Boldly backing business.

judobank

Annual Report
2025

Judo Capital Holdings Limited
ABN 71 612 862 727

Armitabh Mahendran | Plenty River Plumbing

Contents

We acknowledge the Traditional Owners and Custodians of the lands on which we live, work and gather, and acknowledge their rich culture and continuing connection to land, waters and community. We pay our respects to all our First Nations peoples, to their culture and their Elders, past and present.

Judo Bank is Australia's only purpose-built challenger business bank, dedicated to boldly backing Small and Medium Enterprises (**SMEs**).

Reporting Suite

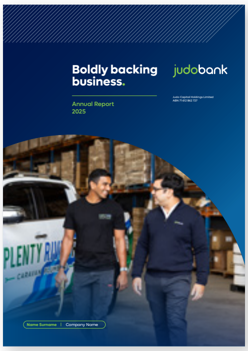
About this Report

Judo Bank Pty Ltd is an authorised deposit-taking institution (**ADI**) that is regulated by the Australian Prudential Regulation Authority (**APRA**). It is a subsidiary of Judo Capital Holdings Limited ABN 71 612 862 727 (**JCHL**), which is listed on the Australian Securities Exchange (**ASX**) under the ASX code 'JDO'. JCHL is regulated by APRA as a non-operating holding company (**NOHC**) of an ADI. Throughout this Annual Report (**Report**), references to 'Judo Bank' or 'Judo' should be taken to mean JCHL and its controlled entities, unless otherwise stated. This year's Report includes Judo Bank's purpose and values, FY25 operating and financial review, audited financial statements and other statutory disclosures. Unless otherwise stated, the Report encompasses all Judo Bank activities for the financial year starting 1 July 2024 and ending 30 June 2025 (**FY25**) and comparatives are for the financial year ending 30 June 2024 (FY24). All monetary values in this document are presented in Australian dollars, which is Judo Bank's functional currency.

Welcome to our FY25 Annual Report

Other documents in our 2025 reporting suite

Judo Bank produces a range of reports designed to meet the evolving expectations of diverse stakeholder groups. Our 2025 annual reporting suite also includes the following documents, which are available on our website:



We are continually seeking to improve our reporting suite and welcome your feedback. Please address any questions, comments or suggestions to investor@judo.bank.

Basis of preparation

Judo Bank comprises Judo Capital Holdings Limited and its subsidiaries. The Group's results and historical financial information are reported as a single function.

All figures are presented in Australian dollars and, unless otherwise noted, are rounded to the nearest $0.1 million (**m**). Calculations within tables, percentage movements and movements with the commentary have been calculated from underlying source information and hence may not reconcile with rounded calculations.

Movements within the financial tables have been labelled 'large' where there has been a percentage movement greater than 200%, or 'NM' if a line item changes from negative to positive (or vice versa) between periods.

Important notice

The material in the 2025 Full Year Report (**the Report**) is provided by Judo Capital Holdings Limited ABN 71 612 862 727 and its controlled entities (variously, 'Judo Bank', 'the Bank', 'Judo', 'us', 'we', 'the Group', 'the Company' or 'our'), contains general background information and is current as at 19 August 2025. It is information given in summary form only and does not purport to be complete. It does not constitute personal, legal, investment, taxation, accounting or financial product advice, has been prepared as general information only, and does not take into account your personal circumstances, investment objectives, financial situation, tax position or particular needs. Having regard to those matters, please consider the appropriateness of the information before acting on it and seek professional advice. No information herein constitutes an offer, solicitation or invitation to apply for securities, or any other financial product or service, or to engage in any investment activity. This Report contains statements that are, or may be deemed to be, forward-looking statements. To the extent the information may constitute forward-looking statements, it reflects Judo's intent, belief or current expectations at the above date. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, assumptions and uncertainties, many of which are beyond Judo's control, which may cause actual results to differ materially from those expressed or implied. Undue reliance should not be placed on any forward-looking statement and, other than as required by law, Judo does not give any representation, assurance or guarantee that the occurrence of the events, results and outcomes expressed or implied in any forward-looking statement will actually occur. Subject to any continuing obligations under applicable law, we expressly disclaim any obligation to provide any updates or revisions to any forward-looking statements in this Report to reflect events or circumstances after the above date. There are a number of other important factors that could cause actual results to differ materially from those set out in this Report, and these include those matters discussed on pages 22 to 23 under our approach to risk management.


UDO
OSE...
trusted
in AUSTRALIA
CISIVE
LUES
judobank

To be Australia's most trusted SME business bank.


Ahsan Zafar | i9 Education

Our Strategy

Purpose	To be Australia's most trusted SME business bank
Vision	To be a world-class SME business bank

Who we are

We are a dedicated, specialist SME business bank, focused on supporting Australian SMEs – the engine room of the Australian economy.

Our purpose is simple: to be the most trusted SME business bank in Australia. Not the biggest but the best.

Our bankers are committed to the craft of relationship banking. We believe that every SME is unique, and that each deserves a relationship with their bank that is based on trust, judgement and a deep understanding of their business.

Our promise to our customers is smarter judgement, faster decisions, stronger relationships.

Judo is the leading destination for SME business bankers and the industry's best talent. We are proud to be led by a deeply experienced executive, and a broader team who are committed to cultivating a customer-obsessed culture, and work every day to the values of accountability, performance, teamwork and trust.

Our aspiration

- Become a true scale challenger bank
- Achieve sector leading profitability
- Sector leading customer NPS
- The pre-eminent employer for SME bankers
- Preferred partner for commercial brokers

Strategic priorities

- Enhance our core business
- Grow our total addressable market (**TAM**)
- Optimise funding, capital & costs
- Create new avenues for growth

Enabled by

- **Best of Breed Technology**
- **High Performing People & Culture**
- **Disciplined Risk Management**

Targeting Return on Equity (ROE) in the low-to-mid teens at scale

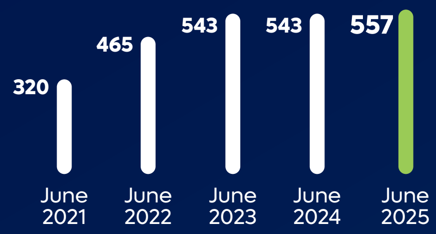
Our values

- Accountability
- Performance
- Teamwork
- Trust

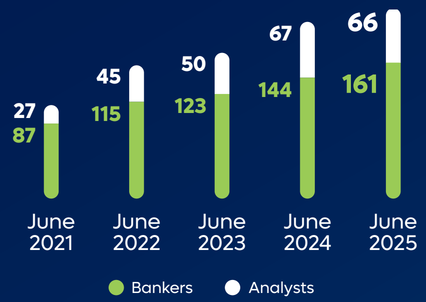
31 locations

throughout Australia

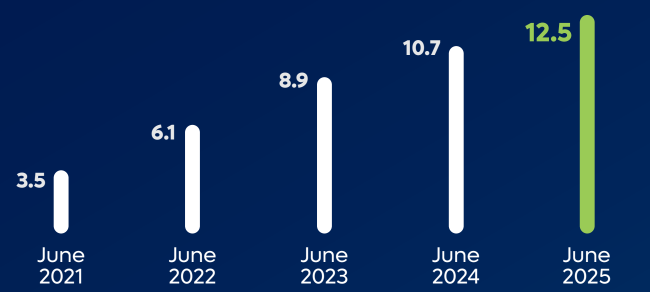
Employees



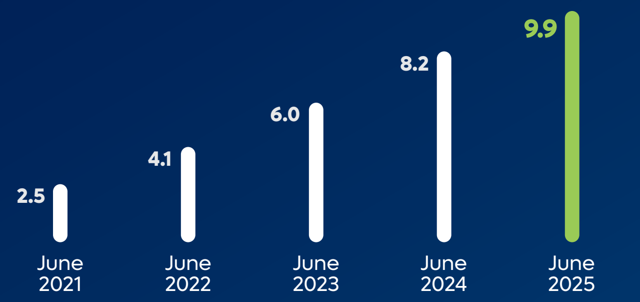
Bankers and analysts



Loan book ($bn)



Term deposits ($bn)



Progressive scaling of customer and employee value proposition and building core infrastructure

2018 Pre-ADI launch

2019 Full banking licence

2020 Scaling during COVID-19

2021 Initial public offering

2022 Achieved profitability

2023 Entered agri banking

2024 Repaid the Term Funding Facility (**TFF**)

2025 Strategic replatforming completed

2026 Operating leverage emerging

FY25 Highlights

Financials

Profit before tax (PBT)	$126m
Loan book	$12.5bn
Term deposits	$9.9bn
Loan growth vs system[1]	~2x
Net interest margin (NIM)	2.93%
Cost-to-income (CTI) ratio	52%
ROE	5.3%
Common Equity Tier 1 (CET1)	13.1%

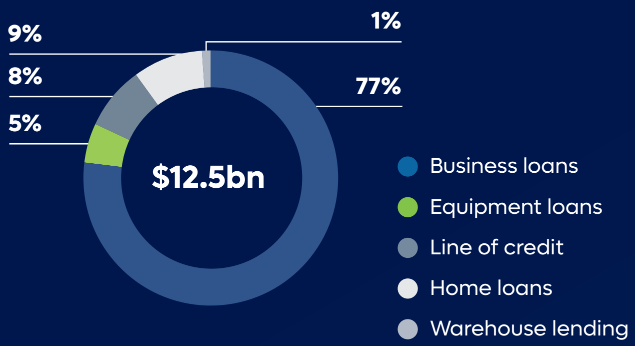
Strong progress towards key business metrics at scale

Metric	FY25 results	At-scale metrics
GLA	$12.5bn	$15bn to $20bn
NIM	2.93%	>3%
CTI ratio	52%	Approaching 30%
Cost of risk[2]	$76m	~50 bps of GLA
ROE	5.3%	Low to mid-teens

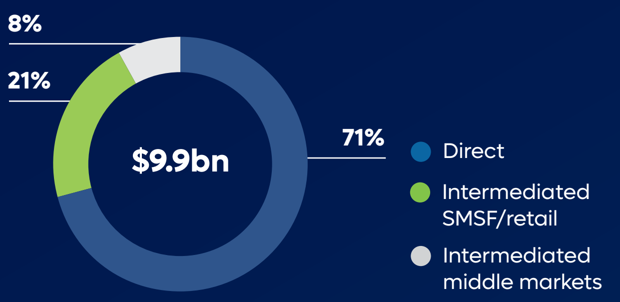
1. Reflects Judo's multiple of system growth for GLA across FY25, per APRA statistics.
2. Defined as impairment expense on loans, advances and treasury investments (cost of risk). Calculated based on average GLA.

Our products

Lending



Deposits



Customers

4,621
SME lending customers

+53[1]
Lending net promoter score (NPS)

52,967
Term deposit customers

+67[2]
Deposit NPS

29
Low average customer-to-banker ratio

Accredited third-party brokers
1,563

Awards

1. Across FY25, measuring Judo's overall lending NPS including onboarding, relationship and exit scores.
2. Across FY25, measuring Judo's overall deposit NPS including origination, maturity and rollover scores.

Chair’s Review

David Hornery
Chair

This is an exciting time for Judo. We are beginning to see the operating leverage and benefits of the hard work and disciplined execution of the past decade emerge strongly.

