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PAYMENTS, FINANCING AND A/R AUTOMATION FOR PROFESSIONAL SERVICES FIRMS

Appendix 4D and Interim Report
for the half-year ended
31 December 2024

QuickFee.

QuickFee Limited

Appendix 4D

For the half-year ended 31 December 2024 (H1 FY25)

Results for announcement to the market

Previous corresponding period: half-year ended 31 December 2023 (H1 FY24)

	\$'000	UP/DOWN	MOVEMENT %
Revenue from ordinary activities	11,719	Up	26.6%
Loss from ordinary activities after tax attributable to members	(1,226)	Down	-63.6%
Net loss for the period attributable to members	(1,226)	Down	-63.6%

The group has reported a loss for the period of A\$ 1,226,000 (H1 FY24: \$3,364,000), with net assets amounting to A\$ 7,717,000 as at 31 December 2024 (30 June 2024: A\$ 8,508,000), including cash and cash equivalents of A\$ 15,436,000 (30 June 2024: A\$ 13,551,000).

Please refer to the 'review of operations and activities' on pages4to 12 for further explanation of the results.

Additional information supporting the Appendix 4D disclosure requirements can be found in the review of operations and activities and the financial statements for the half-year ended 31 December 2024.

Dividends

No dividends have been paid, recommended, reinvested or declared by QuickFee Limited for the current financial period. No dividends of QuickFee Limited were paid for the previous financial period. The group does not operate a dividend reinvestment plan.

	31 DECEMBER 2024 CENTS	31 DECEMBER 2023 CENTS
Net tangible assets per ordinary share	2.12	2.02

Changes in controlled entities

There have been no changes in controlled entities during the half-year ended 31 December 2024.

Foreign entities

All foreign entities have adopted the same accounting standards as the Australian parent entity.

Review

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

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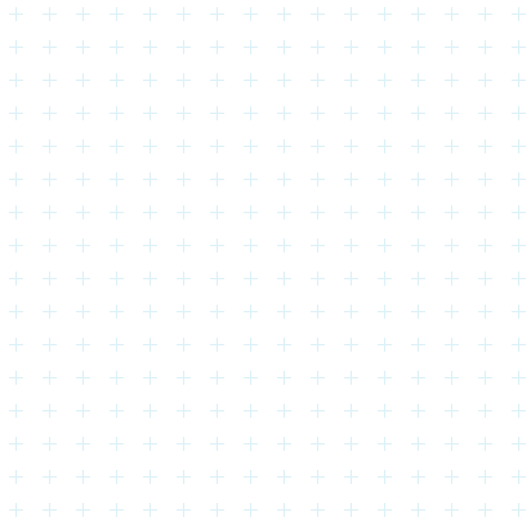
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QuickFee helps professional services firms automate and accelerate A/R and grow their business.

As a market-leading payments and accounts receivable automation provider for professional services firms, QuickFee serves 40% of the INSIDE Public Accounting (IPA) Top 300 firms in the US.

QuickFee accelerates invoice payments, improves cash flow for both firms and their clients and helps firms grow their business. To accomplish this, the QuickFee payment portal offers multiple options: credit/debit cards, ACH and an exclusive financing solution – QuickFee Finance – that allows clients to spread payments over 3-12 months. With QuickFee Finance, clients can set their preferred payment schedule while firms receive payment in full, without additional costs.

Operating in the United States and Australia, QuickFee provides affordable, scalable solutions backed by world-class customer service. The company maintains a low credit-loss business model and is led by an experienced management team with an engaged Board.

With the US market representing the largest growth opportunity, QuickFee aims to drive transformational growth through five key levers: QuickFee Finance, QuickFee Connect, Differentiated Technology, Strategic Alliances and Partnerships and Automation.

TRUSTED FOR PAYMENTS AND FINANCING SOLUTIONS SINCE 2009:

1,250+

SERVICE PROVIDERS ACROSS THE US AND AUSTRALIA

90%

OF QUICKFEE PAYMENT PLAN USERS LIKED USING THIS OPTION, AND WERE LIKELY TO RECOMMEND QUICKFEE¹

82%

OF QUICKFEE PAYMENT PLAN USERS SAY THAT THEY'RE LIKELY TO USE THEM AGAIN, AS A CONVENIENT WAY TO MANAGE CASH FLOW.

97%

OF FIRMS SAY THAT AT LEAST A QUARTER OF THEIR CLIENTS REQUEST/NEED SOME PAYMENT FLEXIBILITY TO AFFORD THEIR PROFESSIONAL SERVICES²

OVER
\$600M

LOANS ORIGINATED SINCE INCEPTION

¹ 2024 US QuickFee Payments Plan User Survey

² 2024 US QuickFee Firm Survey



Our Value Proposition

Comprehensive digital payment solutions, powered by intelligent automation.

QuickFee's solutions provide a modern alternative to the outdated, time-consuming invoicing and accounts receivable processes at many professional services firms.

QuickFee offers payments, financing and accounts receivable (A/R) automation for professional services firms. We help firms get paid faster, improve cash flow, and automate the engagement-to-cash workflow. This is critical because the need for automation and A/R efficiency has never been greater at these firms.

In the 2024 US QuickFee Firm Survey, 64% of firms said it was at least somewhat important to automate the entire payment cycle, from engagement letter to cash. Additionally 69% or more are still not seeing payment until 45 days or more after completing the work – often requiring hours of lost billable time to collect payments. These factors all likely played a role in 53% of firms deciding to focus their technology budget on **automating manual processes in 2025**.

Our Value Proposition

Continued



Our Solutions

PAY NOW: Seamless ACH and Card Payment Processing

- + Includes all the digital payment options you need, with transparent fees.
- + One payment link to securely accept online credit card, debit card, or ACH/EFT/e-Check.
- + Simple to use recurring payment schedules (US only).
- + Credit card surcharge paid by the client.

PAY OVER TIME: Enhance Cash Flow with QuickFee Finance

- + Client financing solution exclusive to QuickFee.
- + Firms get paid in full while clients get flexibility to pay over time (and manage their cash flow).
- + Monthly payment plans available for clients with 3, 6, 9, or 12-month terms.
- + No cost to the firm.
- + With more access to funding, clients are more likely to buy all the services they need.

CONNECT (US only): Effective Way to Automate the Entire Engagement-to-Cash Workflow

- + Automate your accounts receivable workflow and save hours of unbillable time.
- + Set automated email reminders to help clients pay on time.
- + Clients get personalised invoice links so they can pay in one click.
- + Consolidate data, documents and delivery systems across the entire engagement-to-cash workflow.
- + Direct, purpose-built integrations with leading practice management solutions and innovative engagement letter provider.

Why firms work with QuickFee:

1. Reduce Accounts Receivable (A/R) – A/R typically runs high for professional services firms and we can help turn that A/R into cash.
2. Grow the Business – Firms can remove one reason that someone may not be able to say ‘yes’ to their services – cash flow.
3. Automate Processes – We increase efficiency for the firms we serve, while improving the client and employee experience.
4. Save Money – Firms in the US can stop spending money on credit card fees by either reducing or eliminating merchant fees.

QuickFee delivers strong revenue growth and positive EBTDA

In H1 FY25, QuickFee continued its growth trajectory with strong revenue growth, a stable cost base and positive EBTDA.

Total revenue was up 26% on pcp to \$11.7 million, the cost base was stable, and operating profitability improved to a positive EBTDA of \$0.3 million in H1 FY25, which was a significant improvement on the EBTDA loss of A\$2.7 million in H1 FY24.

The Australian business continued to perform well with strong lending volumes across both the traditional fee funding Finance product and the disbursement funding Finance product. The US business delivered solid growth with increased transaction volumes and positive momentum is building with the Connect subscription product.

