



**Butn Limited**

ACN 644 182 883

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

ASX Code: BTN

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**ASX ANNOUNCEMENT**

## **Butn achieves maiden profitability with record 1H25 revenue, EBITDA and positive operating cash flow**

### **Key 1H25 highlights**

- **Record revenue:**
  - 1H25 revenue of \$7.1 million up 5% on the pcg's \$6.8 million
  - 1H25 revenue margin 3.0%, up from 2.7% in the pcg
- **Record financial results:**
  - 1H25 EBITDA \$4.3 million, compared with \$1.4 million in pcg
  - 1H25 cash generated from operations of \$0.6 million vs loss of \$1.9 million in pcg
  - 1H25 profit after tax of \$0.2 million vs loss of \$3.2 million in pcg
  - Bad debts written off for 1H25 under 0.1% of total originations, in line with the Butn's historical track record and amongst the lowest in industry
- **Record platform growth:**
  - 1H25 record origination and revenue from Butn's platform distribution channel
  - Platform monthly originations now account for c.35% of total monthly originations
- **Business continuing to pursue new organic and inorganic growth opportunities, with the sales pipeline increasing over the half year, including an entry into the APAC Crypto-Backed Lending Market and the launch of our Private Retail Credit Fund**

Butn Limited (ASX: BTN) ('Butn' or 'Group') is pleased to announce its results for the six months ended 31 December 2024 (1H25).

Butn's Co-founder and Co-CEO, Rael Ross said:

"We have achieved an excellent result in 1H25, delivering record revenue of \$7.1 million at an improved revenue margin of 3.0% and our first half year profit of \$0.2 million. Our platform distribution channel continues to perform well, with both record originations and revenue for 1H25. The 1H25 profit result was also achieved on the back of management's FY24 business optimisation initiative which saw a significant reduction in operating costs and improved sales efforts. Together with our record revenue, this has led to an improved positive EBITDA result and a positive operating cash flow position in 1H25.

Despite business usually tapering in the post-Christmas and January holiday period we are pleased to report, that in January 2025 the company achieved record originations to begin our Q3FY25, signifying our strong and robust business with a client base consistently utilizing our cashflow funding services.

Following our entry into the APAC Crypto-Backed Lending Market and the launch of our Private Retail Credit Fund, we look forward to further growth milestones.”

### **Record revenue**

Record originations in the platform distribution channel and improved revenue margins have driven record revenue for the company in 1H25 of \$7.1 million, up 5% on the pcg’s \$6.8 million.

Revenue margins increased from 2.7% in the pcg to 3.0%, which can be attributed to strong deal flow and conversions from new and existing clients.

### **Record financial results**

Butn has benefitted from its strategic operating leverage and improved revenue margins, which has seen a record EBITDA result of \$4.3 million in 1H25 (1H24: EBITDA of \$1.4 million) and a first half year profit recorded by the company of \$0.2 million (1H24: loss of \$3.2 million).

In addition, bad debts written off for 1H25 were under 0.1% of total originations, a result of continued strong internal discipline with accepted businesses.

### **Record platform growth**

Butn’s platform distribution channel delivered record originations and revenue in 1H25, including achieving record monthly totals for both transactions and revenue in October 2024. This highlights the growing diversity of our strategic partners and the adoption of our product offering by the SME community. Platform originations now account for c.35% of monthly total originations.

### **Improved financial position**

Following management’s FY24 business optimisation initiative to reduce operating costs and together with record revenue in the half year, cash generated from operation improved to \$0.6 million in 1H25 (1H24: cash used in operations of \$1.9 million). Additionally, Butn has now consistently recorded a positive operating cash flow for each of the last three quarters to Q2 FY25.

### **Growth opportunities**

In October 2024, Butn announced its Retail Private Credit Fund. The Fund will finance Asset Backed Lending opportunities, including those originated by Butn, and it will consist of multiple classes. The Fund will be spread across various asset classes including but not limited to Invoice Finance, Trade Finance, Asset Finance and Property Finance. A wholly owned subsidiary of Butn will operate the Fund and it will receive all management fees from the Fund (less expenses).

With Butn’s unique and innovative digital “Originate to Distribute” model, funds raised via traditional and digital means will be automatically applied to lending opportunities through Butn’s current and future distribution channels including its strategic partnership with MYOB. This digital ‘end to end’ model will allow Butn to control its cost of funds and lending capacity whilst also growing another revenue stream for Butn in the retail funds management space (with management fees and upside carry), leveraging strategic shareholders and investors.

Butn's management have taken active steps to explore further growth opportunities during 1H25 including merger and acquisition opportunities. In December 2024, Butn announced an agreement with APX Lending, a North American market leader, to enter the APAC Crypto-Backed Lending Market and to explore mutual opportunities to APX Lending's North American business. Butn will implement its unique and innovative digital "Originate to Distribute" model to provide secured lending services for selected crypto assets.

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

**For 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 circa \$2.5 billion to Australian businesses. For more information visit [www.butn.co](http://www.butn.co)