



**Butn Limited**

ACN 644 182 883

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

ASX: BTN

Melbourne, 08/06/2022

**ASX ANNOUNCEMENT**

## **Butn secures additional funding well below historical weighted average cost of debt**

### **Highlights:**

- **\$12.5 million of additional debt funding secured, well below the FY21 historical weighted average cost of debt**
- **The funding provides approximately \$75 million of additional annual origination capacity, supporting continued growth of Butn's quality receivables book**

Butn Limited (ASX: BTN; Butn) is pleased to announce that it has secured a further \$12.5 million of debt (Class A and Class B Notes) from Noteholders under the 2019-1 bond.

The funds will be used to purchase eligible receivables, positioning Butn for continued origination growth in CY2022. Based on Butn's fast turning receivables book (~6 times per year), the funding provides for approximately \$75 million of additional annual origination capacity, with Butn's weighted average cost of debt approximately 125 basis points below FY21.

Under the 2019-1 bond terms (as amended on 29 April 2022 and effective 1 July 2022), the \$10.6 million Class A and \$1.9 million Class B Notes have an amended maturity date of 1 July 2025, with early call dates throughout the extended term. Additional Class C Sponsor Equity Notes (nil interest) will be issued to 5% of the bond.

Butn's Co-founder and Co-CEO, Rael Ross said: "This is another positive debt restructuring step, reducing funding costs and significantly increasing our origination capacity. The upsized funding reflects strong investor appetite for Butn's quality client book. It also delivers funding cost protection and certainty in an environment of rising interest rate expectations, supporting continued growth."

*This announcement has been authorised for release by Rael Ross, Co-CEO and Executive Director of Butn Limited.*

### **Further information please contact:**

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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 \$700 million to Australian businesses since 2015. For more information visit [www.butn.co](http://www.butn.co)