



Butn Limited

ACN 644 182 883

www.butn.co

ASX: BTN

Melbourne, 23/10/23
ASX ANNOUNCEMENT

Butn delivers record quarterly revenue of \$3.4 million, with continued record originations growth

Quarterly Activities Report for the three months ended 30 September 2023

Q1 FY24 highlights

- Quarter originations totalled \$124.1 million, up 21% on the previous corresponding period (pcp), the second successive record for quarterly originations
- Record quarterly revenue of \$3.4 million, up 31% on pcp at a 2.7% revenue margin (2.5% in the pcp)
- Butn's quarterly platform originations exceeded \$30 million for the second successive quarter, up 53% on pcp
- Butn platform now accounts for over 25% of total monthly originations with continued growth in new registrations and transaction activity

Butn Limited (ASX: BTN; Butn) provides its quarterly activities report for the three months ended 30 September 2023 (Q1 FY24), along with the Company's Appendix 4C cash flow report.

Commenting on Q1 FY24, Butn's Co-founder and Co-CEO, Rael Ross said:

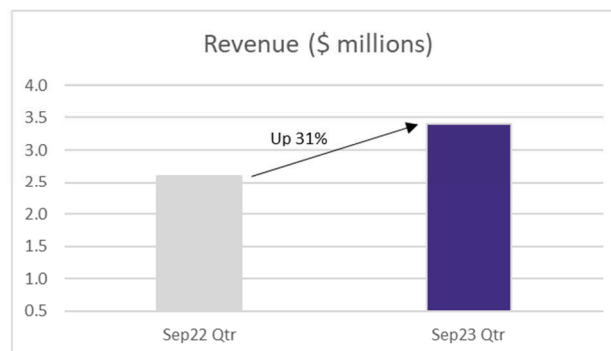
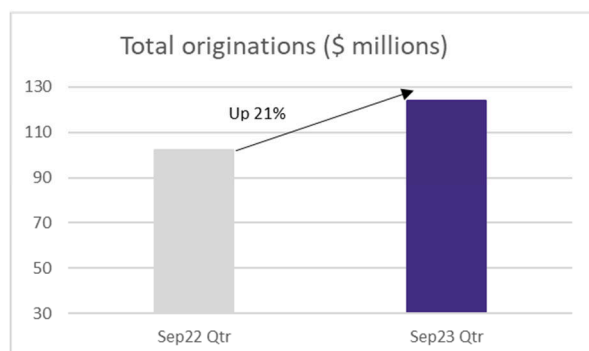
"A strong start to FY24 has seen a second consecutive record of quarterly originations of \$124.1 million and record quarterly revenue of \$3.4 million, up 21% and 31%, respectively, on the previous corresponding period. This quarter was yet another all-time record for both originations and revenue, demonstrating the continued growth in adoption of our fast, secure and reliable funding.

Our record numbers are supported by our demonstrated strong operating leverage with record growth at an increasing margin, 2.7% vs 2.5% in the previous corresponding period, whilst maintaining tight cost control.

We look forward to ongoing momentum in FY24 and beyond."

Record quarterly originations and revenue

Butn delivered Q1 originations of \$124.1 million, up 21% on the pcg. This is the second successive quarter of origination growth underlying this momentum. Origination growth provided for Q1 revenues of \$3.4m, up 31% from the pcg, and yet another record. The sustained growth continuing into FY24 reflects Butn's strong relationship with its platform partners, growth of distribution channels and the increasing awareness of its product offering. Additionally, Butn's revenue margin continued to increase to 2.7% (up from 2.5% in the pcg) with the growing contribution of higher margin platform originations, changes in industry mix towards higher margin segments and pass through pricing adjustments.



Key metrics*	Quarter ending 30 Sep 2023	Quarter ending 30 Sep 2022	Movement
Total originations (\$ millions)	124.1	102.2	Up 21%
Revenue (\$ millions)	3.4	2.6	Up 31%

*Rounding may occur. All figures unaudited.

Platform growth from strategic partnerships

Butn's platform Q1 originations exceeded \$30 million for the second consecutive quarter, up 53% on pcg and another record. The platform business continues to rapidly grow its share of originations and revenue, as we scale with strategic partners through a mass distribution strategy. Platform originations now account for over 25% of total Q1 originations and a higher proportion of revenue reflecting its higher revenue margin. Q1 also delivered record user transactions and strong new user registration numbers, reinforcing the significant benefits and growing utilisation of Butn's embedded funding technology across its strategic partnerships. This included another record quarter for MYOB platform originations following the prior quarter's Fintech Australia's recognition of this partnership.

Financial

Butn's strong operating leverage has been further evidenced with record growth at an increasing revenue margin in CY24 leading to a positive EBITDA result for Q1 FY24.

Summary of Q1 FY24 cashflows

Butn generated cash receipts from customers of \$3.4 million, reflecting continued origination growth and higher revenue margins.

Material operating outflows for the quarter included staff costs of \$1.4 million (including \$0.2 million of salary and fees paid to directors and the Co-CEOs), administration and corporate costs of \$1.0 million and interest paid of \$1.6 million.

Investing cash flows included \$0.2 million for Butn fintech development, together with \$5.5 million in growing the receivables book.

Financing cash flows reflected \$0.1 million of transaction costs related to the prior quarter's borrowings.

- ENDS -

This announcement has been authorised for release by the Board of Directors of Butn Limited.

Further information please contact:

Investors

Rael Ross, Co-CEO and Exec Director

Investor Relations: investors@butn.co

About Butn

Butn Limited is an Australian Business-to-Business ('B2B') funder innovating the way SMEs fund and grow their businesses. Butn focuses on transactional funding – funding SME businesses through their working capital constraints by financing individual transactions, leveraging the end debtor's credit. With a vision of "Your money, today" Butn delivers cashflow funding solutions at the click of a Butn having funded over \$1.5 billion to Australian businesses. For more information visit www.butn.co