



**Butn Limited**

ACN 644 182 883

[www.butn.co](http://www.butn.co)

ASX: BTN

Melbourne, 10/04/24

**ASX ANNOUNCEMENT**

## **Butn's sustained growth continues with positive platform originations results**

*Quarterly Activities Report for the three months ended 31 March 2024*

### **Q3 FY24 highlights**

- Quarter originations totalled \$109.7 million, up 1% on the previous corresponding period (pcp)
- Quarterly revenue of \$3.3 million, up 7% on pcp at a 3.0% revenue margin (2.8% in the pcp)
- Butn's quarterly platform originations exceeded \$30 million for the fourth consecutive quarter, contributing over 30% of total monthly originations
- Closing cash position of \$8.6m, up 35% vs December (Q2 FY24) closing cash position.
- Butn's platform originations and revenue up 37% and 34%, respectively on pcp

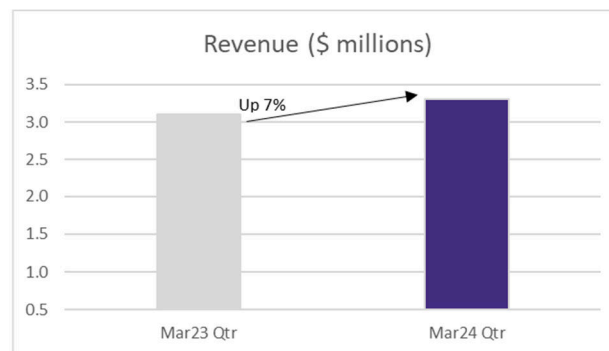
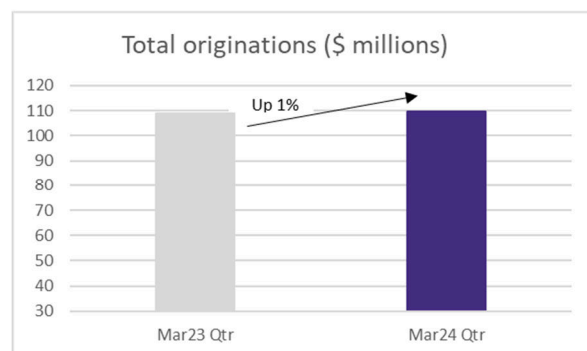
Butn Limited (ASX: BTN; Butn) provides its quarterly activities report for the three months ended 31 March 2024 (Q3 FY24), along with the Company's Appendix 4C cash flow report.

### **Commenting on Q3 FY24, Butn's Co-founder and Co-CEO, Rael Ross said:**

"Butn continues to deliver growth with quarterly originations of \$109.7 million and quarterly revenue of \$3.3 million, up 1% and 7%, respectively, on the previous corresponding period. Growth in our platform channel continues with Q3 originations coming in just 2% lower than Q2, despite Q3 typically being our modest quarter historically. With the current challenging market conditions, these results reflect the continued embracing of our market offering by the SME community. Our operating leverage has had a clear impact on our results, with sustained growth at an increasing margin and tight cost control, leading to a positive Q3 EBITDA result and an increase in our closing cash position relative to Q2. Together with our strategic partners, we will continue to drive our growth further as we look to a strong finish to FY24."

### **Continued growth in quarterly originations and revenue**

Butn delivered Q3 originations of \$109.7 million, up 1% on the pcp. Butn's platform achieved Q3 originations just 2% lower than Q2, despite Q3 typically being the modest quarter historically, underpinning the growth and continued adoption of our product offering. Overall, Q3 revenues totalled \$3.3 million, up 7% from the pcp. Butn's revenue margin continued to increase to 3.0% (up from 2.8% in the pcp), principally due to increased pricing and the sustained rising contribution of higher margin platform originations.



	Quarter ending 31 Mar 2024	Quarter ending 31 Mar 2023	Movement
<b>Key metrics*</b>			
Total originations (\$ millions)	109.7	109.0	Up 1%
Revenue (\$ millions)	3.3	3.1	Up 7%

\*Rounding may occur. All figures unaudited.

### **Platform growth from strategic partnerships**

Butn's platform Q3 originations exceeded \$30 million for the fourth consecutive quarter, up 37% on pcp. The platform business continues to grow its share of originations and revenue, as we scale with strategic partners and grow our distribution channels. Platform originations account for over 30% of total Q3 originations and a greater proportion of revenue reflecting its higher revenue margin. Q3 also delivered record user transactions and user engagement, for the second successive quarter. This also included strong new user registration numbers, leveraging off our strategic partnerships and strong relationships, highlighting the growing awareness and utilisation of Butn's embedded funding technology by the SME community.

### **Financial**

At 31 March 2024, cash on hand was \$8.6 million, up 35% on Q2, following ongoing successful cost savings initiatives implemented by management, which has seen our monthly cost base decrease. This provides Butn with the financial flexibility to pursue growth opportunities as they arise.

Butn achieved a positive EBITDA result for Q3 FY24, benefitting from the strategic operating leverage evidenced by continued growth at an increasing revenue margin in FY24.

### **Summary of Q3 FY24 cashflows**

Butn generated cash receipts from customers of \$3.3 million, reflecting continued origination growth and higher revenue margins.

Total net operating cash outflows were lower than the previous quarter, with material operating outflows including staff costs of \$1.1 million (including \$0.2 million of salary and fees paid to current and past directors as well as the Co-CEOs), administration and corporate costs of \$0.6 million, product manufacturing and operating costs of \$0.6 million, and interest paid of \$1.7 million.

Investing cash flows included \$0.2 million for Butn fintech development, together with \$3.8 million in net proceeds from receivables.

There were no financing cash flows in the quarter.

- 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

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#### **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](http://www.butn.co)