It’s a privilege to write to you, our shareholders, for the first time as the Chair of Judo, and to welcome you to our Annual Report for the 2025 financial year. I step into the role with both a deep sense of the history, the purpose that is wound inextricably into the fabric of the Company, as well as the multiple operating dimensions that drive our performance.

As I take up the reins as Chair, I would like to extend the gratitude of my fellow Directors, and all Judo team members, to our inaugural chair Peter Hodgson. Peter’s chairmanship of Judo over the last eight years, from our very early days, through the build phase of the Company, the achievement of a full banking licence, our listing on the ASX in 2021, to now being a top 150 Australian company, has been a cornerstone of our success. Thank you, Peter, for your dedication and stewardship.

As you will see in this year’s Report, the momentum of the Bank has continued to build. The strengthening of all the key dimensions of our business has delivered strong financial returns, and more importantly lays the foundation for the acceleration of that growth in the years ahead.

The following pages take you through the numerous dimensions of our progress this year, but there have been a few of particular note to myself and the Board.

Firstly, the growing presence we have across regional and rural Australia. The continuing expansion of our footprint, led by bankers that are empowered to tailor transactions around the needs of our customers, and to make decisions at the front line, paints a clear picture of the consistency and strength of our ongoing commitment to Australia’s SME community. I’ve had the privilege of seeing that first hand this year, spending time with many of our customers across the country. There is just no substitute for talking to our customers into the evening, be that at a regional office opening, an economic update forum, or a dinner, about what really matters to them.

There are two clear themes that come from these conversations.

Firstly, the level of uncertainty in the external environment remains front of mind as investment and operating plans for the coming years are framed. That is true domestically, including the outlook for monetary and fiscal policy, access to labour, and the burden of ever-increasing regulation, or on the international front as the flow through impacts of ‘liberation day’ tariffs begin to appear in the economy.

Secondly, that the need and value of a true relationship banking proposition has only become clearer in recent years – particularly an understanding of the customer, their business and the dynamics of the industry in which they operate, a capacity to respond quickly when it’s important, to work with them to bring a common sense deal together, and ultimately over time to build trust and a sense of partnership – all key tenets of what Judo was built to deliver.

The team at Judo have also made great gains this year in making us a faster, smarter and stronger bank. Over the past three years, we have replatformed Judo, something very few other banks around the world have achieved anywhere near as seamlessly. This replatforming underpins our capacity to further scale, sharpens the efficiency and effectiveness with which we compete, and enhances the agility with which we can innovate, quickly and securely. This is a foundational shift that will serve us well for years to come, and I thank the whole Judo team for their outstanding efforts.

This year Judo was named an AFR BOSS Best Place to Work for the third year in a row, and became ‘Great Place to Work Australia’ certified. This is a credit to Judo’s leadership. The Board spends time and thinks deeply about our people, ensuring a consistency of focus on recruiting and developing the industry’s best bankers, and making Judo a great place to work, one that is professionally rewarding, culturally rich, and always empowering.

Entrepreneurial spirit and an ownership mindset are wound into the culture of Judo and are key elements of our employment brand, our results, and our unique position in industry.

SME lending customers

4,621

Deposit customers

52,967

We operate in not only a competitive and dynamic environment, but also in a broad and complex risk environment. We are committed to responsible growth and balancing performance with purpose. With an outstanding leadership team who understand the risks of banking, our governance frameworks are strong, our strategy is clear, and we remain vigilant to our operating environment. Environmental, Social and Governance (**ESG**) holds an important place on our agenda, as does Diversity, Equity and Inclusion and contributing to the communities we operate in, examples of which you'll find throughout this Annual Report.

This is an exciting time for Judo. We are beginning to see the operating leverage and benefits of the hard work and disciplined execution of the past eight years emerge strongly. Few financial services companies can deliver this kind of year-on-year growth while staying true to their core proposition. We can and we are. The Board remains confident in the fundamentals of the business, and focused on delivering long-term returns for shareholders, with the confidence that our share price will ultimately come to reflect the underlying strengths of the Bank.

I want to acknowledge the appointment of Brad Cooper to Judo's Board as an Independent Non-Executive Director in December 2024. His leadership, experience, and energy have already made a meaningful impact.

In closing, on behalf of the Board I would like to thank our customers, and our investors, for the strength of your ongoing support, and to extend our deep thanks and gratitude to the exceptional team that make up our Company.

We remain focused on what has always made Judo different. We're building a world-class business bank by staying true to our purpose, sharpening our execution, and accelerating the things that matter most to our SME customers.

We are becoming a faster, smarter, and stronger bank.

David Hornery
Chair

Chief Executive Officer's Review

Chris Bayliss
Chief Executive Officer
and Managing Director

Building a bank from the ground up has provided us with significant advantages. And what has resulted is a specialist, relationship-led business bank that attracts the best bankers.

Judo was founded with a bold vision – to build a world-class SME business bank from the ground up, one that delivers a sector leading return on equity and redefines what it means to serve Australian SMEs.

Now, eight years on, I am more confident than ever in the strength and sustainability of our competitive advantage.

Judo was built from a blank piece of paper, free from the constraints of legacy, which makes our business very difficult to replicate.

At Judo, we have no legacy products, but rather, five simple lending products that meet the majority of SME needs. We have built a business with a strong risk culture rather than sales targets. We have no legacy bricks and mortar; our bankers meet our customers on their premises, where they can best understand their businesses. Our technology is entirely cloud-native, giving us agility and scalability in contrast to the complex, legacy systems of the incumbents.

Most importantly, our team is made up of individuals handpicked for their expertise and cultural alignment, with a passion for serving SMEs. Building a bank from the ground up has provided us with these significant advantages. And what has resulted is a specialist, relationship-led business bank that attracts the best bankers, empowered to do what they do best, which is provide SMEs with the service they need and deserve, all backed by scalable systems and processes that are ready to support sustainable growth.

Our customers

During FY25, we are very pleased to have grown our expert Judo team to include 161 highly engaged relationship bankers and 66 analysts serving our customers in 31 locations. We now serve 4,621 lending customers and 52,967 deposit customers and are proud to hold the highest lending Net Promoter Score in the sector.

Our customer promise – **smarter judgement, faster decisions, stronger relationships** – reflects our deep understanding of what SMEs truly value: service, speed, and trust.

We have been working hard this year to ensure our bankers are empowered to make decisions quickly, build enduring relationships, and provide tailored solutions.

Financial highlights

Judo delivered solid financial performance in FY25, with our lending book growing 16% and ending the year at $12.5bn. This represents nearly two times system growth[2] in FY25 and is recognition that Judo's customer value proposition (**CVP**) is resonating as we continue to expand into the regions.

Our underlying FY25 profit before tax was $125.6m million, up 14%[1]. This result was supported by continued scaling of the loan book, NIM improvement throughout FY25 and prudent cost management. Judo is well positioned to demonstrate significant operating leverage in FY26 and beyond.

We are very proud of our award-winning deposit franchise, which finished the year at $9.9bn, driven by a $1.4bn increase in direct retail balances. We also continued to optimise our wholesale funding program to support growth in the loan book.

As a result of the uncertainty in the economic environment, especially in the second half of the year, we saw some customers experiencing financial challenges. As a relationship-led bank we will continue working closely with these customers as we aim to achieve optimal outcomes for both them and the Bank. Pleasingly, our arrears were broadly stable over the second half of the financial year.

With CET1 capital at 13.1%, Judo maintains a strong capital position to support continued lending growth.

We remain very optimistic about FY26 and beyond where the inherent benefits of scale in our model, along with a bigger balance sheet, will be progressively demonstrated as we target at scale ROE in the mid-teens.

1. Excluding non-recurring costs in FY24.
2. Reflects Judo's multiple of system growth for GLA over FY25, per APRA statistics.

Loan book

$12.5bn

Term deposits

$9.9bn

Focus for FY26 and beyond

Our growth has followed a deliberate three-phase strategy: to **build the Bank**, then to **scale the Bank**, and now, as we enter FY26, to **optimise the Bank**. Over the past three years, we have replatformed our core systems, re-engineered our data environment, and built the full suite of functions required to operate at scale.

Thanks to an enormous effort from the Judo team, this foundational work is complete.

We are now on the cusp of significant operating leverage over the near term from these investments in our systems and people.

We have shifted our focus to enhancing our core business, expanding our total addressable market, unlocking new growth avenues, and optimising funding, capital, and cost structures. Our technology and operations teams are fully engaged on delivering significant efficiencies and capacity for our bankers and on product innovation. On the funding side, the introduction of new deposit products in FY26 will broaden our deposit offerings, reduce reliance on term deposits and give us flexibility to reduce overall deposit costs.

With the most challenging phases of building and scaling Judo behind us, today, we have everything we need to optimise and bring to life the Bank we always dreamed Judo would be.

Conclusion

I would like to thank the whole Judo team as this progress is a direct result of their passion, resilience, and unwavering dedication. Every day, I'm in awe of our team's commitment to our customers and to Judo's purpose, which continues to define who we are.

I'd like to also call out my executive team – in my experience, business banks need to be run by business bankers, who deeply understand the landscape they are operating in, and the craft of lending. I believe that Judo's executive team could run any of the major banks, and I'm deeply grateful for their ongoing commitment to the vision of Judo.

Thank you for your continued trust and support as we enter this next exciting chapter in Judo's journey.

Chris Bayliss
Chief Executive Officer
and Managing Director

Meet the Judo Executive Leadership Team

Judo's executive team brings nearly 200 years of combined commercial banking experience across Australia and international markets. This depth extends throughout the organisation, supported by strong equity alignment through the Bank's equity-focused remuneration framework.

Chris Bayliss

Chief Executive Officer (CEO) and Managing Director (MD)

Chris is a co-founder of Judo and a career international banker with 40 years' of experience across all aspects of retail and business banking in Asia-Pacific, the United Kingdom and Europe. Chris's career has spanned many global banks and markets, including executive positions at Clydesdale/Yorkshire Bank, Bank of New Zealand (**BNZ**), National Australia Bank (**NAB**), and Standard Chartered in Singapore. Prior to becoming Judo's CEO, Chris held various positions in the Bank including Chief Relationship Officer, Chief Financial Officer, Chief Operating Officer and Deputy CEO.

Andrew Leslie

Chief Financial Officer (CFO)

Andrew joined Judo in 2019 and has 20 years of experience in banking, finance, strategy and corporate advisory. During his time at Judo, Andrew helped lead several of the Bank's private funding rounds and its initial public offering on the ASX. Prior to Judo, Andrew had an executive banking career at Morgan Stanley, where he advised clients in Australia, Asia and the United Kingdom on mergers and acquisitions, capital raisings and strategic projects in the financial services, mining and infrastructure sectors.

Renée Roberts

Chief Risk Officer (CRO)

Before joining Judo, Renée was previously the Executive Director Banking at APRA, where she was responsible for the prudential supervision of all ADIs in Australia and represented APRA at the Basel Committee of Banking Supervisors. Renée also has over 35 years of experience in banking, including roles in risk management, transformation, technology and operations, customer experience, strategy and finance. Prior to APRA, Renée held the positions of Chief Operating Officer at QBE Insurance Group Limited, Group Executive Enterprise Services and Transformation at NAB and Chief Risk Officer at BNZ.