Key operational highlights for H1 FY25

- + New Connect integrations with Thomson Reuters Practice CS and PracticeERP, making a total of five Connect integrations
- + Total of 95 firms signed up for Connect at 31 December 2024
- + Invoices delivered via Connect up 38% in the first half to 29,000 vs H2 FY24 (21,000)
- + Strong pipeline of Connect clients to be onboarded in H2 FY25
- + Gaining traction in secondary verticals including legal, government contracting, executive search and other professional service businesses
- + Strategic partnerships with the BDO Alliance, IRIS Software Group, Knuula and Mango are progressing well
- + Launched a new payment portal which offers expanded functionality beyond the traditional payment landing page
- + Consistent growth in Australia throughout H1 FY25 across all products, with Finance TTV per firm growing 20% to \$65,000 (H1 FY24: \$54,000)

+ QUICKFEE FINANCE

The Finance product allows clients to pay over 3, 6, 9 or 12 months while the firm gets paid in full within three business days at no cost to the firm, usually with no credit approval process for the client. Revenue is generated from the interest paid by the clients of professional services firms when they take out a payment plan to pay the fee invoices they receive. As revenue is recognised over the life of the loan term, TTV growth in any quarter will positively impact revenue in both current and future quarters.

+ QUICKFEE CONNECT (US ONLY)

QuickFee Connect offers a scalable Accounts Receivable solution that is designed specifically for accounting firms with a competitive subscription pricing model. It delivers an ecosystem for firms that want to build their own tech stack with deep functionality.

Connect automatically emails firms' invoices to their clients with a link to the QuickFee portal to enable all e-invoice recipients to pay over time with QuickFee's Finance product or pay in full via EFT/Card. By delivering up to 100% of firms' invoices electronically and directing more of firms' clients to pay online rather than by check, Connect drives both new subscription revenue streams and increases all products' total transaction volumes (TTV).

Review of operations and activities

Continued

United States

US SEGMENT RESULTS

A\$ '000	H1 FY25	H1 FY24	YEAR-ON-YEAR MOVEMENT
United States			
Revenue	5,631	5,146	+9%
Gross profit	3,951	3,377	+17%
EBTDA	771	-315	+245%

The US delivered robust results in H1 FY25 with revenue up 9% on pcp to A\$ 5.63 million (H1 FY24: A\$ 5.15 million), a 17% increase in gross profit to A\$ 3.95 million (H1 FY24: A\$ 3.38 million) and a positive EBTDA of A\$ 0.8 million (excluding shared product development costs), which is a very encouraging improvement on the prior year and a major operating milestone for the company.

Professional services – United States

QuickFee continues to benefit from the positive industry tailwinds driving adoption of automated financing and payments solutions across professional services in the US and the market opportunity remains significant.

QuickFee is gaining market traction with its unique suite of payments solutions with increased transaction volumes. Over the past year, QuickFee's strategy has been to attract larger firms, which have the potential to deliver higher transaction volumes through its payments platform and are better resourced to modernise their internal processes.

The strategic partnerships with the BDO Alliance, IRIS Software Group, Knuula and Mango are progressing well and are playing a key role in client retention as well as new firm acquisition.

Over the past six months, QuickFee has acquired several large new customers in the legal vertical and is now focused on gaining further traction in secondary verticals where QuickFee has proven success including legal, government contracting, executive search and other professional services businesses. The diversification of revenue across multiple verticals, significantly expands the addressable market for QuickFee's unique payment product suite for professional services firms.

QuickFee continues to invest in new product development with the recent launch of a new payment portal with increased functionality beyond the traditional landing page. The portal will allow customers to store their ACH and Card information, set up recurring payment plans, access historical invoices, set up autopay for future invoices and easily pay multiple invoices.

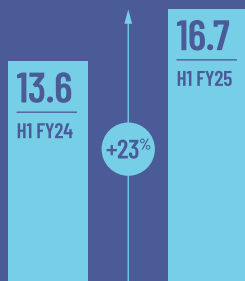
Operational metrics – United States

In H1 FY25, transaction volumes of QuickFee's platform continued to increase, with TTV for US Finance up 23% on pcp to US\$ 16.7 million (H1 FY24: US\$ 13.6 million) and for US Pay Now up 13% to US\$ 705 million (H1 FY24: US\$ 626 million). Total US Active Firms increased 3% in H1 FY25 to 765 (H1 FY24: 740) and total US transactions increased by 13% to 273,000 (H1 FY24: 241,000).

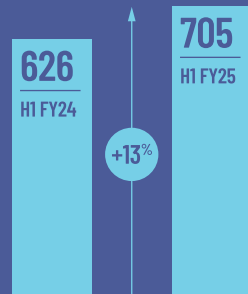
Review of operations and activities

United States Continued

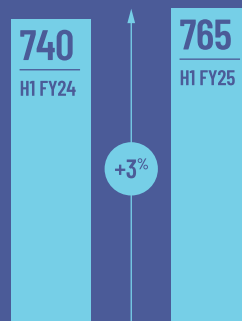
US FINANCE TTV (US\$M)



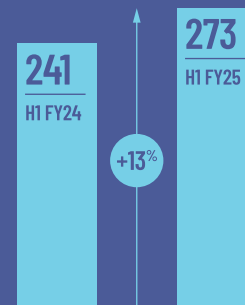
US PAY NOW TTV (US\$M)



US ACTIVE FIRMS



US TRANSACTIONS IN QUARTER (000s)



QuickFee Finance

In H1 FY25, US Finance revenue was US\$ 1.4 million up 17% on pcp (H1 FY24: US\$ 1.2 million) and US Finance TTV was US\$ 16.7 million, up 23% on pcp (H1 FY24: US\$ 13.6 million).

US Finance revenue yields decreased by 50 bps on pcp to 8.4% (H1 FY24: 8.9%) due to new loan originations late in H1 FY25. The US weighted average loan term in H1 FY25 was 9.6 months.

The demand for QuickFee Finance remains strong, both from accounting firms and in secondary verticals, due to favourable industry trends, a unique product suite and a compelling value proposition for firms.

QuickFee Connect

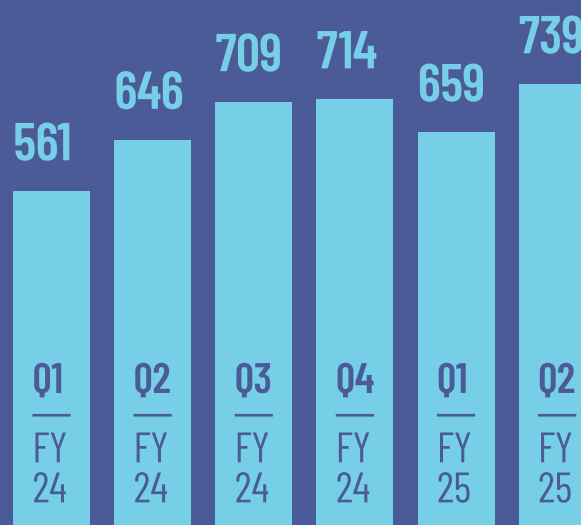
QuickFee is building momentum with the Connect subscription product with new integrations in the first half with Thomson Reuters Practice CS and PracticeERP, making a total of five Connect integrations with leading accounting practice management systems. These integrations enable QuickFee to drive transaction volume growth on the platform across the product suite and establish new recurring, high-margin revenue streams.

At 31 December 2024, QuickFee had 95 firms signed up for Connect. This includes 47 live customers and a further 48 in the implementation phase and expected to go-live in Q3

FY25. In H1 FY25, invoices delivered via Connect were up 38% to 29,000 half on half (H2 FY24: 21,000).

Over the past six months, there has been an increase in M&A activity in the accounting industry, with private equity firms active in rolling up medium-size accounting firms. The industry wide push to increase operational efficiency is driving increased demand for automation solutions, particularly in old manual payment processes.

US FINANCE REVENUE (US\$ 000s)



Review of operations and activities

Continued

Australia

The Australian business continued to deliver strong results in H1 FY25 with revenue up 48% on pcp to A\$ 6.09 million (H1 FY24: A\$ 4.11 million). Gross profit increased 56% on pcp to A\$ 3.64 million (H1 FY24: A\$ 2.33 million) and EBTDA more than doubled to A\$ 2.1 million (excluding shared product development costs)(H1 FY24: A\$ 0.8 million).

Finance TTV of A\$31.7 million up 25% on pcp (H1 FY24: A\$ 25.4 million) and the revenue yield on the Finance product increased by 270bps to 16.9% (H1 FY24: 14.2%), primarily due to the growth in the Australian Disbursement Funding (DF) Finance product which has higher revenue yields than the fee funding Finance product. The DF product now comprises ~35% of the total AU book.

Active Firms increased by 4% to 487 (H1 FY24: 470) and AU transactions increased by 19% to 37,000 (H1 FY24: 31,000). Demand remains strong in an economic environment of higher interest rates, as professional services firms and their clients seek to preserve their cash and improve their working capital.

