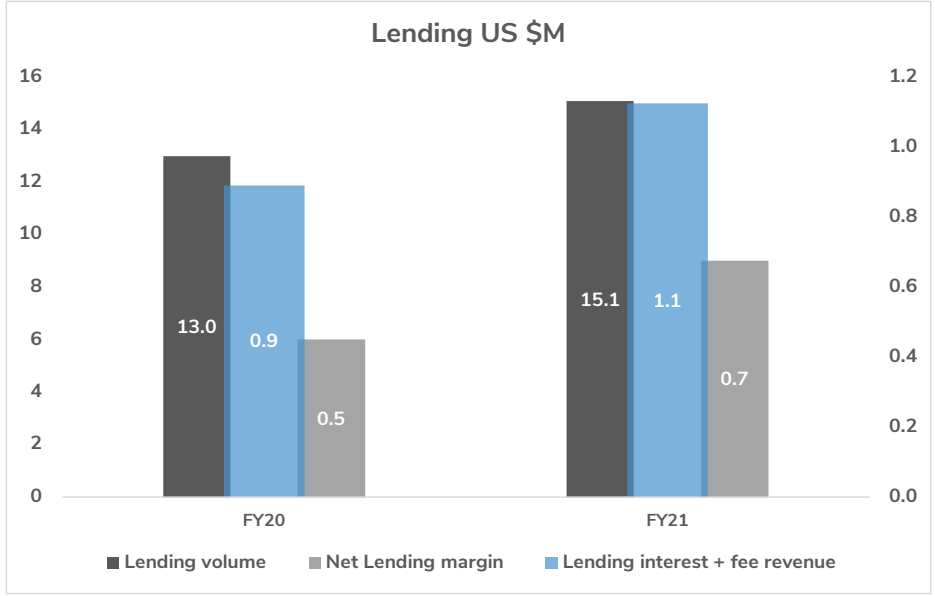
Revenue Model in Detail – US

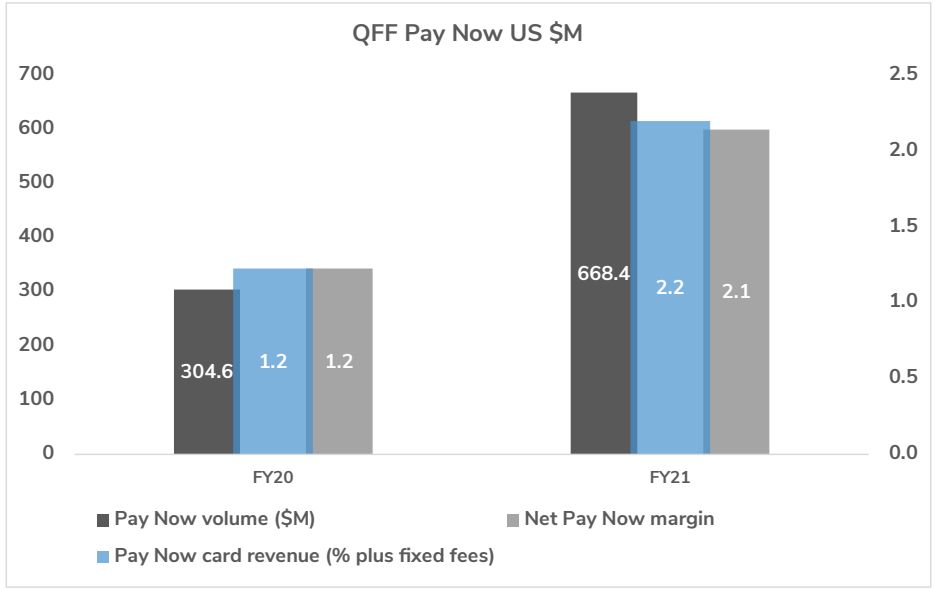
QuickFee.