Frank Versace

Chief Customer Officer

Frank joined Judo in 2017 and is a career banker with over 20 years of experience. Frank's career includes commercial, corporate, and retail banking experience, and he has held executive roles at Australia and New Zealand Banking Group Limited (**ANZ**) and Macquarie Bank, with a strong focus on managing all forms of business risk. He also has experience leading large relationship distribution businesses, including ANZ Mobile Lending. Prior to being appointed Chief Customer Officer, Frank held the roles of Chief Strategy and Growth Officer, Chief Risk Officer and Chief Relationship Officer.

Rosanna Fornarino

Chief Operating Officer (COO)

Rosanna has over 35 years' experience in banking across a broad range of senior and executive roles in technology, transformation, and operations. Prior to joining Judo, she was the COO at Hewison Private Wealth, where she was responsible for Technology, Finance, Risk, People and Culture, and Operations. Before that, she served as COO at ME Bank. Rosanna has also held senior roles at NAB and ANZ, covering technology, risk, retail banking, human resources, payments, and large-scale transformation initiatives.

Jess Lantieri

Chief People and Culture Officer

Jess joined Judo in 2022 with 20 years' experience in People and Culture (**P&C**) roles across diverse industries, including fast-moving consumer goods, information technology, and professional services. She brings a global perspective on best practice P&C strategy, having spent much of her career working in the United States of America and the United Kingdom, and in roles with accountability for teams in Asia, Europe, North America, and New Zealand. Prior to Judo, Jess spent seven years in P&C leadership roles at Treasury Wine Estates in both Australia and the USA.

Yien Hong

Chief Legal and Commercial Officer and Company Secretary

Yien is an accomplished legal and governance professional with over 20 years' experience across banking, property and commercial law. She joined Judo in 2019 and now leads the Legal, Governance, Commercial, ESG, and Corporate Affairs teams. Yien trained at Herbert Smith Freehills in Melbourne and was Managing Associate at Linklaters, London, before leading the Global Finance and Foreign Exchange legal team at Deutsche Bank, London Branch. She has held senior legal roles at NAB and, prior to joining Judo, was General Counsel and Company Secretary at Growthpoint Properties. Before being appointed Chief Legal and Commercial Officer, Yien served as Judo's General Counsel and Company Secretary.

Relationship-led banking.

Doing things differently.

"Judo Bank has helped get me to where I am today, and I see them being able to help me scale my business in the future."

Armitabh Mahendran | Plenty River Plumbing

Operating and Financial Review

Lending

Judo continues to strengthen its SME lending franchise. Judo expanded to 31 locations by June 2025, an increase of 10 from June 2024. Our lending customers increased from 4,357 to 4,621 over FY25.

Judo has developed a sustainable CVP that is purpose-built to support SMEs. Our model directly addresses the needs of these businesses by focusing on three core elements: smarter judgement, faster decisions, and stronger relationships. This relationship-based lending approach clearly differentiates Judo from incumbent banks and strongly resonates with SME customers. In FY25, our lending NPS of +53 was consistently well above industry average.

Smarter Judgement

Faster Decisions

Stronger Relationships

Highly skilled bankers are at the heart of our CVP. They are empowered to utilise their credit experience to apply sound commercial judgement and build long-lasting relationships with customers. During FY25, Judo's bankers each maintained a portfolio of 29 customers on average. This ratio is well below industry norms, meaning that our bankers are able to stay close to their customers and focus on their needs.

Judo is committed to supporting customer growth ambitions. Our customers typically feature reliable revenues, strong balance sheets and have largely been operating for more than five years.

~75%

of our borrowers have greater than five years' experience in managing their business or a similar business

+53

Lending NPS

$2.7m

average loan size


Performance
Accountability
judobank

Judo's unique approach to judgment-based credit assessment

The 4Cs of lending

Judo's 4Cs lending approach recognises that every SME is different. Judo's judgement-based approach places significant emphasis on the outlook for customers, instead of focusing purely on historical financial performance and security. The 4Cs approach considers Character, Capacity, Capital and Collateral, in that order. Empowered bankers and credit executives apply judgement to tailor loan structures to suit customers' individual circumstances while remaining within our risk appetite.

Character → Capacity (Cash flow) → Capital → Collateral

Our ongoing relationship with customers helps us to proactively support ongoing lending needs and spot signs of distress early. Judo is committed to delivering the best possible outcome for its customers. The complexity of SME lending requires a customer-specific approach that often takes time to resolve. Judo's credit executives – among the most experienced in the industry – are well positioned to work with our customers to achieve the optimal outcome for each circumstance.

Judo's business model works through all parts of the cycle

4Cs approach to credit assessment > Low ratio of customers to bankers > Proactive management of existing customers > Strong asset management capability

Our bottom-up approach to credit assessment relies on informed judgement, which we complement with a structured top-down strategy for portfolio management. We maintain strict risk appetite settings for sectors and geographies to avoid excessive concentration risks. Our goal is to have a portfolio that mirrors the SME economy, with good diversification.

Funding and liquidity

Judo's funding strategy is designed to support its growth objectives, maintain diversification and flexibility, and enhance overall funding costs and economics. Deposits remain the cornerstone of our funding strategy, with a target for deposits to comprise 75% of total funding at scale. To complement this, wholesale markets are utilised to provide additional diversification and funding certainty, anticipated to account for approximately 15% of total funding at scale.

Significant progress was made in FY25 as Judo progressed towards an at-scale funding stack through enhanced capacity and flexibility. Term deposit balances were $9.9bn – 68% of total funding as of June 2025, up from 64% in June 2024.

Term deposits

Judo has built a strong term deposit franchise, underpinned by competitive pricing, brand recognition, and diversified offerings such as Direct SMSF and Direct Business term deposits. More than 70% of deposits are sourced through direct channels, recognised by multiple independent industry awards and a NPS well above the sector average. These strengths contribute to a retail rollover rate of 70% in FY25.

Following the successful migration to its new core deposit platform in FY25, Judo is now making further investments and enhancements to improve the flexibility and capability of its deposit offerings.

$125m Tier 2 issuance

KangaAwards Australian Dollar Financial Institution Bond Deal of the Year

$175m

Senior Unsecured Bond issuance in June

Wholesale funding

Judo has established access to wholesale funding channels commonly utilised by mature banks, including public and private securitisations, senior unsecured bonds, hybrid capital instruments, and negotiable certificates of deposit (**NCDs**).

The Bank remains focused on optimising warehouse funding and maintaining an active presence in public debt markets.

During FY25, Judo was awarded the KangaAwards Australian Dollar Financial Institution Bond Deal of the Year for its $125m Tier 2 issuance. Additionally, the Bank completed a $175m Senior Unsecured Bond issuance in June 2025. Judo has also continued to optimise its warehouse funding program throughout FY25.

Liquidity

As an ADI regulated by APRA, Judo is required to maintain prescribed levels of liquidity in accordance with APRA's prudential standards. Judo maintains strong liquidity buffers, with a minimum liquidity holdings ratio of 16.9% as of 30 June 2025, well above Board limits. Liquid assets include Australian Commonwealth Government Securities, semi-government securities, ADI debt securities, and cash equivalents.

Risk Management Framework

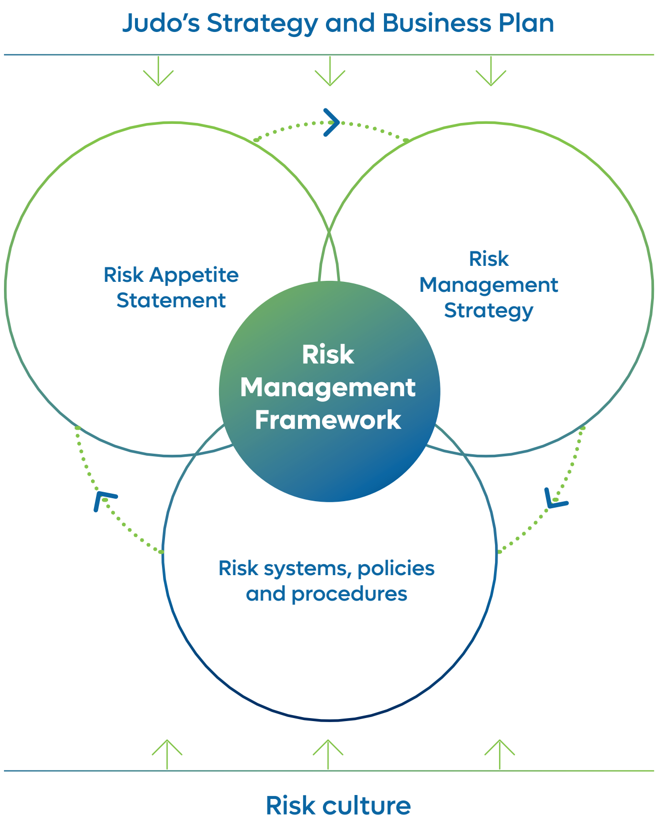
Judo's approach to risk management is both dynamic and disciplined, grounded in our core values of **accountability**, **performance**, **teamwork**, and **trust**.

What truly differentiates us is our people and culture, with risk awareness deeply woven into the fabric of how we operate.

Central to Judo's Risk Management Framework (**RMF**) is the principle that every team member is a risk manager.

We foster a culture where individuals are not only responsible for managing risk but are also empowered and recognised for championing risk management across the organisation.

Our risk culture underpins the integrity of our RMF. Informed by Judo's overarching strategic and financial plans, our RMF includes Judo's Risk Management Strategy (**RMS**) and risk appetite for our material risks. Our RMS outlines the policies, frameworks, processes and systems we use to identify, monitor, manage and report on our material risks.



In FY25, we have worked to improve and reinforce risk management at Judo through:

- Significant investment in resilience capability ahead of APRA's CPS 230 – *Operational Risk Management* implementation
- Improved our credit risk analytical capability by investing in a sophisticated credit risk engine and data platform
- Enhanced our liquidity risk management framework by developing our range of funding options and contingency approaches
- Enhanced our technology performance and resilience through the adoption of more robust and flexible platforms
- Implemented new Information Security tools to further strengthen our cyber defences

Our RMF is implemented through 'Three Lines of Defence':

1	**First Line 'The Business'**	'The Business' is the owner of strategy, outcomes and risks, and compliance obligations, as relevant. Our people are accountable every day for the implementation of Judo's RMF.
2	**Second Line 'Risk'**	Judo's CRO is ultimately responsible for the development, oversight and effectiveness of the RMF and associated policies, frameworks and procedures. Judo's Risk Team is responsible for providing risk oversight, challenge, advice and guidance to the First Line along with reporting and monitoring of the effectiveness of the RMF.
3	**Third Line 'Internal Audit'**	Providing the Board with independent assurance on the function and management of Judo's RMF.

Material risks

Judo is exposed to a broad range of strategic, financial and non-financial risks. Judo's material risks are identified and managed as part of Judo's RMF. The most material risks Judo faces are detailed below.