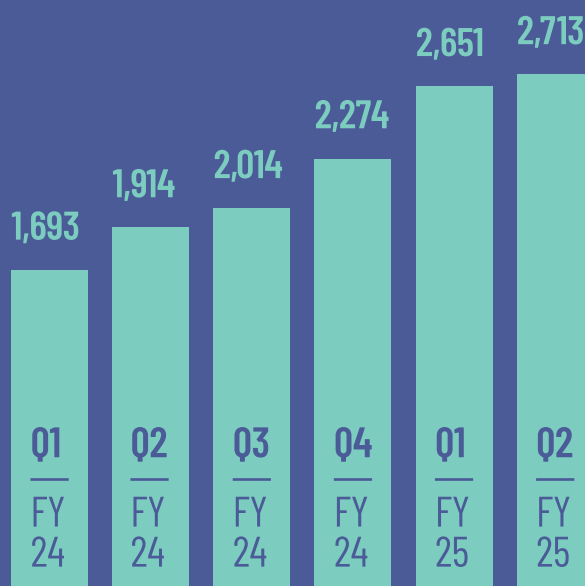
The 'Q Pay Plan' product, which provides Finance to the homeowner services market and includes the Jim's Group Franchise agreement, saw continued growth with H1 FY25 TTV up 100% to A\$ 2.8 million (H1 FY24: A\$ 1.4 million).

Operational metrics – Australia

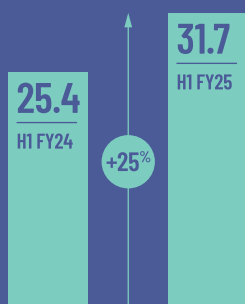
AU SEGMENT RESULTS

A\$ '000	H1 FY25	H1 FY24	YEAR-ON-YEAR MOVEMENT
Australia			
Revenue	6,088	4,109	+48%
Gross profit	3,638	2,330	+56%
EBTDA	2,113	837	+152%

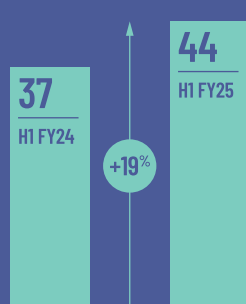
AU FINANCE REVENUE (A\$ 000S)



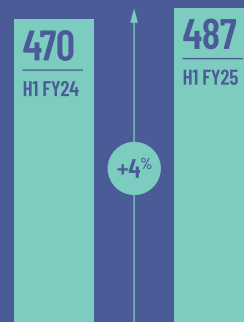
AU FINANCE TTV (A\$M)



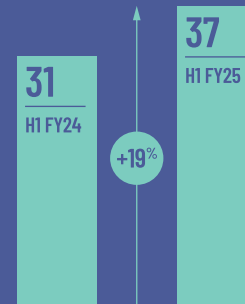
AU PAY NOW TTV (A\$M)



AU ACTIVE FIRMS



AU TRANSACTIONS (000S)



Financial performance

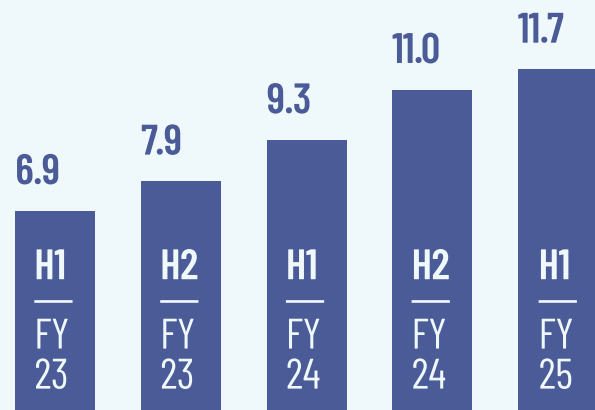
First ever profitable half-year with EBTDA* of A\$ 0.3 million; reflecting the results of a continued focus on higher yield products, sales execution, cost management and minimal credit losses.

Revenue

Group revenue was up 26% to A\$ 11.7 million for H1 FY25 (H1 FY24: A\$ 9.3 million), continuing the recent strong growth trend in TTV and revenue. Interest revenue was up 39% to A\$ 7.1 million (H1 FY24: A\$ 5.1 million) and payments and other revenue grew 10% to A\$ 4.6 million (H1 FY23: A\$ 4.2 million).

Higher revenue, improved gross margin and reduced operating expenses has delivered a positive EBTDA of \$0.3 million for H1 FY25, up A\$ 3.0 million on H1 FY24 (loss of A\$ 2.7 million).

GROUP REVENUE BY HALF-YEAR (A\$ M)



REVENUE ANALYSIS

A\$ '000	H1 FY25	H1 FY24	YEAR-ON-YEAR MOVEMENT
US ACH (PAY NOW)	3,155	2,971	+6%
US CARD (PAY NOW)	337	325	+4%
US FINANCE (PAY LATER)	2,113	1,850	+14%
CONNECT	26	-	-
US REVENUE	5,631	5,146	+9%
AU FINANCE (PAY LATER)	5,354	3,607	+48%
AU PAY NOW	493	409	+21%
AU BNPL	241	93	+159%
AU REVENUE	6,088	4,109	+48%
GROUP REVENUE	11,719	9,255	+27%

SUMMARY PROFIT AND LOSS

A\$ '000	H1 FY25	H1 FY24	YEAR-ON-YEAR MOVEMENT
GROUP REVENUE	11,719	9,255	+27%
GROSS PROFIT	7,589	5,707	+33%
GROSS MARGIN%	65%	62%	+5%
OTHER INCOME	3	3	-
OPERATING EXPENSES	(7,268)	(8,385)	-13%
EBTDA *	324	(2,675)	-112%
DEPRECIATION & AMORTISATION	(1,332)	(516)	+158%
NET FINANCE COSTS	(218)	(173)	+26%
LOSS FOR THE PERIOD	(1,226)	(3,364)	-64%

* EBTDA = statutory EBITDA less interest expense on loan book borrowings. This metric deducts interest on operating borrowings but excludes other finance costs.

Financial performance

Continued

Expenses

QuickFee's loan book growth in the half-year led to increased borrowings, which in turn resulted in interest expense increasing to A\$ 2.8 million (H1 FY24: A\$ 2.1 million).

Cost of sales decreased from A\$ 1.5 million in H1 FY24, to A\$ 1.3 million in H1 FY25; this saving of A\$ 0.2 million was a result of moving our US ACH processing in house and reducing third party ACH processing fees

Operating expenses were down 13% to A\$ 7.3 million (H1 FY24: A\$ 8.4 million), primarily driven by cost savings implemented in the first half of CY2024. General and administrative expenses were down A\$ 0.4 million on H1 FY24; and product development costs were down by A\$ 0.4 million as a result of the technology and product team restructure implemented executed by CTO Dave Moore in FY24.

Sales and marketing and customer acquisition costs were down A\$ 0.2 million in H1 FY25 vs H1 FY24 due to removal of non-essential staff overheads in the US.

Net bad debt write-offs in H1 FY25 were A\$ 16,000, 0.02% of total lending (H1 FY24: 0.14%). The average over the last 7 and a half years since FY18 is 0.14%. The provision for expected credit losses at 31 December 2024 was A\$ 162,000, which is 0.3% of the total loan receivables at 31 December 2024 (30 June 2024: 0.3%).

QuickFee's professional firms guarantee their client's borrowings for the fee funding Finance product, making the product extremely low risk and ensuring we continue to incur very low levels of bad debts across the business.

The group's depreciation and amortisation charge increased to A\$ 1.3 million (H1 FY24: A\$0.6 million) due to accelerated amortisation of previously capitalised costs arising from the establishment of existing borrowing facilities, expected to be replaced in the second half of FY25.

The group reported a positive EBTDA of A\$ 0.3 million, a A\$ 3.0 million improvement over H1 FY24 (loss of A\$ 2.7 million). Group loss after tax was A\$ 1.2 million (H1 FY24: loss of A\$ 3.4 million).