Underpinned by a low credit risk model

A US$1,000 transaction	Lending[1]	BNPL	ACH	Credit card
Revenue from merchant	-	4.99% / 6.99% = $49.90 / $69.90[3]	0.37% = $3.70	-
Revenue from client / consumer	$64	-	-	-
Credit card surcharge	-	3% = $30	-	-
Revenue share from card processor	-	-	-	0.18% = $1.80
Total revenue	**$64**	**$80 / $100**	**$3.70**	**$1.80**
Timing of receipts	Over 3-12 months	Over 3 months	Now	Now
Direct unit transaction costs incl. funding[2]	-$23	-$44	-	-
Average net TX margin $	**$41**	**$36 / $56**	**$3.70**	**$18**
Average net TX margin % (per $1,000)	*4.1%*	*3.6% - 5.6%*	*0.37%*	*0.18%*

1. Based on FY21 US volume weighted average loan size term and interest
2. Cost of financing assumed 6.5% p.a.
3. A $9.95 monthly minimums applies to all contracted BNPL merchants, not shown in transaction revenues above
Other revenue not shown above includes loan application, deferral and joining fees

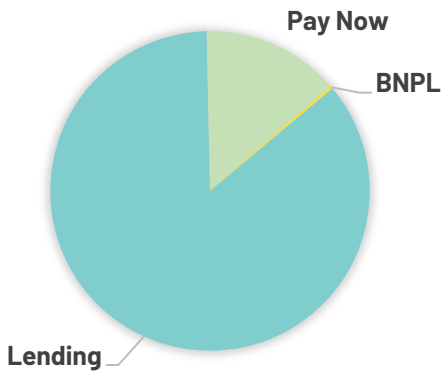




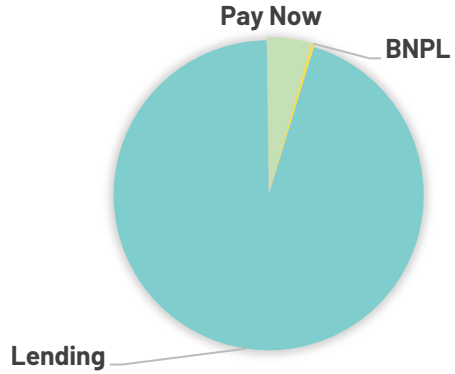
AU Revenue Mix

QuickFee.

AU REVENUE FY21



AU MARGIN FY21



KEY METRICS

FY21	Pay Now (EFT / Card)	Lending	BNPL
Total Transaction Volume (TTV) (AU$ M)	14 / 30 = 44	30.9	0.3
Active customers	30,300	4,403	82
Active merchants	533	388	51
Average TTV / merchant (AU$ p.a.)	83,000	80,000	5,800[3]
June 2021 Loan book (AU$ M)		19.0	neg.
Average[1] loan term (months)		10.4	3
Average[1] flat interest on new loans		8.6%	4.99% - 6.99%
Average[1] APR[2] on new loans		18.8%	40.2% - 56.4%
Average transaction size (AOV) (AU$)	900 / 1,300	13,695	3,200

[1.] Volume weighted average. [2.] See glossary. [3.] Based on a partial year since launch

