



**Butn Limited**

ACN 644 182 883

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

ASX: BTN

Melbourne, 28/01/25  
**ASX ANNOUNCEMENT**

## **Butn achieves record quarterly revenue and platform originations with continued positive operating cashflow**

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

### **Q2 FY25 highlights**

- Record quarterly revenue of \$3.6 million, up 11% on the previous corresponding period (pcp)
- Business achieves sustainable Net Operating Cashflow of positive \$0.3 million (inclusive of \$0.2 million one-off/annual recurring fees), a third successive quarter of positive operating cashflow
- Improved revenue margins of 3.0% (2.7% in the pcp)
- Record Platform originations of \$41.6 million, up 16% on pcp
- Net operating cost payments of \$3.3 million, down 15% on pcp
- Closing cash position of \$16.8 million, up 9% on prior quarter
- Consolidation of recent business optimisation initiative
- Business continuing to pursue new organic and inorganic growth opportunities, with the sales pipeline increasing over the quarter, including this quarter's announced entry into the APAC Crypto-Backed Lending Market

Butn Limited (ASX: BTN; Butn) provides its quarterly activities report for the three months ended 31 December 2024 (Q2 FY25), along with the Company's Appendix 4C cash flow report.

### **Commenting on Q2 FY25, Butn's Co-founder and Co-CEO, Rael Ross said:**

"Butn has continued its strong performance during Q2, achieving record quarterly revenue of \$3.6m, up 11% on the previous corresponding period. Revenue margin has also performed strongly with an increase to 3.0% vs 2.7% in the prior corresponding period, demonstrating our strong operating leverage.

Management continues to see the positive effects of the FY24 business optimisation initiative which has resulted in a 15% decline in net operating cost payments on the previous corresponding period.

This has led to a third consecutive positive operating cash flow, with Q2 cash closing at \$16.8m, up 9% from Q1.

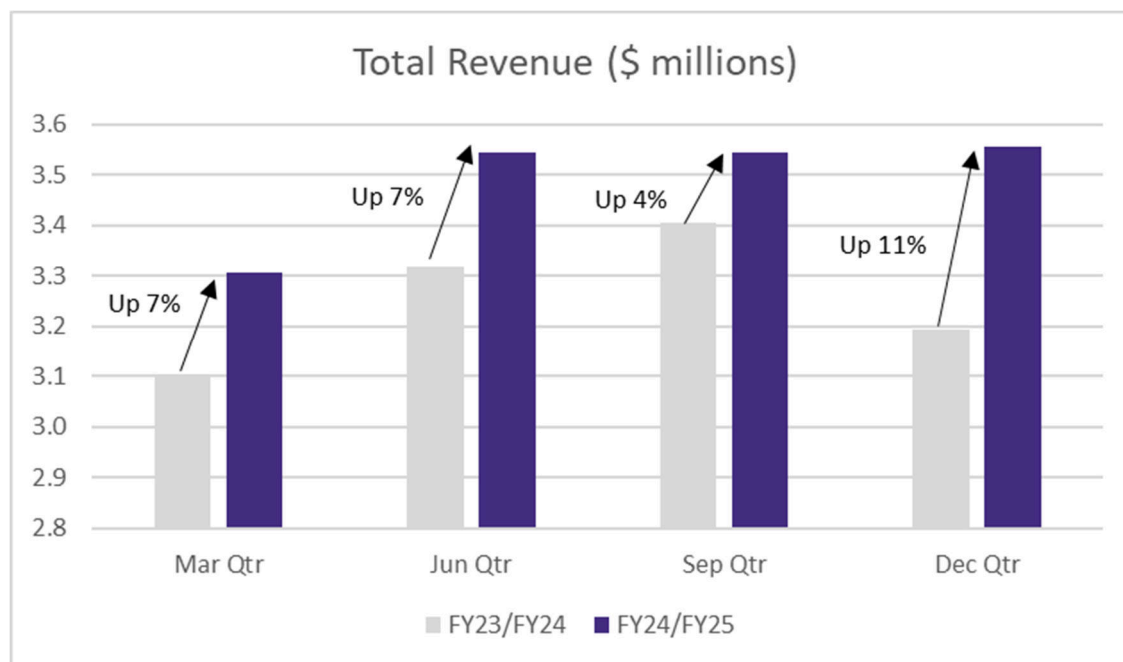
The Butn platform quarterly originations hit a record \$41.6 million in originations, up 16% on the previous corresponding period. The business has continued to consolidate its position this quarter with several new initiatives, with a growing sales pipeline in train.

Following the launch of our new Retail Private Credit Fund, we have continued to actively explore growth opportunities and have recently announced an agreement to enter the APAC Crypto-Backed Lending Market. Butn Ltd will implement its unique and innovative digital “Originate to Distribute” model to provide secured lending services for selected crypto assets.

As we continue to build upon this financial year’s momentum together with our strategic partners, we look forward to continuing our success into the next half of the FY25 period.”

**Record quarterly revenue and continued origination growth**

Butn delivered Q2 originations of \$118.1 million, up \$1.4 million on the pcp. Q2 revenues totalled \$3.6 million, up 11% on the pcp, highlighting the SME community’s endorsement and adoption of our product offering. This achievement is mainly attributed to strong deal flows and conversion from new and existing clients. Butn’s revenue margin increased to 3.0% (up from 2.7% in the pcp) following successful repricing with customers as well as the rising contribution of higher margin platform originations.



**Key Metrics\***

Revenue (\$ millions)	Mar Qtr	Jun Qtr	Sep Qtr	Dec Qtr
FY24/FY25	3.3	3.5	3.5	3.6
FY23/FY24	3.1	3.3	3.4	3.2
Movement	7%	7%	4%	11%

\*Rounding may occur. All figures unaudited.

## **Record platform results**

Butn's platform Q2 originations totalled a quarterly record of \$41.6 million, up 16% on pcp. This is the third consecutive instance of quarterly platform originations exceeding \$40 million, highlighting the growing diversity of our strategic partners and the adoption of product offering by the SME community. Platform originations account for c.35% of total Q2 originations and benefit from Butn's scale with strategic partners. Q2 also delivered strong registration and user engagement metrics, including record user transactions. This data reinforces the significant benefits which Butn's embedded funding technology has attained across its strategic partnerships.

## **Focus**

The Company continues to actively pursue new organic business opportunities as well as inorganic opportunities, including the launch of our new Retail Private Credit Fund and our recent entry into the APAC Crypto-Backed Lending space.

## **Financial**

At 31 December 2024, cash on hand was \$16.8 million, up 9% on the prior quarter, providing continued financial flexibility.

## **Summary of Q2 FY25 cashflows**

Butn generated cash receipts from customers of \$3.6 million, including continued origination growth and higher revenue margins.

Total operating cash outflows have continued to decline on a pcp basis, reflecting strong expense discipline and recent business optimisation outcomes. 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 \$0.6 million, product manufacturing and operating costs of \$0.5 million, and interest paid of \$1.7 million.

Overall, in addition to record quarterly revenue, Butn achieved positive operating cashflow for Q2 of \$0.3 million (inclusive of \$0.2 million one-off/annual recurring fees), the third consecutive instance of quarterly positive operating cashflow, reflecting our robust operating leverage and improved revenue margins.

Investing cash flows included \$0.2 million for Butn fintech development, together with \$1.5 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

Investor Relations: [investors@butn.co](mailto: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 \$2 billion to Australian businesses. For more information visit [www.butn.co](http://www.butn.co)