Risk	Description	Management of risk
Balance sheet and liquidity risk	The risk comprises three main sub-risks for Judo: • The ability of Judo to raise funding to support its ongoing operations and strategic objectives, and/or to meet financial obligations as they fall due. • The risk that Judo's capital levels are not adequate to support growth and absorb unexpected losses. • Risk that Judo's net interest income or economic value is negatively impacted by movements in interest rates.	Judo identifies, assesses and manages this risk through oversight from the Executive Asset and Liability Committee (**ALCO**), the Internal Capital Adequacy Assessment Process (**ICAAP**) and supporting policies, risk settings and minimum liquidity and capital requirements as detailed in the applicable regulatory standards.
Credit risk	The risk of loss from a customer or counterparty failing to meet their obligations to Judo as a result of factors, including but not limited to, economic impacts.	Judo manages credit risk by taking a responsible approach to lending activities including the consideration of the 4Cs – robust portfolio concentration limits, regular customer engagement, portfolio monitoring and ongoing review of supporting policies and frameworks. Credit risk is governed through Judo's Credit Risk Management Framework and is oversighted through regular reporting to our Executive Committee.
Cybersecurity risk	The potential for Judo to experience cybersecurity attacks from malicious or targeted attacks. Cybersecurity attacks may result in service interruptions, downtime or data loss in all or part of Judo's or its service providers' technology platforms or applications.	Judo maintains internal policies and procedures to identify, manage and respond to cybersecurity incidents, both within Judo as well as our operating environment. We continually monitor the external threat environment through several key alliances with the Australian Cyber Security Centre, Financial Services Information Sharing and Analysis Centre, and third-party threat intelligence providers that provide early warning of emerging cyberthreats. Judo has adopted a continuous improvement approach to maturing its 'Zero Trust' security architecture and leverages investments in market- leading cybersecurity solutions to support its cloud-first technology strategy. Our information security control framework is assessed against industry-accepted security control frameworks on an annual basis.
Financial crime risk	This risk relates to the potential occurrence of financial crimes, including money laundering, terrorism financing, sanctions, bribery, corruption and fraud.	Judo manages financial crime risk through various internal controls, policies and practices. Judo has established robust processes to detect and prevent financial crime and comply with legislation and has a dedicated anti-fraud function.
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people and systems, and external events. Operational risk is managed through a broad set of activities, policies and frameworks including the ongoing monitoring and effectiveness testing of Judo's control environment, as well as regular reporting and monitoring of third-party service providers, and key risk indicators and events.	Operational risk covers a broad spectrum of risk areas across Judo from the conduct of our people in accordance with Judo's values and Code of Conduct, to the management and monitoring of our third-party providers.
Regulatory and compliance risk	The risk of failure to comply with relevant regulatory obligations, prudential standards, and laws. The risk may present as inadequate response to changes in the regulation, policies and industry codes relevant to Judo's operations.	Judo maintains a compliance management system designed to identify, assess and manage compliance risks, and regulatory requirements are embedded across relevant Judo frameworks and policies. Judo also maintains transparent relationships with all of its regulators.
Technology risk	Technology risk relates to the potential for Judo to experience loss, reputational damage, regulatory sanctions or disruption to operations as a result of issues, failures or damage to its information technology platform.	Technology risk is managed through a combination of system compliance controls, technology policies, business continuity and disaster recovery plans, and incident and event management processes.
Sustainability risk	Sustainability risk includes those risks related to climate change impacts, mitigation and adaptation, environmental management practices, working and safety conditions, respect for human rights, anti-bribery and anti-corruption practices, and compliance with relevant laws and regulations for Judo and our value chain.	Sustainability risk is not a stand-alone material risk for Judo, but instead is present throughout Judo's key risk types and managed under our RMF.

People and culture

Culture continues to be fundamental to Judo's success. Our culture is a collection of the things we do every day, to make Judo a great place to work – to attract the best people in the industry; engage and empower them to work with our customers in a very different way to other banks; and invest in them to ensure they have long and fulfilling careers at Judo.

We were pleased to be named an AFR BOSS Best Place to Work for three years in a row, and become 'Great Place To Work® Australia' certified in FY25, recognising our relentless commitment to cultivating a customer-obsessed culture.

The leading destination for SME business bankers and the industry's best talent

The people who join Judo's team understand and are passionate about our purpose, and want to work for a bank that challenges the status quo and puts the customer first. The bankers who come to Judo have on average 15+ years of experience and are attracted to the promise of doing what they are trained and skilled to do – the craft of relationship-led SME banking.

Judo believes that highly engaged employees result in more satisfied customers and better business outcomes.

Judo is committed to providing a safe and healthy environment for all of our team members. Judo offers industry-leading benefits that include two weeks of additional leave, educational assistance and a variety of health, safety and wellbeing programs. Judo offers enhanced parental leave benefits, including paid superannuation on unpaid parental leave, paid foster care leave, and the opportunity to take parental leave flexibly. The **Flex@Judo** policy seeks to ensure that Judo's people have the option to work in a flexible way to balance their individual needs, and the needs of Judo's teams, culture and customers.

Judo's industry-first engagement tracking tool measures the energy, mood and commitment of our team on a weekly basis. This means that in near real time, Judo has its finger on the pulse of how our people are feeling and we can seek to quickly take action and make changes to keep employee engagement high. Judo is proud to have sustained high levels of employee engagement, contributing to below-industry levels of attrition throughout FY25.

71

JEDI Employee Engagement[1]

1. 12-month rolling average of JEDI (Judo Employee Delight Index) to Jun-25

FINANCIAL REVIEW BOSS BEST PLACES TO WORK In association with bendelta

Great Place To Work. Certified MAR 2025–MAR 2026 AUS

2024 Andrew Gibson Sponsorship Award Winner, Will Chen

We congratulate the second recipient of Judo's Andrew Gibson Sponsorship Award, Will Chen.

The in-memoriam Award honours the lasting contributions and significant achievements of Andrew Gibson, Judo's former General Manager of Finance who exhibited exceptional leadership and profound care for his team members and the success of Judo.

Undergraduate students pursuing a Bachelor of Commerce at the University of Melbourne were invited to apply for this year's Award, and Andrew's wife, Helen Gibson, participated in selecting the recipient.

We are pleased to share that Will Chen was selected for this Award, with panelists impressed by his contribution and commitment to giving back to the community.

"The Andrew Gibson Award recognises something I'm very passionate about, and that's making a contribution to society through my study and work. I'm thrilled to be this year's winner, and am inspired by the team at Judo who are so dedicated to Judo's purpose which is to support SME customers and the communities they operate in."

Will Chen | Business Commerce student

Attracting the best bankers

Credit excellence

What sets Judo bankers apart is their unwavering focus on credit expertise. We recruit bankers for their judgement and lending acumen – not their sales skills. Our rigorous hiring process includes multiple interviews and culminates in a three-hour, closed-book credit exam. This exam tests deep understanding of judgement-based lending. The emphasis on credit capability fosters mutual respect and trust between our bankers and credit teams, which results in the best outcomes for our customers.

Building the best bankers

Our internal development program, **J-Factor**, has been instrumental in transforming high-potential analysts into outstanding Judo bankers. This annual program blends in-house expertise from our seasoned credit and banking professionals with world-class training partners, including the Melbourne Business School. Each year, between 12 and 15 analysts complete the J-Factor program which sets them on a pathway to promotion. We take immense pride in the calibre of these 'homegrown' bankers who continue to strengthen our team and uphold our commitment to relationship-led banking.

Recognising credit excellence: the Judo Belt scheme

To further reward and recognise credit excellence, in FY25 we introduced the **Judo Belt Scheme** – a merit-based progression framework that links lending authority and incentive opportunities to demonstrated credit skills. The higher the belt, the greater the lending authority and remuneration potential. This means our bankers can meet customers with confidence, knowing they have the power to make lending decisions within their delegations directly with customers. This empowerment is one of the most valued aspects of being a Judo banker. The scheme has created a strong sense of momentum and aspiration within our banking cohort, driving continuous development and excellence.

A place where everyone feels like they belong

Our Inclusion, Equity and Diversity (**IE&D**) vision is that Judo is a place where everyone feels like they belong – a place where our people and our customers thrive because we acknowledge that it is our unique differences that make us collectively stronger.

As a team, we have defined three strategic IE&D pillars:

1. To attract, celebrate and keep diverse talent.
2. To nurture an inclusive culture where everyone feels like they belong.
3. To become the most trusted employer in Australian banking.

Our **Belong@Judo Network**, an employee-led initiative to inform, celebrate and promote diversity in all its forms across the organisation, went from strength to strength in FY25. Judo continues to advocate for equality and maximise inclusion in the way we work, and we were once again pleased to highlight and celebrate a number of cultural and religious holidays and national and international events.

Diversity targets

We continue working towards our measurable targets for gender diversity by the end of FY26, which are:

- 40% women
- 40% men
- 20% open[1]

These targets are set across the entire Judo workforce, including people leadership roles, senior leadership roles (including the Executive Leadership Team) and the Board.

As at 30 June 2025:

- women held 38% of Board positions (no change from FY24);
- women held 57% of Executive Leadership Team positions (+7% from FY24);
- women held 41% of senior leadership roles[2] including the Executive Leadership Team (+7% from FY24); and
- women accounted for 38% of Judo's entire workforce (+3% from FY24).

2025 Judo Annual Excellence Awards

Judo's highest honour, the Annual Excellence Awards celebrate our people for their exceptional contributions, leadership, teamwork, dedication to our purpose, and commitment to our customers.

"For the second year running, it was my personal highlight to recognise and celebrate the outstanding contributions of some of the exceptional people from across our business, who go above and beyond every day to support our SME customers."

Jess Lantieri
Chief People and Culture Officer

Giving back to our communities

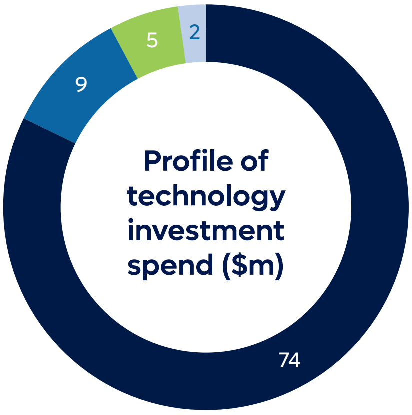
We are very proud to support community-giving projects and causes that our people are passionate about. We also encourage our people to support their local communities through paid volunteering leave.

Judo was proud to support The Social Education Group in FY25.

1. Open is defined as non-gender specific, and could include women, men, non-binary, intersex or gender-diverse identities.
2. Defined as employees who are members of the senior leadership team (SLT), typically direct reports of all Executive Leadership Team members who are in General Manager/Managing Director positions.

Our technology

Transition to strategic, scalable platforms is complete



Total technology capex of ~$90m over FY22–FY25

- Core tech (new and existing)
- Data platform and insights
- Digital experience
- Regulation and compliance

Platform	Partner	Completion	Benefits
Lending and deposit origination	nCino	Apr-23	Streamlining the origination process for customers
Data platform	Jarvis	Jul-23	Enabling staff to self-serve reporting and insights
Digital	Backbase	Dec-23	Enabling customers to self-serve simple tasks
Credit risk engine	Moody's	Jun-24	Improving credit risk insights and team productivity
Core lending	Thought Machine	Aug-24	Enabling Judo to scale and accelerate product development
Core deposits	Thought Machine	Mar-25	
Enterprise Resource Planning (ERP)	Oracle	Oct-24	Setting finance team up to scale
Customer Relationship Management (CRM)/workflow	Salesforce	In production from Oct-24	Enabling best-in-class customer insights for bankers
Regulation and compliance	Ongoing investment in a number of core capabilities		

Technology that strengthens relationships

Judo's technology strategy is purposefully designed to enhance the relationship between our bankers and customers. Every investment we make in technology is focused on empowering our people to deliver more personalised, efficient, and impactful service to our customers.