Revenue Model in Detail – AU

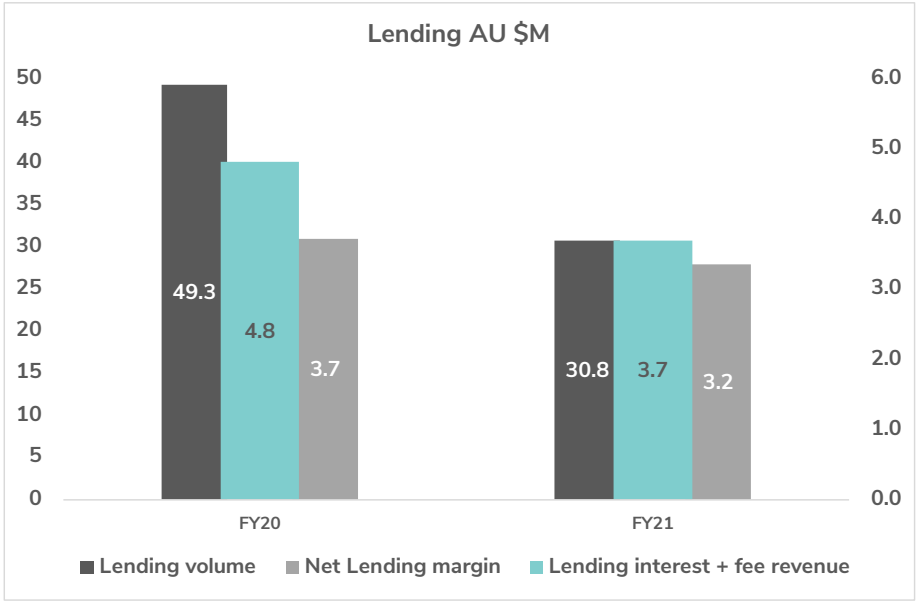
QuickFee.

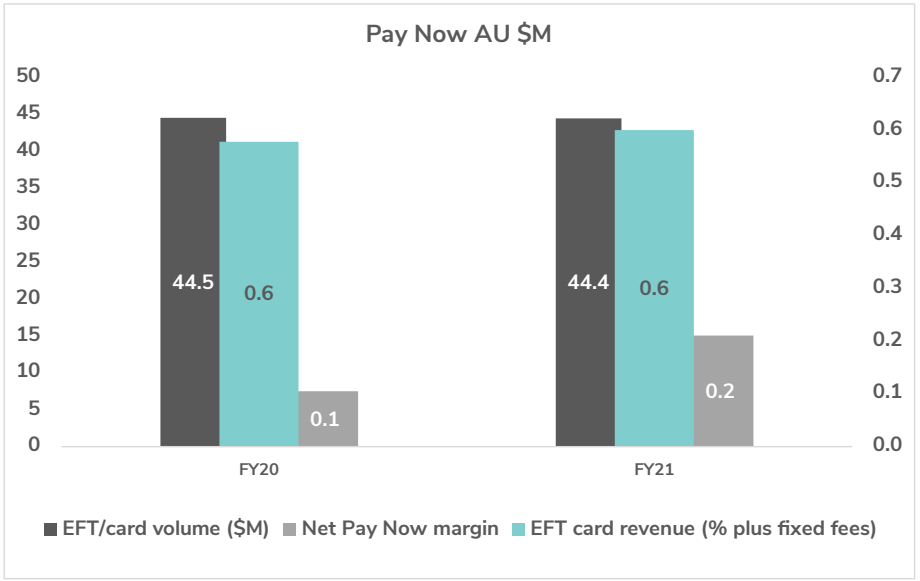
Underpinned by a low credit risk model

An AU$1,000 transaction	Lending[1]	BNPL	EFT	Card	Platform subs
Revenue from merchant	-	4.99% / 6.99% = $49.90 / $69.90	-	-	$39 - $69 / month
Revenue from client / consumer	$86	-	-	-	-
Credit card surcharge	-	1.5% = $15	-	1.5% = $15	-
Revenue share from card processor	-	-	-	-	-
Total revenue	**$86**	**$65 / $85**		**$15**	**$39 - $69 / month**
Timing of receipts	Over 3-12 months	Over 3 months	-	Now	Monthly
Direct unit transaction costs incl. funding[2]	-$25	-$33	-	-1.5% = -$15	-
Average net TX margin $	**$61**	**$32 / $52**	**-**	**-**	**$0.2 million in FY21**
Average net TX margin % (per $1,000)	*6.1%*	*3.2% - 5.2%*	-	-	-

1. Based on FY21 US volume weighted average loan size term and interest
2. Cost of financing assumed 6.5% p.a.

Other revenue not shown above includes loan application, deferral and joining fees





QuickFee.



Outlook and Priorities

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Outlook and Priorities

QuickFee.