OPERATING EXPENSES

A\$ '000	H1 FY25	H1 FY24	YEAR-ON-YEAR MOVEMENT
GENERAL AND ADMINISTRATIVE EXPENSES	3,033	3,452	-12%
SELLING AND MARKETING EXPENSES	1,082	1,200	-
CUSTOMER ACQUISITION COSTS	1,278	1,374	-7%
PRODUCT DEVELOPMENT EXPENSES	1,875	2,359	-21%
TOTAL OPERATING EXPENSES	7,268	8,385	-13%

Financial performance

Continued

OPERATING EXPENSES BY HALF-YEAR (A\$ M)

8.3

H1 FY23

7.7

H2 FY23

8.4

H1 FY24

7.4

H2 FY24

7.3

H1 FY25

HALF-ON-HALF FINANCIAL PERFORMANCE

A\$ '000	H1 FY23	H2 FY23	H1 FY24	H2 FY24	H1 FY25
GROUP REVENUE	6,879	7,887	9,255	11,040	11,719
GROSS PROFIT	4,456	4,905	5,707	6,920	7,589
GROSS MARGIN %	65%	62%	62%	63%	65%
OTHER INCOME	100	51	3	2	3
OPERATING EXPENSES	(8,246)	(7,796)	(8,385)	(7,426)	(7,268)
EBTDA	(3,690)	(2,840)	(2,675)	(504)	324
DEPRECIATION AND AMORTISATION	(567)	(560)	(516)	(602)	(1,332)
NET FINANCE COSTS	(157)	(262)	(173)	(196)	(218)
LOSS FOR THE PERIOD	(4,414)	(3,662)	(3,364)	(1,302)	(1,226)

EBTDA BY HALF-YEAR (A\$M)

-3.8

H1 FY23

-2.7

H2 FY23

-2.7

H1 FY24

-0.5

H2 FY24

+0.3

H1 FY25

Financial performance

Continued

Balance sheet remains strong

Net assets at 31 December 2024 amounted to A\$ 7.7 million (30 June 2024: A\$ 8.5 million).

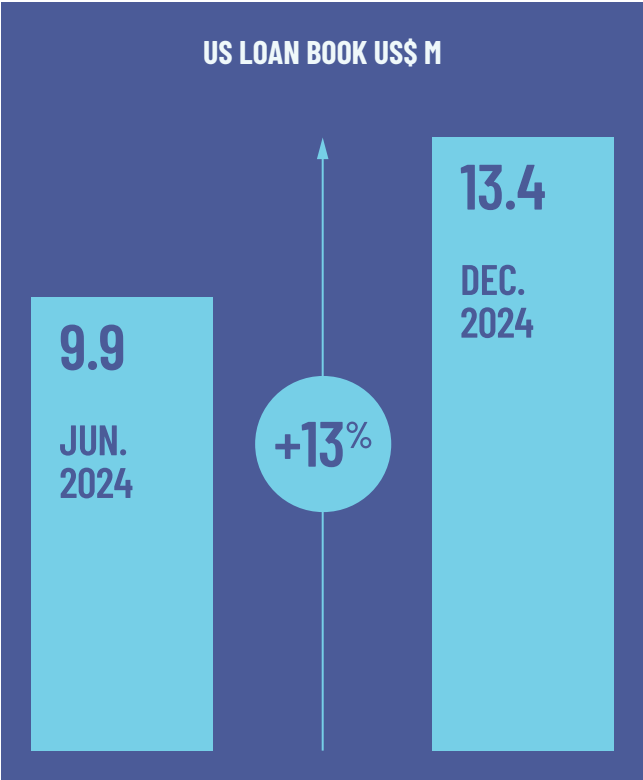
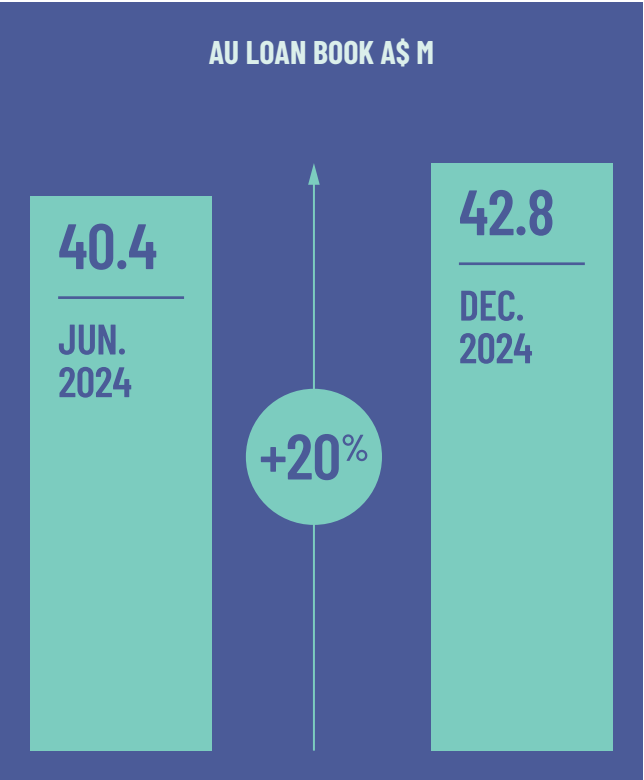
At 31 December 2024, the Company had A\$ 3.5 million unrestricted cash on hand, with borrowing growth capacity of a further A\$ 21.5 million from existing facilities available to fund future loan book growth. The Company keeps cash on hand to the minimum required to run the business, in order to minimise borrowing costs.

The group remains well funded with adequate liquidity and growth capacity.

The strong growth in the Finance product in the US and AU and the AU BNPL product has meant our total loan book has grown 16% to A\$ 64.3 million at 31 December 2024 (30 June 2024: A\$ 55.2 million)

CASH AND LIQUIDITY

A\$ M	31 DECEMBER 2024	30 JUNE 2024
UNRESTRICTED CASH AT BANK (A)	3.5	6.9
CASH HELD AT BANK REPRESENTING FIRMS' OUTSTANDING ACH SETTLEMENTS	11.9	6.6
TOTAL CASH AND CASH EQUIVALENTS	15.4	13.5
GROWTH CAPACITY (FURTHER BORROWINGS FACILITY HEADROOM) (B)	21.5	19.6
TOTAL UNRESTRICTED CASH PLUS GROWTH CAPACITY (A + B)	25.0	26.5



Financial performance

Continued

Outlook:

The growth potential for QuickFee's comprehensive payments portfolio remains substantial. The Australian business continues to perform well in a mature market, with ongoing opportunities for expansion of both the fee funding product and the disbursement funding product within the existing client base and through new firm acquisition.

The US market continues to be where the largest growth opportunities lie, given the market size and the lagging adoption of digital payments by professional services firms. In H2 FY25, QuickFee will continue to focus on further growth in its highest yield product QuickFee Finance as well as QuickFee Connect.

Transaction volumes on the Connect platform are expected to further increase through the integrations with leading accounting practice management solutions and are generating recurring revenue streams through its subscription model.

In addition, QuickFee will continue to target secondary verticals, deepen relationships with strategic partners and develop new white label offerings. With disciplined management of the cost base and the careful deployment of resources, QuickFee will leverage its scalable model to take advantage of the significant upside potential over the years ahead.

Directors' report

For the half-year ended 31 December 2024

Your directors present their report on the consolidated entity consisting of QuickFee Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2024. Throughout the report, QuickFee Limited is referred to as the 'company', or 'group' when including its subsidiaries comprising the consolidated entity.

This directors' report covers the period from 1 July 2024 to 31 December 2024 (H1 FY25). The comparative period is from 1 July 2023 to 31 December 2023 (H1 FY24).

Directors

The following persons were directors of QuickFee Limited during the whole of the half-year and up to the date of this report:

- Dale Smorgon, Non-Executive Chairman
- Bruce Coombes, Executive Director and Managing Director, Australia
- Michael McConnell, Non-Executive Director

Review of operations

Information on the operations and financial position of the group and its business strategies and prospects is set out in the review of operations and activities on pages 4 to 12 of this interim report.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 14.

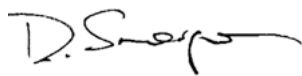
Events occurring after the reporting period

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial periods.

Rounding of amounts

The group is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report and financial statements. Amounts in the directors' report and financial statements have been rounded off to the nearest thousand dollars, or in certain cases the nearest dollar.

This report is made in accordance with a resolution of directors.