A simpler, smarter bank

Judo is built on a modern, cloud-based, and purpose-designed technology stack that is engineered for flexibility, scalability, and efficiency. Our cloud-native infrastructure delivers a clear cost advantage, and without the burden of decades-old legacy systems, our technology is significantly more cost-effective to operate and maintain.

Our technology strategy is simple – understand what is stopping our bankers from spending more time with their customers then eliminate, streamline or automate those processes.

Building for scale: a year of strategic transformation

In 2023, we committed to building for scale and deepening our investment in existing capabilities. In FY25, we delivered on that promise.

Our multi-year replatforming journey is now complete. Over the past three years, we have executed a transformation program of a scale and complexity that few banks – locally or globally – could match or replicate.

Today, all of Judo's core lending and deposit products are live on Thought Machine. This strategic shift enhances operational efficiency, reduces technical debt, and accelerates our ability to bring new innovations to market.

In FY25, we also implemented Oracle's general ledger and enterprise resource planning system to strengthen our corporate operations and deployed a market-leading credit risk engine to improve the speed and accuracy of risk assessments.

Our modular technology stack allows us to adapt quickly and ensures integration and expansion are highly efficient, enabling us to evolve our capabilities in line with customer needs and market opportunities.

By partnering with best-in-class SaaS providers, we can streamline system upgrades and accelerate the adoption of innovation, bringing new features and services to market faster and more efficiently. We are currently developing two new savings products and, with our deposit systems now fully transitioned to the Thought Machine platform, we can design, test, and launch new products in just over 12 months – a process that would take other organisations several years to complete.

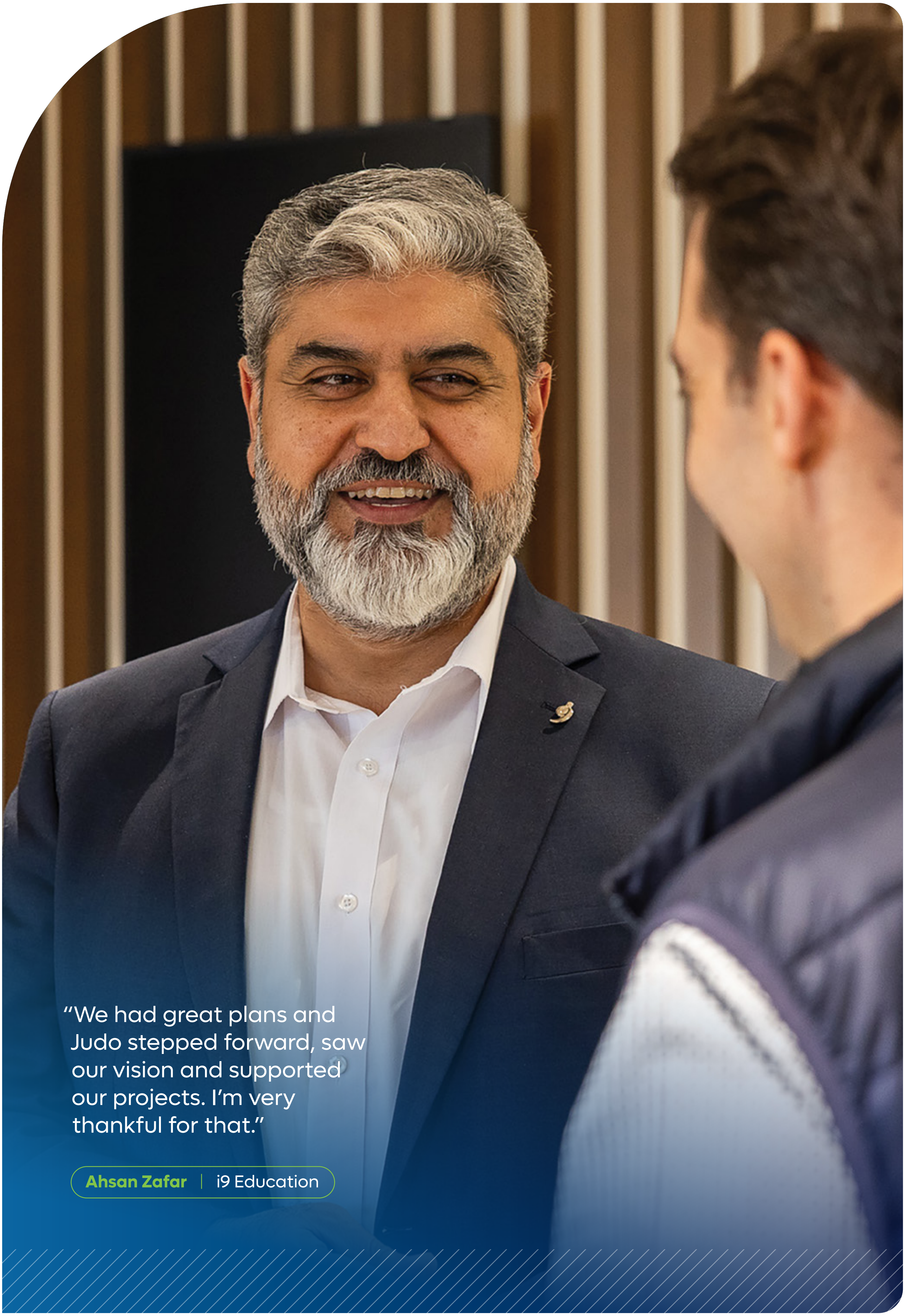
Data and insights

The use of data and insights continues to be a core and critical capability to help deliver strong customer and banker outcomes. We continue to invest in our data strategy in the following areas:

- **Data culture:** using data to understand customer needs, optimise operations, and mitigate risks.
- **Data ownership:** embedding strong data controls and fostering an understanding of data standards, to ensure the reliability and value of our data.
- **Data quality:** reliability and accuracy is foundational to our ability to leverage our data assets as a strategic enabler for the Bank.

Artificial Intelligence (AI) opportunities

Generative AI and Agentic AI provide Judo with significant opportunities to uplift the customer experience and simplify our core operational processes. We are taking a considered and thoughtful approach to identifying the right business problems to solve using AI. The use of AI needs to be targeted and tied to improving the way our bankers are able to more effectively engage with our customers. We are in the process of testing a number of different capabilities that will benefit the work of our relationship-led bankers.



"We had great plans and Judo stepped forward, saw our vision and supported our projects. I'm very thankful for that."

Ahsan Zafar | i9 Education

Sustainability

At Judo, sustainability means providing greater financial inclusion to underserved Australian SMEs and building a more resilient and sustainable bank for the long term. In FY25, a year of consolidation and preparation, Judo continued to undertake the groundwork necessary to meet the Federal Government's mandatory climate-related financial disclosure requirements.

Sustainability of our customers

We believe in supporting our customers, including providing the support to be more sustainable, both now and into the future. It forms a key component in our CVP and is also reflected in our hardship and vulnerable customer policies.

Every SME is different. Our relationship-led banking model helps to deliver outcomes for customers in a way that makes sense for their business. We continue to work to better understand the risks and impacts of climate change for our customers.

Inclusion, equity and diversity

As a multi-award-winning employer, we actively seek to create an enterprise with a diversity of people, experience and thought. Our employee value proposition sets us apart. We intentionally recruit talented, passionate people who are aligned to our customer-centric purpose. We lend differently, so we hire people who think differently.

Climate risks

It is necessary to take a strategic risk-based approach to managing the various climate change-related risks for us and for our customers.

During the year, we have continued working to understand our climate change-related risks through the measurement and identification of emissions sources, and continued preparing for mandatory, internationally-aligned climate-related reporting in FY26.

As an ADI with cloud-based technology and no physical bank branches, our climate change-related risks are predominantly present in our customer portfolio. One of our priorities for our Sustainability Strategy is to collect data relating to the climate-related risks impacting our SME customers, which will then inform a deeper understanding of our portfolio-level climate-related risks.

Financial inclusion

We believe that all Australian SMEs deserve to have access to financial products and services to help grow their businesses. We continue to provide more financial inclusion to this underserved sector of the Australian economy through our unique relationship-led banking model.

Corporate governance

We believe that strong corporate governance provides the foundation for a high-performing organisation and that good governance practices will preserve and strengthen stakeholder confidence and long-term value.

Our beliefs are underpinned by our Judo Values of *Accountability, Performance, Teamwork and Trust.*

Sustainability governance

Our Board Charter reflects the Board's commitment to sustainability at Judo. Judo's ESG Policy sets out the responsibilities of our Board and of our Executive Committee (**ExCo**), in oversight of Judo's Sustainability Strategy, priorities and approach to sustainability.

Board

Responsible for sustainability governance, including consideration of ESG-related risks and opportunities, assessing trade-offs and sensitivity to uncertainty, and overseeing ESG-related metrics and targets. The Board is supported in the exercise of its oversight by Judo's Board Committees.

Board Audit Committee (BAC)

Advice to the Board regarding existing and emerging ESG or sustainability accounting and reporting frameworks.

Board Risk Committee (BRC)

Advice to the Board on Judo's ESG Risk Management Framework including implementation of ESG risk management strategies, policies, frameworks and procedures.

Board Remuneration and Nominations Committee (REMCO)

Advice to the Board on people and remuneration matters, including IE&D-related matters.

The Board and Board Committees are supported in the execution of their ESG-related responsibilities through the ExCo and ALCO.

ExCo

Management and implementation of Judo's ESG Policy and Sustainability Strategy, including monitoring of ESG-related risks under Judo's RMF.

ALCO

ExCo support as required for any balance sheet and financial implications from identified ESG-related risks and opportunities.

ESG Working Group

Advice and assistance in fulfilling Judo's responsibilities in relation to Judo's ESG initiatives and reporting requirements. Formalised through the adoption of the ESG Working Group Charter during FY24, this Group meets quarterly (or more frequently where required).

ESG Committee

Assessing the application of ESG criteria in relation to credit risk assessments that have negative or complex ESG-related risk factors.

Judo's overarching approach to corporate governance is further detailed in Judo's corporate governance structures on page 37.

The Board exercises oversight through periodic updates from members of the ESG Working Group and as required via reporting from the ExCo and ALCO.

Risk management

Risks associated with ESG across our customers and our portfolio are embedded in Judo's RMF. For details on how these risks are incorporated into Judo's RMF, and the management of sustainability risks, refer to Material risks in this Report, at page 23.

During FY25, we:

- Further embedded our Red, Amber and Green 'traffic light' approach to credit origination regarding positive, negative and/or complex ESG-related risk factors (**ESG Credit Risk Guidance**).
- Continued to implement the ESG Credit Risk Guidance proactively when making credit assessments.