- Leverage our most valuable assets
- Execute go-to-market strategy
- Drive BNPL growth
- Scale expenses through volume

- **Focus on our most valuable assets:**
  - **Grow our core AU and US Professional Services customer base with account-based marketing**
  - **Increase penetration of our existing portfolio opportunity with integrations (Connect, CCH, Xero, and more)**
  - **Accelerate BNPL through increasing ISO partnerships and integrations**
  - **Improve unit economics through scalable automation and technology partnerships**
- **Complete remaining technology infrastructure migrations**

Outlook and Priorities

QuickFee.

- Manage cash burn
- Drive increased payment volume
- Shift spending over FY22 and FY23 to volume acquisition as technology completes

- **Steady reduction in cash burn for the rest of FY22 and FY23**
- **FY22 Q2 to-date performance (1 October 2021 to 15 November 2021 vs. pcp[1]):**
  - **US payments up 53%**
  - **US lending up 21%**
  - **AU lending up 27%**
- **FY22 could see OPEX increase 30-40% over FY21 with a full 12 months of FY21 staff hires**
- **Have sufficient cash and funding well into FY23, based on current projections**

1. 1 October 2020 to 15 November 2020 volumes are calculated as October 2020 volumes plus 50% of November 2020 volumes.

Conclusion

QuickFee.



Demonstrable strength of the core business model through customer retention and growth over the pandemic



Surge in online payment adoption within US professional services still in early stages



Lending volumes rebounding from effects of COVID-19 stimulus in both AU and US



Well-positioned with talent and broadened product suite and addressable market



BNPL now has the right product-market fit, go-to-market strategy (via ISO), partners, and scalable infrastructure



Integrations with practice management software solutions will drive greater penetration of existing captured volume



Continued tailwind growth in the US driven by digital transformation to e-invoicing

QuickFee.



19 November 2021

Investor Presentation Q&A

Eric Lookhoff / Managing Director and Chief Executive Officer

Glossary

QuickFee.

ACH	**Automated Clearing House**	A type of electronic bank-to-bank payment in the US, equivalent to EFT in Australia
APR	**Annual percentage rate**	The annual rate of interest on payment plans or loans
CC	**Credit card**	
Connect	QuickFee's internal product name for its point-of-payment integration, e-invoicing and receivables management product strategy	
EFT	**Electronic funds transfer**	An Australian domestic payments network that facilitates the transfer of funds electronically
QuickFee Lending or Financing	QuickFee's traditional fee funding product that enable customers to take out a payment plan to pay their invoice, while QuickFee settle to the merchant immediately	
Kepler	QuickFee's 'merchant direct' application platform, which enables fully automated merchant underwriting and onboarding	
KYC	**Know your customer**	Practice to verify the identity of customers in compliance with laws and regulations
QuickFee PayNow or ACH/card	QuickFee's payment gateway that enables customers to pay their invoice in full to the merchant without taking out a payment plan	
Merchant	Term to describe QuickFee's primary customer who is the service provider, who signs up to use QuickFee's platforms and issues invoices	
Active merchant	Any merchant that has had a transaction with QuickFee in the period referred to	
Firm	A merchant. Typically used to describe a professional services firm (e.g. an accounting or law firm)	
Customer	The customer of a merchant, who will use one of QuickFee's payment options to pay their invoice	
Active customer	Any customer who has transacted with QuickFee in the period referred to	
BNPL or QFI	**BNPL powered by QuickFee (previously QuickFee Instalments)**	QuickFee's 'Buy Now, Pay Later' product using Splitit's technology to enable a customer to pay their invoice in four instalments using the unused balance of their credit card
NTM	**Net transaction margin**	Revenue, less cost of sales, less receivables impairment expense
TEC	**Total employment cost**	Cost of employing all employees, including variable remuneration and share-based payments expense
TTV	**Total transaction value**	The total value of all ACH / EFT and credit card PayNow transactions (plus payment plans except where stated)
pcp	**Previous corresponding period**	For example, the pcp for the June 2021 quarter is the June 2020 quarter

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