

ASX Release | 9 May 2022

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QuickFee successfully completes A\$4.0 million Placement A\$0.5 million Share Purchase Plan launched

Highlights

- **A\$4 million Placement to enable QuickFee to execute on its growth plans and achieve profitability**
- **Payroc WorldAccess, LLC (“Payroc”), a global merchant acquirer, processor, and payment facilitator, participating in the Placement**
- **Major shareholders and directors also participate¹**
- **Eligible shareholders in Australia and New Zealand to be invited to participate in A\$0.5 million Share Purchase Plan**

QuickFee Limited (“QuickFee”) is pleased to announce the successful completion of a A\$4.0 million share placement (“Placement”) at an issue price of A\$0.10 per share to strategic, institutional, sophisticated and professional investors in a strongly supported capital raising. The Placement was supported by new and existing institutional, family office and sophisticated investors.

Following QuickFee US’s highest-ever volumes in ACH, Card and Financing in March 2022, the Company has raised new capital to enable it to accelerate its proven go-to-market strategies and leverage its completed proprietary technology stack. The combination of these is already delivering higher volumes, higher yield, higher revenue and lower operating expenses, which in turn will enable QuickFee to achieve profitability.

Commenting on the Placement, Eric Lookhoff, Managing Director and Chief Executive Officer of QuickFee, said:

“I am delighted by the progress QuickFee has made in accelerating our path to profitability. This financial year we have grown our US Pay Now volume by 47%, US Financing volume by 14% and US BNPL volume by 83%. We have successfully increased revenue yields on our ACH, Card, and Lending volumes and at the same time reduced our operating expenses², with expected annualised savings of A\$4.0 million to A\$4.5 million in FY23. We have attracted industry-wide professionals to our team and completed our proprietary payment technology stack, QUBE.

These accomplishments taken together not only accelerate our path to profitability, but have also generated a greater competitive position, particularly in the US market.

Our capacity for continued growth in the US professional services space has attracted the support and partnership of world-class payments organisations. Participating in this capital raise is Payroc, a global credit card and ACH processor, which globally facilitates US\$65billion of payments volume annually, along with the investment and continued confidence of existing major shareholders. I am grateful for their participation and that of our retail and institutional shareholders, which ensure that QuickFee is fully-funded as we continue to execute on our growth strategies and achieve near term profitability.”

Commenting on Payroc's investment in QuickFee, James Oberman, Chief Executive Officer of Payroc said:

"Our relationship with QuickFee has been a key source of growth for Payroc since 2016. We are pleased not only to have provided QuickFee merchants with valuable Card acceptance services, but also witnessed QuickFee's impressive evolution and growth. Joining the register as a shareholder just made sense as an investment, and we look forward to our continued partnership into the future."

Placement details and use of proceeds

The Placement, at an issue price of A\$0.10 per share, represents the first stage of QuickFee's broader capital raising, comprising:

- an offer of 36,500,000 million new shares under a placement ("Tranche 1 Placement") to raise A\$3.65 million;
- an offer of 3,500,000 new shares under a further placement ("Tranche 2 Placement") to related parties of QuickFee to raise up to A\$0.35 million, subject to receiving shareholder approval; and
- an offer of up to 5,000,000 new shares under a non-underwritten share purchase plan ("SPP") to eligible shareholders with a registered address in Australia and New Zealand to raise up to A\$0.5 million,

together, the "Capital Raising".

New shares issued under the Capital Raising will rank pari passu with QuickFee's existing ordinary shares.

QuickFee has engaged Bell Potter Securities Limited to act as lead manager and Arnold Bloch Leibler to act as Australian legal counsel for the Capital Raising.

The proceeds from the Capital Raising will be used:

- to provide additional working capital to achieve increased scale in QuickFee's US target markets;
- to enable QuickFee to continue to invest in integrations and product enhancements to drive increased usage of the QuickFee products; and
- to fund the costs and expenses associated with Capital Raising.

Tranche 1 Placement details

The Tranche 1 Placement comprised an offer of 36,500,000 fully paid ordinary shares in QuickFee at an issue price of A\$0.10 per share, raising a total of A\$3.65 million. The issue price is equal to the last close price, and represents a discount of 5.3% to the 15-day VWAP prior to the trading halt, on Thursday, 5 May 2022.

The Tranche 1 Placement shares will be issued under the Company's existing 25% placement capacity for the purposes of ASX Listing Rules 7.1 and 7.1A. The Tranche 1 Placement shares are expected to settle on Thursday, 12 May 2022 and will be issued on Friday, 13 May 2022.

Tranche 2 Placement details

The Tranche 2 Placement will comprise an offer to related parties of Mr. Dale Smorgon of 3,500,000 fully paid ordinary shares in QuickFee at an issue price of A\$0.10 per share, raising a total of A\$0.35 million.

The Company will seek shareholder approval to issue the Tranche 2 Placement shares for the purposes of ASX Listing Rule 10.11. Shareholder approval will be sought at an Extraordinary General Meeting. The date of the Extraordinary General Meeting will be provided at a later date.

Share Purchase Plan

In addition to the two tranche Placement, QuickFee is pleased to announce that eligible shareholders will have the opportunity to purchase new shares under the SPP. QuickFee will offer approximately 5,000,000 new shares under an SPP to eligible shareholders with a registered address in Australia and New Zealand to raise up to A\$0.5 million. The record date for participation in the SPP is 7:00pm (Sydney time) on Friday, 6 May 2022.

The SPP will provide each eligible shareholder with the opportunity to apply for up to A\$30,000 worth of new shares. The new shares under the SPP are to be issued at the lower of the Tranche 1 Placement price (A\$0.10 per share) and the price that is a 5% discount to the VWAP of ordinary shares in QuickFee traded on the ASX over the 5 trading days up to, and including, the day on which the SPP closes. The eligibility criteria and other terms and conditions of the SPP will be set out in the SPP booklet and despatched to eligible shareholders in due course.

The SPP aims to raise A\$0.5 million, however, the Company may determine to raise a higher amount, or decide to scale back applications under the SPP in its absolute discretion.

Capital Raising Timetable

Trading halt	10 am (Sydney time), Thursday, 5 May 2022 – 10 am (Sydney time), Monday, 9 May 2022
SPP record date	7 pm (Sydney time), Friday, 6 May 2022
Trading halt lifted and ASX announcement released	Monday, 9 May 2022
Settlement of new shares under the Tranche 1 Placement	Thursday, 12 May 2022
Allotment and commencement of trading of new shares under the Tranche 1 Placement	Friday, 13 May 2022
SPP offer open and SPP booklet dispatched to eligible shareholders	Tuesday, 17 May 2022
SPP offer closes	5 pm (Sydney time), Wednesday, 15 June 2022
Announcement of results and settlement of SPP	Friday, 17 June 2022
Allotment and commencement of trading of new shares under the SPP	Tuesday, 21 June 2022

QuickFee will provide a further update to ASX regarding the timetable for the Tranche 2 Placement and Extraordinary General Meeting once the Extraordinary General Meeting date is known.

The timetable above is indicative only and subject to change without notice. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable laws, the Company reserves the right to amend this timetable at any time without notice.

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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.

¹ Subject to shareholder approval.

² Operating expenses consist of general and administrative, selling and marketing, customer acquisition and product development expenses and net operating foreign exchange gains/losses, but exclude depreciation and amortisation. FY22 and FY23 operating expenses in US dollars (USD) are expected to be converted to Australian dollars (AUD) at an average USD:AUD exchange rate of 0.72:1.