Sustainability strategy

Material topics

Judo's ESG Working Group refreshed Judo's material ESG topics for FY25 based on an annual desktop review. The desktop assessment included a review of key internal and external documents, including finalised Australian Sustainability Reporting Standards, frameworks, regulatory guidance and Judo's RMF. The outcome of this annual review was reported to the ExCo and BAC in May 2025. Our refreshed material topics continue to focus on how we can protect and create value for all our stakeholders across the short, medium and long term, and will inform our strategic initiatives for future financial years.

Judo's top three material ESG topics for FY25 are:

Customers	Aligned to our purpose, supporting SME customers to experience greater financial inclusion and the development and economic viability of our unique customer base, both now and into the future. We consider this material topic has clear social and governance dimensions.
Cyber/data security	Securing our customer, employee and supplier data, including protecting personal and financial information against cyber threats, as well as harnessing new technologies to continuously improve our business processes and customer experience. We consider this a key 'organisational readiness' topic – cyber and data security have clear environmental (e.g. cyberattacks on infrastructure), social (e.g. customer and supplier safety) and governance (e.g. integrity of data for reporting purposes) dimensions.
Employees	Increasing focus on our people and their retention, engagement, recruitment, diversity, culture, pay equity and wellbeing, as we believe that a supported, empowered, engaged team will deliver better customer outcomes. We consider that this material topic relates to the 'people' pillar and has clear environmental (e.g. getting our people's emissions down), social (e.g. employee retention) and governance dimensions.

Customers

Judo's customers are primarily Australian citizens, Australian permanent residents or Australian tax resident entities, and we are proud of our strong and growing presence in the SME ecosystem of regional Australia.

Our highly experienced bankers seek to deeply understand each customer in their portfolio and make tailored, judgement-based lending decisions to support their customers' businesses that, in turn, support Judo's sustainability program of work. We continue to explore ways in which Judo can assist its customers, and the wider SME community, to adapt and respond to sustainability challenges, including climate risks and opportunities. For example, we provide our bankers with a variety of economic resources, along with the opportunity for our customers to attend tailored economic presentations.

Cyber/data security

We continue to prioritise cybersecurity and data security as a material ESG topic as we take the privacy of our customers', prospective customers', employees' and suppliers' personal information seriously. Our publicly available Privacy Policy and our Privacy Collection Statement for prospective, current and former employees each set out how Judo and its related bodies corporate seek to manage personal information (which may include sensitive information and credit-related personal information) about individuals, in accordance with the *Privacy Act 1988* (Cth) (the Privacy Act), the Australian Privacy Principles set out in the Privacy Act, and the *Privacy (Credit Reporting) Code 2024*, as applicable.

In FY25, we further uplifted our Document Retention Policy, which:

- sets out Judo's record keeping and retention practices in relation to information generated in connection with Judo's business;
- assigns roles and responsibilities in respect of Judo's record and data keeping and retention practices; and
- helps Judo's representatives understand their record keeping, privacy and related obligations.

We also reviewed our Marketing Communications Policy and Media Policy to enable responsiveness to changing regulatory and market conditions, and community expectations.

Employees

Refer to the People and Culture section on pages 24 to 26.

Emissions Metrics[1]

Being a digitally enabled bank without physical bank branches, Judo has a relatively low-carbon operational footprint for an ADI.

tCO_2e	FY25	FY24
Scope 1	0	0
Scope 2		
Electricity (market-based)	228	203
Scope 3		
Purchased goods and services*	7,043	10,101
Business travel**	1,052	1,221
Other***	22	21
Electricity (market-based)	31	24
Total Scope 3	**8,148**	**11,367**
Total operational carbon footprint (market-based)	**8,376**	**11,570**

* Includes capital goods.

** Includes employee commuting and work from home.

*** Includes waste generated in operations and upstream transportation and distribution.

In line with the Greenhouse Gas (**GHG**) Protocol, our electricity emissions have been calculated on market-based and location-based criteria:

tCO_2e	FY25	FY24
Market-based		
Scope 2	228	203
Scope 3	31	24
Total electricity (market-based)	**259**	**227**
Location-based		
Scope 2	242	236
Scope 3	27	27
Total electricity (location-based)	**269**	**263**

1. Metrics were calculated based on the GHG Accounting Principles under the global GHG Protocol and were determined using an operational control approach. In each case, no direct emissions (Scope 1) were identified for Judo. A relevance test was undertaken to identify all other relevant indirect emissions (Scope 2 and Scope 3). Consistent with prior years, Judo's Scope 3 financed emissions are not included in the above.

Overall Judo's emissions decreased by 3,194 tCO_2e from FY24 to FY25. Movements in Judo's emissions across FY24 to FY25 are primarily due to the following.

- **3,058 tCO_2e decrease in Purchased Goods and Services:**

FY25 Emissions Factor Update – As discussed in detail below, emissions from this category are calculated based on primary data sources, where available. Where unavailable, the spend-based method is utilised. Spend-based emissions factors are updated annually to reflect the latest available economic and emissions data. A significant portion of the decrease in emissions in this category in FY25 is due to the update of spend-based emissions factors, which is now based on the most recently available economic data from the Australian Bureau of Statistics.

Decreased expenditure in capital goods: Several large IT projects, including investment in uplifting Judo's digital banking platform, were ongoing during FY24. These projects were largely completed during FY24 and early FY25, therefore reducing Judo's supplier expenditure and emissions from purchased goods and services in FY25.

- **169 tCO_2e decrease in Business Travel:** Primarily due to a decrease in air travel and hotel stays across the business.
- **32 tCO_2e increase in Electricity (market-based) and 1 tCO_2e increase in Other:** Due to new locations and increased FTE over the year.

Calculation of emissions from purchased goods and services is based on primary and secondary data sources. Where primary data was not available, the spend-based method was used to estimate emissions. Using this method, spending on goods and services is multiplied by supplier-specific emissions intensity (preferred approach) or industry average emissions factors.

For the FY24 and FY25 GHG emissions presented in this Report, Judo has made several improvements to the calculations due to better data availability. Data improvements include:

- Judo utilised a more granular emissions factor database to calculate purchased goods and services emissions. This increased the accuracy of GHG emissions calculations.
- Emissions related to business travel (i.e. travel to customers) undertaken by customer-facing employees in their personal vehicles have been included in the calculation of Scope 3 business travel emissions.
- Emissions related to water usage in Judo's offices have been included in Scope 3 'Other' emissions.
- The calculation of electricity (location-based) emissions has been updated. An error was identified in the FY23 calculation and the corrected total tCO_2e for FY23 electricity (location-based) emissions was 225 tCO_2e (Scope 2: 203, Scope 3: 22).

As a result of the above improvements, FY23 emissions, which were calculated based on the data available at the time, are no longer directly comparable.

The accuracy of reported emissions is expected to continue to improve in future periods as more supplier-specific information becomes available to Judo. Where there is a material change in Judo's methodology or the granularity of available data, Judo will report these changes.

Emissions Reduction Plan

Judo recognises that the primary means of effecting GHG reductions is through our SME customers. While we work towards reporting our financed emissions in line with Australian Sustainability Reporting Standards from FY27, we are also committed to reducing our operational and value chain emissions.

Judo's Emissions Reduction Plan is currently under review with the aim of developing an uplifted plan in line with Judo's growth strategy and desire to achieve emissions reduction through a combination of supplier selection, engagement and internal policy updates.

We are committed to emissions reduction in line with internationally accepted climate science, and also committed to reducing emissions to support the ongoing decarbonisation of the communities in which we operate. Judo maintains a record of its actual emissions for FY22 to FY25 and will continually review historical emissions data gathered to identify opportunities to decrease our emissions.

Industry exposure

As a unique pure-play specialist SME business lender, we are less exposed to heavy emissions industries than other commercial banks. Despite this, we are committed to understanding the climate risks and opportunities in our loan portfolio. Our exposures to industries considered higher climate risk are shown below.

Our GLA as at 30 June 2025 was $12.5bn.

Preparation for mandatory climate reporting

The Federal Government has introduced mandatory climate-related disclosure laws for large businesses (including financial institutions). Judo will be required to report under the new regime for the financial year ending 30 June 2026.

In preparation for the new requirements, we are undertaking actions including:

- information gathering to enable Judo to meet the disclosure requirements;
- reviewing our existing governance;
- arrangements to determine responsibility and accountability for the new disclosure requirements; and
- reviewing and uplifting our ESG Policy, Sustainability Strategy and Emissions Reduction Plan.

As at 30 June 2025, Judo had no direct lending to:

Extractive mining, including coal mining, oil and gas extraction and metal ore mining[1].

Fossil fuel electricity generation, transmission, distribution or retail[2].

Manufacturing or distribution of weapons including chemical, biological or nuclear weapons, or components, landmines and cluster munitions[3].

As at 30 June 2025, Judo's total exposure to:

Other electricity generation[4] was 0.03% of total outstanding loans.

Oil and gas supply and distribution[5] was 0.01% of our total outstanding loans.

Judo began lending to the agribusiness sector in FY22. A small percentage of Judo's overall loan book relates to funding for sheep and cattle businesses.

1. Refers to ANZSIC Industry Subcodes 6-8 (600-809 inclusive).
2. Refers to ANZSIC codes 2611, 2620, 2630 and 2640.
3. Firearms (broadly, portable guns) are not included within the definition of weapons for the purpose of disclosure. Firearms manufacture, wholesale and retail are considered under Judo's ESG Credit Risk Guidance. No ANZSIC codes directly refer to weapons manufacture, wholesale or retail. The disclosure is based on a review of credit portfolio and compliance with our ESG Credit Risk Guidance.
4. Refers to ANZSIC code 2619.
5. Refers to ANZSIC code 2700.

Corporate Governance

Our approach to corporate governance

Judo's Board of Directors and ExCo work together to ensure effective implementation and oversight of Judo's strategic direction, financial plans and risk management objectives.

Further details of Judo's approach to corporate governance are outlined in our Corporate Governance Statement.

Board roles and responsibilities

The Board provides strategic guidance and effective oversight of the ExCo to protect and enhance the value of Judo. Key responsibilities of the Board include:

(a) Approving Judo's business strategy and financial plan and monitoring their implementation.

(b) Approving Judo's annual budget (and any reforecasts) and financial statements, monitoring financial performance against budget and prior period performance.

(c) Approving Judo's annual ICAAP Report and overseeing capital management throughout the year.

(d) Approving and monitoring, with guidance from the BRC, the effective operation of Judo's RMF and RMS.

(e) Assessing Judo's risk culture and the extent to which the risk culture supports the ability of Judo to operate consistently within its Risk Appetite Statement.

(f) Considering the social and environmental impact of Judo's activities and approving Judo's Sustainability Strategy and ESG Policy.

The roles, responsibilities and membership requirements of the Board, including the matters that are specifically reserved to the Board, are set out in the Board Charter which is available at www.judo.bank/corporate-governance.

Board focus areas in FY25

Key focus areas and priorities for the Board throughout FY25 included:

- Board and Executive succession planning, including appointment of a new Director, Brad Cooper, and a new Chair, David Hornery to the Board and appointment of a new COO, Rosanna Fornarino, and CRO, Renée Roberts, to the ExCo.
- Oversight of the delivery of key strategic technology projects, including the core banking platform for lending and deposits, General Ledger and the embedding of the Credit Risk Engine.
- Continuous monitoring of credit portfolio performance including impacts of the external economic environment on SME businesses against Judo's risk appetite.
- Ongoing communication with the investment community, including Judo's second investor day.

