



Butn Limited

ACN 644 182 883

www.butn.co

ASX: BTN

Melbourne, 22/07/24

ASX ANNOUNCEMENT

Butn achieves record revenue and positive operating cashflow

Quarterly Activities Report for the three months ended 30 June 2024

Q4 FY24 highlights

- **Record quarterly revenue of \$3.5 million, up 7% on pcp, underpinned by strong platform growth**
- **Business achieves sustainable Net Operating Cashflow of positive \$0.2m**
- **Improved revenue margins of 3.0% (2.8% in the pcp)**
- **Record cash receipts of \$3.5m, up 7% from last quarter**
- **Successful business optimisation program by management complete, banking significant cost savings for the business**
- **\$5.0 million of additional equity raised in the quarter**
- **Closing cash position of \$13.3m, up 35% on Q3**
- **Business actively progressing new organic and inorganic growth opportunities**

Butn Limited (ASX: BTN; Butn) provides its quarterly activities report for the three months ended 30 June 2024 (Q4 FY24), along with the Company's Appendix 4C cash flow report.

Commenting on Q4 FY24, Butn's Co-founder and Co-CEO, Rael Ross said:

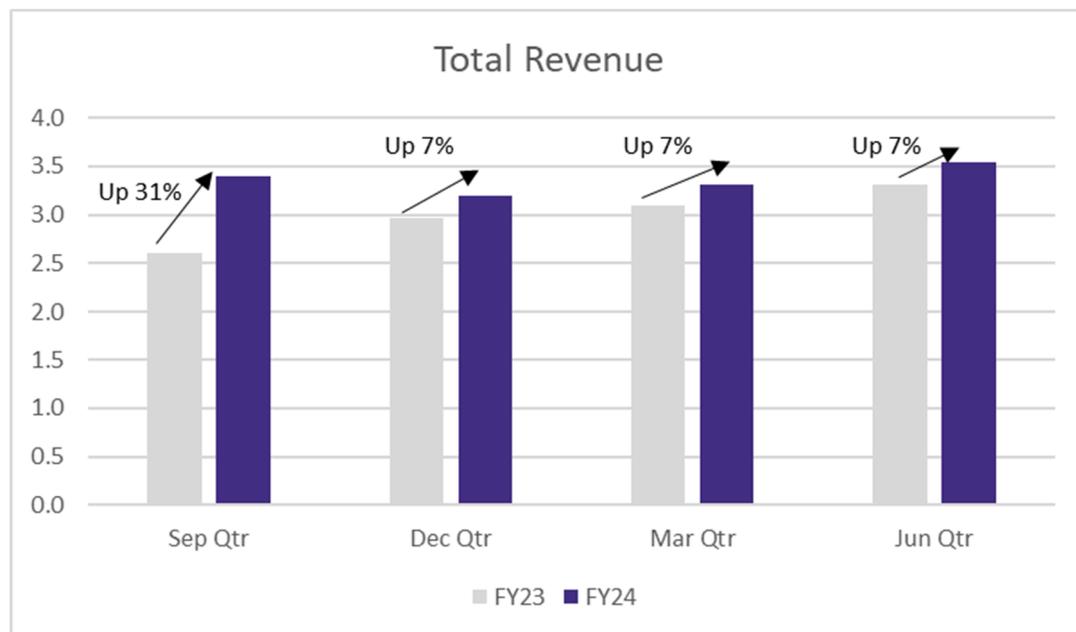
"Q4 saw continued growth on the previous corresponding period, with record quarterly revenues and a watershed net operating cashflow breakthrough to positivity for the business (despite the seasonally slow month of June). The Butn platform originations were also a particular highlight, hitting record numbers in the quarter and continued growth with total quarterly originations of the group finishing at \$117.5 million (up slightly on the previous corresponding period). The Company also successfully raised a further \$5.0 million of new equity through an equity rights issue to support further growth initiatives. This capital raise was fully underwritten by one of the Company's largest and supportive shareholders.

Management's focus on business optimisation in FY24 resulted in significant cost reductions at staff, administration and corporate levels. Very well capitalised and re-based, we at Butn will continue to

look to benefit from our operating leverage and strong relationships with our strategic partners to improve our revenue growth and cash generation in FY25.”

Record quarterly revenue and continued origination growth

Q4 revenues totalled \$3.5 million, up 7% from the pcp (a company record) and forms two quarters of consecutive growth to close FY24. This achievement was mainly due to management’s accomplishment in improving Butn’s revenue margin to 3.0% (up from 2.8% in the pcp), following successful repricing with customers and the rising contribution of higher margin platform originations, c.35% of total monthly originations. Butn also delivered Q4 originations of \$117.5 million, up \$0.1 million on the pcp.



Key Metrics*

Revenue (\$ millions)	Sep Qtr	Dec Qtr	Mar Qtr	Jun Qtr
FY24	3.4	3.2	3.3	3.5
FY23	2.6	3.0	3.1	3.3
Movement	31%	7%	7%	7%

*Rounding may occur. All figures unaudited.

Record platform results

Butn’s platform achieved record quarterly originations, up 32% on pcp, highlighting the SME community’s endorsement and adoption of our product offering. Platform originations account for c.35% of total Q4 originations and benefit from Butn’s scale with strategic partners. Q4 also delivered record user transactions and user engagement, for the third successive quarter. This also included strong new user registration numbers from our strategic partnerships, including MYOB (a major shareholder) and others, reinforcing the significant benefits and mounting utilisation of Butn’s embedded funding technology across its strategic partnerships.

Focus

With the business optimisation program largely complete, the Company has intensified its focus on new organic business opportunities as well as inorganic opportunities.

Summary of Q4 FY24 cashflows

Butn generated cash receipts from customers of \$3.5 million, reflecting continued origination growth and higher revenue margins.

Total operating cash outflows have continued to reduce, with lower outflows again achieved versus the previous quarter. Material operating outflows included staff costs of \$0.6 million (including \$0.2 million of salary and fees paid to directors and the Co-CEOs), administration and corporate costs of \$0.5 million, product manufacturing and operating costs of \$0.7 million, and interest paid of \$1.7 million.

Overall, in addition to a record quarterly revenue earned, Butn achieved positive operating cashflow for Q4 of \$0.2 million.

Investing cash flows included \$0.2 million for Butn fintech development, together with \$0.1 million in net proceeds from receivables.

Financing cash flows reflected \$5.0m of equity proceeds and \$0.4 million of related costs.

At 30 June 2024, cash on hand was \$13.3 million, up 35% on Q3, providing continued financial flexibility.

- ENDS -

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

Further information please contact:

Investors

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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