Dale Smorgon

Non-Executive Chairman

21 February 2025

Auditor's independence declaration

For the half-year ended 31 December 2024

WilliamBuck
ACCOUNTANTS & ADVISORS

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Quickfee Limited

As lead auditor for the review of Quickfee Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Quickfee Limited and the entities it controlled during the period.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A. A. Finnis

A. A. Finnis
Director
Melbourne 21 February 2025

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William Buck is an association of firms, each trading under the name of William Buck across Australia and New Zealand with affiliated offices worldwide.
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 **PRAXITY**
Empowering Business Globally

QuickFee Limited

ABN 93 624 448 693

Interim Report – 31 December 2024

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by QuickFee Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

QuickFee Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is at Suite 4.07, 10 Century Circuit, Norwest NSW 2153. Its shares are listed on the Australian Securities Exchange.

Consolidated statement of profit or loss and other comprehensive income

For the half-year ended 31 December 2024

	NOTES	H1 FY25 \$'000	H1 FY24 \$'000
Revenue	2,3(a)	11,719	9,255
Interest expense	2(a)	(2,792)	(2,055)
Cost of sales		(1,338)	(1,493)
Gross profit		7,589	5,707
Other income		3	3
General and administrative expenses		(3,033)	(3,452)
Depreciation and amortisation		(1,332)	(516)
Selling and marketing expenses		(1,082)	(1,200)
Customer acquisition expenses		(1,278)	(1,374)
Product development expenses		(1,875)	(2,359)
Operating loss		(1,008)	(3,191)
Net finance costs		(218)	(173)
Loss before income tax		(1,226)	(3,364)
Income tax expense		-	-
Loss for the period		(1,226)	(3,364)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		16	(89)
Total comprehensive loss for the period		(1,210)	(3,453)
		CENTS	CENTS
Loss per share for loss attributable to the ordinary equity holders of the company:			
Basic and diluted loss per share	9(a)	(0.4)	(1.2)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 31 December 2024

	NOTES	31 DECEMBER 2024 \$'000	30 JUNE 2024 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		15,436	13,551
Loan receivables	4(a)	62,978	54,004
Trade and other receivables		726	761
Other current assets		499	761
Total current assets		79,639	69,077
Non-current assets			
Loan receivables	4(a)	1,356	1,198
Capitalised software development costs		254	-
Plant and equipment		82	97
Right-of-use assets		231	313
Other non-current assets		63	63
Total non-current assets		1,986	1,671
Total assets		81,625	70,748
LIABILITIES			
Current liabilities			
Firm settlements outstanding	4(a)	18,981	10,804
Trade and other payables		1,540	1,675
Borrowings	4(b)	52,161	48,344
Lease liabilities		149	186
Employee benefit obligations		703	756
Total current liabilities		73,534	61,765
Non-current liabilities			
Borrowings	4(b)	244	285
Lease liabilities		120	173
Employee benefit obligations		10	17
Total non-current liabilities		374	475
Total liabilities		73,908	62,240
Net assets		7,717	8,508
EQUITY			
Contributed equity	5(a)	51,924	51,563
Other reserves	5(b)	1,030	956
Accumulated losses		(45,237)	(44,011)
Total equity		7,717	8,508

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

For the half-year ended 31 December 2024

	NOTES	ATTRIBUTABLE TO OWNERS OF QUICKFEE LIMITED			TOTAL EQUITY \$'000
		CONTRIBUTED EQUITY	OTHER RESERVES	ACCUMULATED LOSSES	
		\$'000	\$'000	\$'000	
Balance at 1 July 2023		47,241	1,049	(39,345)	8,945
Loss for the period		-	-	(3,364)	(3,364)
Other comprehensive loss		-	(89)	-	(89)
Total comprehensive loss for the period		-	(89)	(3,364)	(3,453)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs		(5)	-	-	(5)
Share-based payment vesting charge	6(c)	-	167	-	167
Conversion to equity upon vesting of performance rights		149	(149)	-	-
Issue of share warrants		-	289	-	289
		144	307	-	451
Balance at 31 December 2023		47,385	1,267	(42,709)	5,943

	NOTES	ATTRIBUTABLE TO OWNERS OF QUICKFEE LIMITED			TOTAL EQUITY \$'000
		CONTRIBUTED EQUITY	OTHER RESERVES	ACCUMULATED LOSSES	
		\$'000	\$'000	\$'000	
Balance at 1 July 2024		51,563	956	(44,011)	8,508
Loss for the period		-	-	(1,226)	(1,226)
Other comprehensive income		-	16	-	16
Total comprehensive income/(loss) for the period		-	16	(1,226)	(1,210)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs	5(a)	336	-	-	336
Share-based payment vesting charge	6(c)	-	83	-	83
Conversion to equity upon vesting of performance rights		25	(25)	-	-
		361	58	-	419
Balance at 31 December 2024		51,924	1,030	(45,237)	7,717

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

For the half-year ended 31 December 2024

	H1 FY25 \$'000	H1 FY24 \$'000
Cash flows from operating activities		
Interest, fees and charges from customers and firms (inclusive of GST)	10,991	9,200
Payments to suppliers and employees (inclusive of GST)	(8,511)	(10,214)
Interest and net finance costs paid	(3,010)	(1,946)
Net cash outflow from operating activities before changes in loan receivables and firm settlements outstanding	(530)	(2,960)
Payments to firms to settle loan receivables and movement in firm settlements outstanding	(49,142)	(47,353)
Receipts from firms' customers in respect of loan receivables	49,540	41,057
Net cash outflow from operating activities	(132)	(9,256)
Cash flows from investing activities		
Payments for plant and equipment	(30)	(168)
Payments for other non-current assets	(281)	-
Net cash outflow from investing activities	(311)	(168)
Cash flows from financing activities		
Proceeds from issues of shares	350	-
Share issue transaction costs	(14)	(5)
Proceeds of loan receivables borrowings, net of repayments	2,109	10,410
Payments for establishment of borrowings facility and issue of subsequent loan notes	(385)	(527)
Principal elements of lease payments	(104)	(79)
Net cash inflow from financing activities	1,956	9,799
Net increase in cash and cash equivalents	1,513	375
Cash and cash equivalents at the beginning of the financial period	13,551	3,387
Effects of exchange rate changes on cash and cash equivalents	372	114
Cash and cash equivalents at end of the financial period	15,436	3,876

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the half-year ended 31 December 2024

1 Segment information

(a) Description of segments and principal activities

The group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team, consisting of the President-North America, Managing Director, Australia and Chief Financial Officer.

Management examines the group's performance from both a geographic, product development and product profitability perspective and has identified the following reportable operating segments of its business:

(i) **Payment and lending operations in Australia (AU);**

(ii) **Payment and lending operations in the United States (US);**

These parts of the business operates a suite of payment and lending offerings via an online portal to professional, commercial and homeowner services providers in Australia and the US. These solutions help customers of service providers access the advice and services they need, with the choice to pay immediately in full or over time by instalment. The executive management team monitors the performance in the Australian and US regions separately.

(iii) **Product development:** this part of the business undertakes the research and development of the group's software and technology solutions.

In addition, management also examines the group's same performance across a different set of segments, namely 'product profitability' and has identified the following product profitability segments of its business:

(i) **In Australia:** QuickFee EFT & Card ('Pay Now'); QuickFee Finance; and QuickFee Buy Now, Pay Later (BNPL or Q Pay Plan);

(ii) **In the United States:** QuickFee ACH ('Pay Now'); QuickFee Card ('Pay Now'); QuickFee Finance; and QuickFee Connect.

The group does not have any customers that make up more than 10% of group revenue.

(b) Country and product development segments

(i) **Gross profit and EBTDA**

Gross profit is equal to revenue, less cost of sales and less interest expense on borrowings that support loan receivables. EBTDA is equal to EBITDA (earnings before interest, taxes, depreciation and amortisation) less interest expense on borrowings that support loan receivables.

(ii) **Share-based payment expenses**

In the consolidated statement of profit or loss and other comprehensive income, the line item 'general and administrative expenses' includes share-based payment expenses. In this note, these expenses are itemised separately and excluded from the 'general and administrative expenses' line item.