Board Committees

The Board has in place the following Committees to assist it in carrying out its responsibilities:

	Board Audit Committee (BAC)	**Board Risk Committee (BRC)**	**Board Remuneration and Nominations Committee (REMCO)**
Purpose	Advises the Board on the effectiveness of Judo's accounting, auditing, financial and regulatory reporting, and internal control frameworks.	Advises and assists the Board to fulfill its responsibilities in relation to Judo's risk management practices, including risk management strategies, frameworks, and policies, and how these support Judo's business strategy and organisational culture.	Advises and assists the Board to fulfil its responsibilities in relation to Judo's remuneration strategy and policy, Board composition, Board and ExCo succession, IE&D Strategy, policy, and targets and how these support Judo's strategy and culture.
Chair	Manda Trautwein	John Fraser (until 25 October 2024) Mette Schepers (Acting Chair from 25 October 2024 to 28 February 2025) Peter Hodgson (effective 1 March 2025)	Jennifer Douglas
Members	David Hornery Peter Hodgson Mette Schepers	David Hornery Mette Schepers Brad Cooper (from 16 December 2024)	David Hornery (from 1 March 2025) Peter Hodgson Malcolm McHutchison
Observer		Manda Trautwein	

The Board Committees' charters, outlining their responsibilities, membership requirements and terms of operation, are available at: www.judo.bank/corporate-governance.

Board composition and renewal

As at 30 June 2025, Judo's Board comprised seven Non-Executive Directors and one Executive Director, the CEO and Managing Director, Chris Bayliss.

Both Jennifer Douglas and David Hornery were re-elected as Directors at the 2024 Annual General Meeting (**AGM**) following their first three-year term as Directors.

During FY25, other changes were made to the composition of the Board.

John Fraser retired from the Board at the conclusion of the 2024 AGM on 25 October 2024. John had served on the Board since October 2018 and was Chair of the BRC and a member of the REMCO. Mette Schepers acted in the role of Chair of the BRC following John's retirement.

Brad Cooper was appointed as an Independent Non-Executive Director effective 16 December 2024. Brad is also a member of the BRC.

On 28 February 2025, Peter Hodgson stepped down as Chair of the Board and David Hornery was appointed as his replacement effective 1 March 2025. Peter remains on the Board as a Senior Independent Non-Executive Director. Peter was also appointed as Chair of the BRC from 1 March 2025.

David was also appointed as a member of the REMCO.

The above changes to Board and Board Committee composition were supported by the REMCO and approved by the Board.

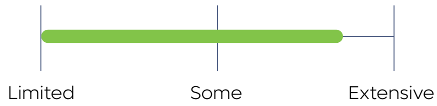
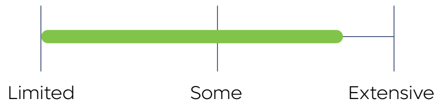
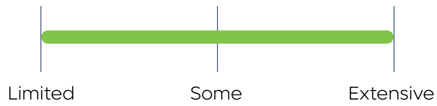
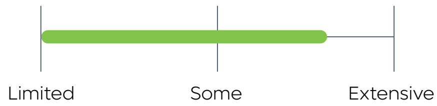
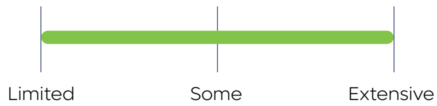
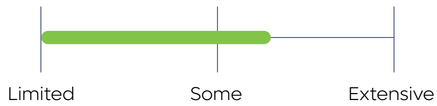
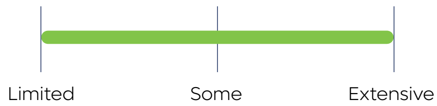
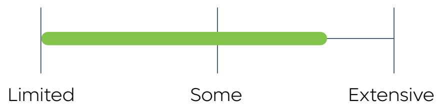
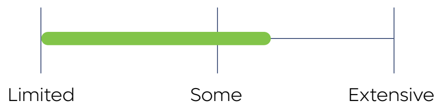
Further details on Judo's Directors are provided on pages 60 to 63.

Board performance, skills, and experience

The Board has a formal Assessment Framework that outlines the requirements for assessing its performance, skills and fitness and proprietary to hold the role of a Director. A Board and Board Committee performance self-assessment and skills self-assessment are completed annually. Board assessments may also be externally facilitated from time to time as determined by the Chair in addition to annual self-assessments. An independent assessment commenced in FY25.

Judo's Board skills matrix and a summary of results are set out on the following page. Collectively, Judo's Directors have the relevant skills and competencies to advise on, and oversee, Judo's strategy.

Board skills and experience as at 30 June 2025

Skills and experience	Description	Collective experience
Relevant industry experience	Experience working in a senior role in the commercial banking sector, strong understanding of the economic drivers and the regulatory environment that have an impact on Judo and its customers.	
Small business and start-up experience	Experience working, or acting, in an advisory role to the small business sector and start-up organisations. Understanding of key issues facing these sectors and a proven capacity as an advocate for small businesses for whom Judo is a key partner.	
Customer relationships	Experience developing and delivering customer strategies, enhanced customer experiences and deeper customer relationships to assist Judo in continuing to embed our CVP.	
Risk culture	Experience assessing and managing financial and non-financial risks through development and oversight of risk management frameworks to support everyone as a risk manager at Judo.	
Strategy and performance	Experience developing and delivering on growth plans and strategic direction to support Judo's purpose to be Australia's most trusted SME business bank. Sound understanding of financial statements, capital management strategies and drivers of financial performance, including assessing the adequacy of financial controls and integrity of financial reporting.	
Transformation, digital technology and data	Experience in delivery and oversight of technology strategies, technology risk and technology transformation programs, including in utilising digital technology and data (and the associated risks, e.g. cybersecurity risks).	
People and organisational culture	Experience developing workforce capability in attracting and retaining talent, remuneration practices and organisational culture with a focus on inclusion, equity and diversity.	
Ownership mindset	Experience in taking an owner's mindset approach and the continuous exercise of critical, independent thinking to avoid bureaucracy.	
Environment and social	Understanding potential risks and opportunities from an environmental and social perspective relevant to a challenger bank focused on the SME market.	

Financial Performance

1. FY25 result overview

Statutory Profit Before Tax (PBT)

$125.6m

FY24: $104.3m

Underlying Profit Before Tax (PBT)[1]

$125.6m

FY24: $110.1m

Gross Loans and Advances (GLA)

$12.5bn

FY24: $10.7bn

Net Interest Margin (NIM)

2.93%

FY24: 2.94%

Underlying Cost to Income ratio (CTI)[1]

52.4%

FY24: 54.6%

Minimum Liquidity Holdings (MLH)

16.9%

FY24: 18.2%

Total Provision Coverage (GLA %)

1.49%

FY24: 1.39%

90+ DPD and Impaired assets[2]

2.43%

FY24: 2.31%

Return on Equity (ROE)

5.3%

FY24: 4.5%

Common Equity Tier 1 ratio (CET1)

13.1%

FY24: 14.7%

1. Excluding non-recurring costs in FY24. See section 2.5 on operating expenses.
2. Jun-25 figure excludes facilities in final stage of resolution where unconditional sale agreements are in place.

1.1 FY25 result summary

In FY25, Judo delivered solid financial results and made significant progress executing its clear and simple strategy to build a world-class SME business bank. The Bank continued to scale its specialist, pure-play SME banking franchise, opening 10 new locations to a total of 31 locations nationally, while maintaining a market-leading lending NPS of +53. Judo's deposit base grew to ~$10bn, supporting the growth ambitions of its lending franchise. Judo also successfully completed the replatforming of its core IT systems, establishing a modern, cloud-based technology stack to support scalable growth.

In terms of financial performance, Judo navigated heightened volatility in the operating environment and achieved underlying PBT[1] growth of 14%, clearly demonstrating its operating leverage trajectory and progress towards its at-scale ROE.

Statutory PBT was $125.6m, up 20%. **Underlying PBT**[1] was $125.6m, up 14%. The profit result was supported by continued scaling of the loan book, NIM improvement throughout FY25 and prudent cost management.

GLA as at 30 June 2025 was $12.5bn, up 16%, equal to nearly two times system growth[2]. Lending growth was driven by Judo's unique CVP and the Bank's regional expansion strategy. The Bank experienced seasonality in lending activity resulting in growth being subdued in Q3 before growing strongly in Q4.

Funding continued to strengthen and diversify as Judo made progress towards its at-scale funding stack. Term deposits (**TDs**) reached $9.9bn as at 30 June 2025, up 20%, driven by a $1.4bn increase in direct retail TD balances. Deposits represented 68% of Judo's total funding as at 30 June 2025, up from 64% as at 30 June 2024. Judo also continued to enhance its wholesale funding program, including ongoing optimisation of warehouse funding and access to public debt markets, supported by an investment grade credit rating from S&P.

NIM was 2.93% in FY25, down one basis point (**bps**). NIM progressively improved throughout the year, rising from 2.81% in 1H25 to 3.04% in 2H25. 1H25 NIM was impacted by a residual drag from the refinancing of the TFF, which was repaid in June 2024. The NIM uplift in 2H25 was driven by higher lending margins, optimisation of wholesale funding, improved yield on liquid assets and tighter liquidity management.

Underlying operating expenses[1] were $221.8m, up 2%. Employee benefits expense was up 3%. Average full-time equivalent employees (**FTEs**) reduced while banker FTEs increased in FY25, reflecting the maturity of enabling functions. Non-employee benefit expenses were broadly stable.

Underlying CTI[1] was 52.4%, down from 54.6%. CTI improvement reflected operating leverage as revenue growth exceeded cost growth.

Impairment expense was $75.5m, up from $70.1m, driven by an increase in specific provisioning for a small number of exposures across several sectors. Impairment expense as a percentage of average GLA was 66bps compared to 72bps in FY24.

Expected credit loss (ECL) provisions on loans and advances increased to $185.8m, up from $149.1m. Collective provision coverage was 0.95% of GLA, down 10bps. The movement was primarily driven by ongoing seasoning of the portfolio, a migration from collective provisions into specific provisions, loan book growth and increased weighting to downside economic scenarios. Total provision coverage was 1.49% of GLA as at 30 June 2025, up 10bps.

90+ days past due (DPD) and impaired assets ratio was 2.43% of GLA, a moderate increase of 12bps from 30 June 2024[3]. The ratio was relatively stable throughout the year compared to 2.30% as at December 2024 and 2.46% as at 31 March 2025.

Capital remained strong with a CET1 ratio of 13.1%, down from 14.7%. The key driver of the CET1 movement was growth in lending assets, partly offset by improving organic capital generation.

1. Excluding non-recurring costs in FY24. See section 2.5 on operating expenses.
2. Reflects Judo's multiple of system growth for GLA over FY25, per APRA statistics.
3. Jun-25 figure excludes facilities in final stage of resolution where unconditional sale agreements are in place.