Notes to the financial statements *continued*

1 Segment information *continued*

(b) Country and product development segments *continued*

The table below shows profit/(loss) for the half-year ended 31 December 2024, allocated by country and product development segment which reconciles to profit/(loss) for the period:

	AU	US	PRODUCT DEVELOPMENT	UNALLOCATED	TOTAL
H1 FY25	\$'000	\$'000	\$'000	\$'000	\$'000
Interest revenue	5,135	1,984	–	–	7,119
Interest expense	(1,603)	(1,189)	–	–	(2,792)
Net interest revenue	3,532	795	–	–	4,327
Revenue from contracts with customers	953	3,647	–	–	4,600
Cost of sales	(847)	(491)	–	–	(1,338)
Gross profit	3,638	3,951	–	–	7,589
Other income	3	–	–	–	3
General and administrative expenses	(882)	(1,466)	–	(601)	(2,949)
Selling and marketing expenses	(355)	(727)	–	–	(1,082)
EBTDA before customer acquisition and product development expenses and significant items	2,404	1,758	–	(601)	3,561
Customer acquisition expenses	(291)	(987)	–	–	(1,278)
Product development expenses	–	–	(1,875)	–	(1,875)
EBTDA before significant items	2,113	771	(1,875)	(601)	408
Share-based payment expenses	–	–	–	(84)	(84)
EBTDA	2,113	771	(1,875)	(685)	324
Depreciation and amortisation	(259)	(111)	–	(962)	(1,332)
Net finance costs	(95)	(123)	–	–	(218)
Profit/(loss) for the period	1,759	537	(1,875)	(1,647)	(1,226)

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Notes to the financial statements *continued*

1 Segment information *continued*

(b) Country and product development segments *continued*

The table below shows profit/(loss) for the half-year ended 31 December 2023, allocated by country and product development segment which reconciles to profit/(loss) for the period:

	AU	US	PRODUCT DEVELOPMENT	UNALLOCATED	TOTAL
H1 FY24	\$'000	\$'000	\$'000	\$'000	\$'000
Interest revenue	3,329	1,734	–	–	5,063
Interest expense	(1,072)	(983)	–	–	(2,055)
Net interest revenue	2,257	751	–	–	3,008
Revenue from contracts with customers	780	3,412	–	–	4,192
Cost of sales	(707)	(786)	–	–	(1,493)
Gross profit	2,330	3,377	–	–	5,707
Other income	3	–	–	–	3
General and administrative expenses	(897)	(1,717)	–	(671)	(3,285)
Selling and marketing expenses	(388)	(812)	–	–	(1,200)
EBTDA before customer acquisition and product development expenses and significant items	1,048	848	–	(671)	1,225
Customer acquisition expenses	(211)	(1,163)	–	–	(1,374)
Product development expenses	–	–	(2,359)	–	(2,359)
EBTDA before significant items	837	(315)	(2,359)	(671)	(2,508)
Share-based payment expenses	–	–	–	(167)	(167)
EBTDA	837	(315)	(2,359)	(838)	(2,675)
Depreciation and amortisation	(56)	(57)	–	(403)	(516)
Net finance costs	(86)	(87)	–	–	(173)
Profit/(loss) for the period	695	(459)	(2,359)	(1,241)	(3,364)

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Notes to the financial statements *continued*

1 Segment information *continued*

(c) Segment assets and liabilities

The table below shows segment assets and liabilities as at 31 December 2024:

	AU	PRODUCT US DEVELOPMENT		UNALLOCATED	TOTAL
31 DECEMBER 2024	\$'000	\$'000	\$'000	\$'000	\$'000
Segment assets	43,185	22,867	–	15,573	81,625
Total assets	43,185	22,867	–	15,573	81,625
Segment liabilities	39,387	35,350	–	(829)	73,908
Total liabilities	39,387	35,350	–	(829)	73,908

The table below shows segment assets and liabilities as at 30 June 2024:

	AU	PRODUCT US DEVELOPMENT		UNALLOCATED	TOTAL
30 JUNE 2024	\$'000	\$'000	\$'000	\$'000	\$'000
Segment assets	40,808	16,157	–	13,783	70,748
Total assets	40,808	16,157	–	13,783	70,748
Segment liabilities	41,910	21,560	–	(1,230)	62,240
Total liabilities	41,910	21,560	–	(1,230)	62,240

Notes to the financial statements *continued*

1 Segment information *continued*

(d) Product profitability segments

The table below shows adjusted gross profit for the half-year ended 31 December 2024 allocated by product profitability segment, which reconciles to gross profit for the period:

	EFT AND CARD	FINANCE	BNPL	TOTAL	
H1 FY25	\$'000	\$'000	\$'000	\$'000	
Australia					
Interest revenue	–	4,944	191	5,135	
Revenue from contracts with customers	493	410	50	953	
Total gross revenue	493	5,354	241	6,088	
Direct processing costs	(484)	(14)	(22)	(520)	
Platform, credit check and credit staff costs	–	(321)	(6)	(327)	
Cost of sales	(484)	(335)	(28)	(847)	
Interest expense	–	(1,473)	(130)	(1,603)	
Gross profit for the period	9	3,546	83	3,638	
	ACH	CARD	FINANCE	CONNECT	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
United States					
Interest revenue	–	–	1,984	–	1,984
Revenue from contracts with customers	3,155	337	129	26	3,647
Total gross revenue	3,155	337	2,113	26	5,631
Direct processing costs	(187)	–	–	–	(187)
Platform, credit check and credit staff costs	(68)	(9)	(207)	(20)	(304)
Cost of sales	(255)	(9)	(207)	(20)	(491)
Interest expense	–	–	(1,189)	–	(1,189)
Gross profit for the period	2,900	328	717	6	3,951
Total gross profit for the period					7,589

Notes to the financial statements *continued*

1 Segment information *continued*

(d) Product profitability segments *continued*

The table below shows adjusted gross profit for the half-year ended 31 December 2023 allocated by product profitability segment, which reconciles to gross profit for the period:

	EFT AND CARD	FINANCE	BNPL	TOTAL	
H1 FY24	\$'000	\$'000	\$'000	\$'000	
Australia					
Interest revenue	–	3,262	67	3,329	
Revenue from contracts with customers	409	345	26	780	
Total gross revenue	409	3,607	93	4,109	
Direct processing costs	(403)	(13)	(28)	(444)	
Platform, credit check and credit staff costs	–	(255)	(8)	(263)	
Cost of sales	(403)	(268)	(36)	(707)	
Interest expense	–	(1,072)	–	(1,072)	
Gross profit for the period	6	2,267	57	2,330	
	ACH	CARD	FINANCE	CONNECT	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000
United States					
Interest revenue	–	–	1,734	–	1,734
Revenue from contracts with customers	2,971	325	116	–	3,412
Total gross revenue	2,971	325	1,850	–	5,146
Direct processing costs	(446)	–	(2)	–	(448)
Platform, credit check and credit staff costs	(86)	(19)	(233)	–	(338)
Cost of sales	(532)	(19)	(235)	–	(786)
Interest expense	–	–	(983)	–	(983)
Gross profit for the period	2,439	306	632	–	3,377
Total gross profit for the period					5,707

Notes to the financial statements *continued*

2 Revenue

	NOTES	H1 FY25 \$'000	H1 FY24 \$'000
Interest revenue using the effective interest rate method	2(a)	7,119	5,063
Revenue from contracts with customers	3	4,600	4,192
Total revenue		11,719	9,255

(a) Net interest revenue

	H1 FY25 \$'000	H1 FY24 \$'000
Interest revenue		
Loan receivables	7,119	5,063
Interest expense		
Loan receivables – financial institution lenders	(2,792)	(2,055)
Net interest revenue	4,327	3,008

3 Revenue from contracts with customers

(a) Disaggregation of revenue from contracts with customers

The group derives revenue from the transfer of services over time and at a point in time in the following major streams:

	APPLICATION FEE REVENUE \$'000	MERCHANT FEE REVENUE \$'000	PLATFORM FEE REVENUE \$'000	TOTAL \$'000
H1 FY25				
Timing of revenue recognition				
At a point in time	–	4,138	26	4,164
Over time	315	–	121	436
	315	4,138	147	4,600
H1 FY24				
Timing of revenue recognition				
At a point in time	–	3,805	13	3,818
Over time	305	–	69	374
	305	3,805	82	4,192

Notes to the financial statements *continued*

4 Financial assets and financial liabilities

(a) Cash-in-transit, loan receivables and firm settlements outstanding

Cash and cash equivalents includes A\$ 11,951,000 (30 June 2024: A\$ 6,643,000) of cash balances held on behalf of the group's customers in bank accounts that are used to process the group's US ACH (Pay Now) transactions. These amounts are also included within the firm settlements outstanding balance shown in the table below. These amounts arose for the first time in FY24 when the group commenced processing ACH transactions 'in-house', whereas it had previously used a third party payments organisation to process ACH transactions.

		31 DECEMBER 2024			30 JUNE 2024		
	NOTES	CURRENT \$'000	NON-CURRENT \$'000	TOTAL \$'000	CURRENT \$'000	NON-CURRENT \$'000	TOTAL \$'000
Gross loan receivables	4(a)(i), (ii)	63,140	1,356	64,496	54,150	1,198	55,348
Expected credit losses		(162)	-	(162)	(146)	-	(146)
Loan receivables		62,978	1,356	64,334	54,004	1,198	55,202
Firm settlements outstanding	4(a)(iii), (iv)	18,981	-	18,981	10,804	-	10,804

(i) Classification of gross loan receivables

Gross loan receivables are amounts due from customers of firm for payment plans (loans) entered into in the ordinary course of business from the *QuickFee Finance* and *BNPL* products.

(ii) Recognition and measurement of gross loan receivables

Gross loan receivables are non-derivative financial assets, with fixed and determinable payments that are not quoted in an active market. Loan receivables are initially recognised at fair value. The group holds the loan receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Loan receivables are due for settlement at various times, typically up to 12 months, in line with the terms of their contracts.

(iii) Classification of firm settlements outstanding

Firm settlements outstanding represent the following:

- payment plans (loans) approved but yet to be settled by the group to firms, usually due to the first instalment having not been received as cleared funds; and
- pay in full transactions yet to be settled by the group to firms.

(iv) Recognition and measurement of firm settlements outstanding

Firm settlements outstanding are non-derivative financial liabilities, with fixed and determinable payments that are not quoted in an active market. The carrying amounts of firm settlements outstanding are considered to be the same as their fair values, due to their short-term nature. Transactions awaiting settlement turnover quickly, typically within one to seven days.

Notes to the financial statements *continued*

4 Financial assets and financial liabilities *continued*

(b) Borrowings

	NOTES	31 DECEMBER 2024			30 JUNE 2024		
		CURRENT	NON-CURRENT	TOTAL	CURRENT	NON-CURRENT	TOTAL
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Secured							
Northleaf Capital Partners Ltd	4(b)(i)	46,341	244	46,585	43,802	285	44,087
Wingate Corporate Investments	4(b)(ii)	7,000	-	7,000	6,500	-	6,500
Total secured borrowings		53,341	244	53,585	50,302	285	50,587
Capitalised borrowing costs							
Unamortised borrowing costs		(1,180)	-	(1,180)	(1,958)	-	(1,958)
Total capitalised borrowing costs		(1,180)	-	(1,180)	(1,958)	-	(1,958)
Total borrowings		52,161	244	52,405	48,344	285	48,629

(i) Northleaf Capital Partners Ltd (Northleaf)

The Northleaf credit facility consists of a US\$ 40 million committed first lien facility, comprising a US\$ 5 million revolving credit facility (denominated in US dollars) and a US\$ 35 million term loan facility (denominated in Australian dollars). The facility is drawable in either Australian or US dollars, with an additional optional US\$ 30 million accordion feature, subject to Northleaf's approval. The debt is secured over certain identified loan receivables of QuickFee AU and QuickFee US. The US dollar credit facility attracts interest at 6.25% per annum plus SOFR. The AU dollar credit facility attracts interest at 6.25% per annum plus AU BBSW. In addition, a fee of 0.75% per annum applies to any unused portion of the committed US\$ 40 million facility. At 31 December 2024, US\$ 5 million was drawn from the revolver and US\$ 5 million and AU\$ 30.5 million was drawn from the term loan facility. The facility maturity date is 30 November 2025 and the draw availability period ends on 31 March 2025. The group was in compliance with all facility agreement covenants throughout the year.

(ii) Wingate Corporate Investments (Wingate)

The Wingate credit facility was completed on 21 December 2023. The facility consists of a AU\$ 10 million revolving credit facility, secured over certain identified disbursement funding loan receivables of QuickFee AU. The facility attracts interest at AU BBSW plus a margin of 9% per annum. In addition a fee of 2% per annum applies to any unused portion of the committed AU\$ 10 million facility. At 31 December 2024, AU\$ 7.0 million was drawn from the facility. The facility maturity date is 30 June 2028 and the draw availability period ends on 30 June 2025. The group was in compliance with all facility agreement covenants throughout the year.

Notes to the financial statements *continued*

4 Financial assets and financial liabilities *continued*

(b) Borrowings *continued*

(iii) Fair values

The fair values of borrowings are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

(iv) Capitalised borrowing costs

Carrying values of borrowings are offset by prepaid costs of establishment of both facilities.

5 Equity

(a) Contributed equity

	NOTES	31 DECEMBER 2024 NUMBER OF SHARES '000	30 JUNE 2024 NUMBER OF SHARES '000	31 DECEMBER 2024 \$'000	30 JUNE 2024 \$'000
Ordinary shares					
Fully paid		341,091	331,578	51,924	51,563
	5(a)(i)	341,091	331,578	51,924	51,563

(i) Movements in ordinary shares:

DETAILS	NUMBER OF SHARES '000	TOTAL \$'000
Balance at 1 July 2024	331,578	51,563
2 July 2024: Issued at A\$nil pursuant to vesting of director and employee unlisted performance rights	128	-
30 August 2024: Issued at A\$nil pursuant to vesting of director and employee unlisted performance rights	5,010	-
22 November 2024: Share issue at A\$0.08 pursuant to May 2024 share placement	4,375	350
Transfer from share based payments reserve on vesting of performance rights and conversion into ordinary shares	-	25
Less: Transaction costs arising on share issues	-	(14)
Balance at 31 December 2024	341,091	51,924

(ii) Ordinary shares

Ordinary shares entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

Notes to the financial statements *continued*

5 Equity *continued*

(b) Other reserves

The following table shows a breakdown of the statement of financial position line item 'other reserves' and the movements in these reserves during the period. A description of the nature and purpose of each reserve is provided below the table.

		SHARE-BASED PAYMENT RESERVE	FOREIGN CURRENCY TRANSLATION RESERVE	TOTAL OTHER RESERVES
	NOTES	\$'000	\$'000	\$'000
Balance at 1 July 2024		903	53	956
Currency translation differences		–	16	16
Transactions with owners in their capacity as owners:				
Share options expensed	6(c)	25	–	25
Performance rights expensed	6(c)	58	–	58
Performance rights vested	5a(i)	(25)	–	(25)
As at 31 December 2024		961	69	1,030

(i) Nature and purpose of other reserves

Share-based payments

The share-based payment reserve records items recognised as expenses on valuation of share options, performance rights and warrants issued to key management personnel, other employees and eligible contractors and third parties.

Foreign currency translation

Exchange differences arising on translation of foreign controlled entities are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Notes to the financial statements *continued*

6 Share-based payments

The group's 'Performance Rights and Options Plan' (PROP) was last approved by shareholders at the 2021 Annual General Meeting and further updated for certain minor legislative changes on 19 September 2023. The plan is designed to provide long-term incentives for employees (including directors) and consultants to deliver long-term shareholder returns. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

(a) Share options

Set out below are summaries of share options, including those granted under the PROP:

	H1 FY25	
	WEIGHTED AVERAGE EXERCISE PRICE PER SHARE OPTION \$	NUMBER OF OPTIONS
As at 1 July 2024	0.252	6,195,830
Granted during the period	0.099	1,425,000
Forfeited/lapsed during the period	0.098	(158,333)
As at 31 December 2024	0.232	7,462,497
Vested and exercisable at 31 December 2024	0.305	4,804,165

The grant of 1,425,000 employee share options (QFEAAC, QFEAAD, QFEAAE and QFEAAF) on 1 July 2024 vest at various dates contingent on continued employment through to each vesting date. These options expire on 30 June 2029.

As the grant date of 1 July 2024 occurred on the date the employees began rendering services in respect of that grant, AASB 2 *Share-based Payment* requires the group to commence recognition of the share-based payment expense when the services are received. Consequently, the group commenced amortisation on 1 July 2024. The valuation inputs reflect the 1 July 2024 grant date fair value.

Notes to the financial statements *continued*

6 Share-based payments *continued*

(a) Share options *continued*

(i) Fair value of options granted

The assessed fair value at grant date of options was determined using the binomial pricing model that takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the option and certain probability assumptions.

The model inputs for options granted during the half-year ended 31 December 2024 included:

CODE	GRANT DATE	EXERCISE PRICE	NO. OF OPTIONS	SHARE PRICE AT GRANT DATE	EXPECTED VOLATILITY	DIVIDEND YIELD	RISK-FREE INTEREST RATE	FAIR VALUE AT GRANT DATE PER OPTION
QFEAAC	1 July 2024	A\$0.084	356,264	A\$0.068	73.9%	0.0%	4.07%	A\$0.040
QFEAAD	1 July 2024	A\$0.095	356,247	A\$0.068	73.9%	0.0%	4.07%	A\$0.038
QFEAAE	1 July 2024	A\$0.103	356,247	A\$0.068	73.9%	0.0%	4.07%	A\$0.037
QFEAAF	1 July 2024	A\$0.115	356,242	A\$0.068	73.9%	0.0%	4.07%	A\$0.036

(b) Performance rights

Set out below are summaries of performance rights granted under the PROP:

	H1 FY25 NUMBER OF PERFORMANCE RIGHTS
As at 1 July 2024	8,477,830
Granted during the period	7,026,562
Vested and converted to ordinary shares during the period	(127,830)
Forfeited/lapsed during the period	(1,650,000)
As at 31 December 2024	13,726,562

The grant of 3,700,000 performance rights to various employees on 1 July 2024 and 700,000 to Bruce Coombes on 1 July 2024 contain share price performance conditions, applied in two equal tranches, as follows:

- Tranche 1 of the performance rights vests on the first date after 31 January 2025 that a 30 day Volume Weighted Average Price of the Company's shares (ASX:QFE) (VWAP) of 15 cents is achieved; and
- Tranche 2 of the performance rights vests on the first date after 31 January 2026 that a 30 day VWAP of the Company's shares (ASX:QFE) WAP of 20 cents is achieved.

Tranche 1 and Tranche 2 expire on 30 June 2027.

Notes to the financial statements *continued*

6 Share-based payments *continued*

(b) Performance rights *continued*

The grant of 1,026,039 performance rights to various employees and 1,600,523 to Bruce Coombes (subject to shareholder approval) on 1 July 2024 were granted under the company's Short Term Incentive (STI) Equity Sacrifice Plan (STIESP) for directors and employees. Under this plan, directors and employees may elect to receive part or all of their annual fees or Short Term Incentive awards in shares, issued at the 7 day VWAP as at 1 July 2024, together with a 25% incentive bonus also paid in shares at the same price. The issue price for shares awarded under this component of the company's STI plan has been calculated to be \$0.07 per share. Performance rights will vest at the end of the relevant financial year and shares will be issued in lieu of that monetary portion of remuneration or STI for the full year, after the end of that financial year and any required shareholder approval, and convert into ordinary shares at the stated issue price set at the beginning of the relevant year. The number of performance rights granted under this scheme is included in the table above.

As the grant dates above occurred on the date the employees began rendering services in respect of those grants, AASB 2 requires the group to commence recognition of the share-based payment expense when the services are received. Consequently, the group commenced amortisation on 1 July 2024. The valuation inputs reflect the grant dates fair values.

All performance rights convert into one ordinary share in the company upon vesting.

(i) Fair value of performance rights granted

The assessed fair value at grant date of performance rights at grant date was determined based on the share price at grant date.

The model inputs for performance rights granted during the half-year ended 31 December 2024 included:

GRANT DATE	CODE	EXERCISE PRICE	VESTING DATE	SHARE PRICE AT GRANT DATE	EXPECTED VOLATILITY	DIVIDEND YIELD	RISK-FREE INTEREST RATE	FAIR VALUE AT GRANT DATE PER PERFORMANCE RIGHT
1 July 2024	QFEAM	A\$-	31 Jan 2025 – 30 June 2027	A\$0.068	73.9%	0.0%	4.00%	A\$0.009
1 July 2024	QFEAM	A\$-	31 Jan 2026 – 30 June 2027	A\$0.068	73.9%	0.0%	4.00%	A\$0.009
Short Term Incentive Equity Sacrifice Plan:								
1 July 2024	QFEAM	A\$0.07	30 June 2025	A\$0.068	73.9%	0.0%	4.00%	A\$0.009

Notes to the financial statements *continued*

6 Share-based payments *continued*

(c) Expenses and other transactions arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	NOTE	H1 FY25 \$'000	H1 FY24 \$'000
Share options issued or to be issued under the PROP	6(a)	25	36
Performance rights issued or to be issued under the PROP	6(b)	58	131
		83	167

7 Contingent liabilities

The group had no material contingent liabilities at 31 December 2024.

8 Events occurring after the reporting period

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial periods.

9 Loss per share

(a) Basic and diluted loss per share

	H1 FY25 CENTS	H1 FY24 CENTS
Basic and diluted loss per share		
Total basic and diluted loss per share attributable to the ordinary equity holders of the company	(0.4)	(1.2)

(a) Reconciliation of loss used in calculating basic and diluted loss per share

	H1 FY25 \$'000	H1 FY24 \$'000
Basic and diluted loss per share		
Loss attributable to the ordinary equity holders of the company used in calculating basic and diluted loss per share	(1,226)	(3,364)

(b) Weighted average number of shares used as the denominator

	H1 FY25 '000	H1 FY24 '000
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	336,033	273,161

Notes to the financial statements *continued*

9 Loss per share *continued*

(c) Information concerning the classification of securities

Share options and performance rights granted are considered to be potential ordinary shares. The outstanding share options and performance rights are not treated as dilutive because their conversion to ordinary shares would not increase the loss per share from continuing operations and thus they are not included in the calculation of diluted earnings per share for the half-years ended 31 December 2024 and 31 December 2023. These securities could potentially dilute basic earnings per share in the future. Details relating to the share options and performance rights are set out in note 6(a) and 6(b), respectively.

10 Basis of preparation of half-year report

Material Accounting Policy Information

This consolidated interim financial report for the half-year reporting period ended 31 December 2024 has been prepared in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2024 and any public announcements made by QuickFee Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

(a) New and amended standards adopted by the group

A number of amended standards became applicable for the current reporting period. The group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

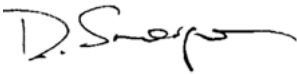
Directors' declaration

For the half-year ended 31 December 2024

In the directors' opinion:

- (a) the financial statements and notes set out on pages 16 to 35 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the group's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and
- (b) there are reasonable grounds to believe that QuickFee Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



Dale Smorgon

Non-Executive Chairman

21 February 2025

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Independent auditor's review report

For the half-year ended 31 December 2024



Independent auditor's review report to the members of QuickFee Limited

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of QuickFee Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including a summary of material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Independent auditor's review report

continued



Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'William Buck'.

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136

A handwritten signature in black ink that reads 'A. A. Finnis'.

A. A. Finnis
Director
Melbourne, 21 February 2025

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Corporate directory

Directors

Dale Smorgon
Non-Executive Chairman

Michael McConnell
Non-Executive Director

Bruce Coombes
Executive Director and Managing Director, Australia

Secretary

Simon Yeandle

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Norwest NSW 2153 Australia

Telephone: +61 (0)2 8090 7700

Principal place of business

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Norwest NSW 2153 Australia

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Telephone: +1 (844) 968 4387

Share register

Boardroom Pty Limited

Level 8, 210 George Street
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Telephone: +61 (0)2 9290 9600

Auditor

William Buck Audit (Vic) Pty Ltd

Level 20, 181 William Street
Melbourne VIC 3000

Telephone: +61 (0)3 9824 8555

Solicitors

Arnold Bloch Leibler

Level 24, 2 Chifley Square
Sydney NSW 2000

Telephone: +61 (0)2 9226 7100

Bankers

Banc of California

Westpac Banking Corporation

Stock exchange listings

QuickFee Limited shares are listed on the
Australian Securities Exchange (ASX code: QFE)

Website

quickfee.com

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Appendix 4D and Interim Report
for the half-year ended
31 December 2024

QuickFee.