2. Analyst Pack

2.1 Income statement

	Year to			Half Year to		
	Jun-25 $m	Jun-24 $m	YoY %	Jun-25 $m	Dec-24 $m	HoH %
Interest income	1,059.9	910.3	16%	534.9	525.0	2%
Interest expense	(652.6)	(524.3)	24%	(320.6)	(332.0)	(3%)
Net interest income	**407.3**	**386.0**	**6%**	**214.3**	**193.0**	**11%**
Other operating income	15.6	10.7	46%	7.7	7.9	(3%)
Net banking income	**422.9**	**396.7**	**7%**	**222.0**	**200.9**	**11%**
Employee benefits expense	(132.8)	(129.2)	3%	(61.8)	(71.0)	(13%)
Other expenses	(89.0)	(87.3)	2%	(44.6)	(44.4)	–
Total underlying operating expenses[1]	**(221.8)**	**(216.5)**	**2%**	**(106.4)**	**(115.4)**	**(8%)**
Underlying profit before impairment[1]	**201.1**	**180.2**	**12%**	**115.6**	**85.5**	**35%**
Impairment expense	(75.5)	(70.1)	8%	(46.7)	(28.8)	62%
Underlying profit before tax[1]	**125.6**	**110.1**	**14%**	**68.9**	**56.7**	**22%**
Non-recurring costs	–	(5.8)	(100%)	–	–	–
Statutory profit before tax	**125.6**	**104.3**	**20%**	**68.9**	**56.7**	**22%**
Tax expense[2]	(39.2)	(34.4)	14%	(23.4)	(15.8)	48%
Statutory profit after tax	**86.4**	**69.9**	**24%**	**45.5**	**40.9**	**11%**

1. Excluding non-recurring costs in FY24. See section 2.5 on operating expenses.
2. Includes tax credit on non-recurring costs of $1.3m in FY24.

2.2 Operating metrics

	Year to			Half Year to		
	Jun-25 $m	**Jun-24 $m**	**YoY %**	**Jun-25 $m**	**Dec-24 $m**	**HoH %**
GLA						
GLA (end of period)	12,465	10,711	16%	12,465	11,647	7%
GLA (average)	11,499	9,687	19%	11,796	11,224	5%
Performance						
Net interest margin (%)	2.93%	2.94%	(1bp)	3.04%	2.81%	23bps
Underlying cost-to-income ratio (%)[1]	52.4%	54.6%	(220bps)	47.9%	57.4%	(950bps)
Net banking income/average FTEs	0.77	0.71	9%	0.40	0.37	9%
ROE (annualised)	5.3%	4.5%	80bps	5.5%	5.1%	40bps
Funding						
Total customer deposits (end of period)	9,881	8,228	20%	9,880	8,990	10%
Deposits/total funding and capital (%)	68.1%	64.4%	370bps	68.1%	66.1%	200bps
Capital adequacy						
Total RWAs	11,548	9,611	20%	11,548	10,638	9%
Average risk weight on lending (%)[2]	79.9%	77.6%	230bps	79.9%	79.7%	20bps
Common Equity Tier 1 capital ratio (%)	13.1%	14.7%	(160bps)	13.1%	13.8%	(70bps)
Total capital ratio (%)	16.5%	17.5%	(100bps)	16.5%	17.5%	(100bps)
Asset quality						
Impairment expense on average GLA (%) (annualised)	0.66%	0.72%	(6bps)	0.79%	0.51%	28bps
Losses ratio (%) (annualised)	0.34%	0.31%	3bps	0.35%	0.32%	3bps
90+ DPD & impaired assets/GLA (%)[3]	2.43%	2.31%	12bps	2.43%	2.30%	13bps
Non-performing loans/GLA (%)[3]	3.18%	2.72%	46bps	3.18%	2.90%	28bps
Collective provision/GLA (%)	0.95%	1.05%	(10bps)	0.95%	1.02%	(7bps)
Specific provision/GLA (%)	0.54%	0.34%	20bps	0.54%	0.35%	19bps
Total provision/GLA (%)	1.49%	1.39%	10bps	1.49%	1.37%	12bps
Operations (end of period)						
Total full-time equivalent employees (FTEs)	557	543	3%	557	548	2%
Number of relationship bankers	161	144	12%	161	159	1%
Earnings per share						
Basic earnings per share (cents)	7.7	6.3	23%	4.1	3.7	10%
Weighted average number of shares	1,115,401,161	1,108,340,097	1%	1,117,570,322	1,113,267,366	0.4%

1. Excluding non-recurring costs in FY24. See section 2.5 on operating expenses.
2. Average risk weight on lending (%) incorporates the requirements of *APS112 Standardised Approach to Credit Risk* and *APS120 Securitisation*. Prior-year figures have been restated to reflect both on- and off-balance sheet exposures and adjusting for provisions on defaulted assets.
3. Jun-25 figures exclude facilities in final stage of resolution where unconditional sale agreements are in place.

2.3 Net interest income

	Year to			Half Year to		
	Jun-25 $m	Jun-24 $m	YoY %	Jun-25 $m	Dec-24 $m	HoH %
Interest income	1,059.9	910.3	16%	534.9	525.0	2%
Interest expense	(652.6)	(524.3)	24%	(320.6)	(332.0)	(3%)
Net interest income	**407.3**	**386.0**	**6%**	**214.3**	**193.0**	**11%**
Average GLA	11,499	9,687	19%	11,796	11,224	5%
Average trading and investment securities	2,418	3,443	(30%)	2,409	2,412	–
Average interest earning assets	**13,917**	**13,130**	**6%**	**14,205**	**13,636**	**4%**
Average trading and investment securities/Average GLA (%)	21.0%	35.5%	(1,450bps)	20.4%	21.5%	(110bps)
Net interest margin (%)	2.93%	2.94%	(1bp)	3.04%	2.81%	23bps
Yield on treasury assets (%)	3.81%	3.56%	25bps	3.78%	3.87%	(9bps)

Net interest income

Net interest income was $407.3m, up 6%.

Net interest income consists of:

- interest income received on interest-earning assets; and
- establishment fees and facility-related fees received from customers;

less:

- interest expense on customer deposits, debt and hybrid-debt facilities;
- brokerage costs related to the origination of loans; and
- establishment fees, commission expenses and line fees relating to funding activities.

Average interest earning assets

Average interest earning assets increased to $13.9bn, up 6%, with an increase in average GLA partly offset by a reduction in average trading and investment securities.

- Average GLA increased to $11.5bn, up 19%, discussed in more detail in Section 2.6.
- Average trading and investment securities were $2.4bn as at 30 June 2025, down 30% from the prior year. The decline was due to reduced liquidity requirements following the TFF repayment completed in June 2024, as well as tighter liquidity management.
- Average trading and investment securities as a percentage of average GLA fell to 21% in FY25, down from 35.5% in FY24.

Net interest margin

NIM for FY25 was 2.93%, a decline of 1bp from 2.94% in FY24.

NIM for 2H25 was 3.04%, an increase of 23bps from 2.81% in 1H25.

The average blended cost of deposits had a 1bp unfavourable impact on 2H25 NIM, as the blended hedged cost increased to 87bps over 1-month bank bill swap rate (**BBSW**), up from 85bps in 1H25.

Average cost for new deposits averaged 99bps over 1-month BBSW in 2H25, exceeding Judo's through-the-cycle expected range of 80-90bps (1H25: 86bps). This was driven by a disconnect between TD headline rates and swap rates. TD headline rates in the market trended lower throughout 2H25. The swap curve, however, experienced heightened volatility, driven by anticipation of cash rate decisions and broader global macroeconomic uncertainty particularly during April.

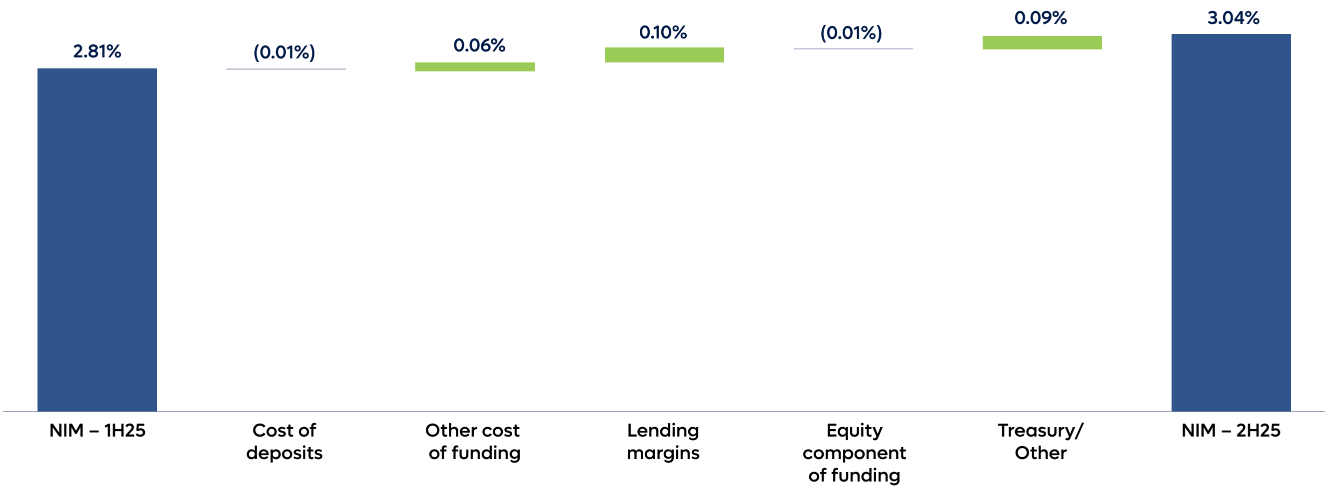
Other cost of funding, which reflects funding mix and wholesale funding sources, contributed a 6bps favourable impact to NIM in 2H25. This reflects the increasing contribution from deposit funding in 2H25 to 68% (1H25: 66%), in addition to ongoing optimisation of warehouse funding agreements and favourable pricing for new senior unsecured issuances and negotiable certificates of deposit (**NCDs**).

Lending margins contributed a 10bps favourable impact to NIM in 2H25, reflecting full-period benefit from higher lending margins and proactive portfolio management in 1H25. Average blended lending margin in 2H25 was 4.3% over 1-month BBSW (1H25: 4.2%).

Equity had a 1bp unfavourable impact on NIM in 2H25, as the impacts of falling interest rate were largely offset by the investment term of capital policy (**ITOC**) in place. As at 30 June 2025, Judo had an ITOC tenor of three years with $1bn of capital hedged of $1.7bn total equity.

Treasury/other contributed a 9bps favourable movement to NIM. Further treasury portfolio optimisation contributed a 6bps improvement to NIM, primarily from the reinvestment of maturing low-yielding fixed-rate bonds throughout the period. The remaining contribution relates to fees and other miscellaneous items.

NIM movements – December 2024 to June 2025 (%)



2.4 Other operating income

	Year to			Half Year to		
	Jun-25 $m	Jun-24 $m	YoY %	Jun-25 $m	Dec-24 $m	HoH %
Fee income	9.2	6.2	48%	4.8	4.4	9%
Other income	6.4	4.5	42%	2.9	3.5	(17%)
Total other operating income	**15.6**	**10.7**	**46%**	**7.7**	**7.9**	**(3%)**

Other operating income increased to $15.6m, up $4.9m.

Fee income rose to $9.2m, up 48% benefiting from strong demand for bank guarantee products and undrawn lines of credit, supported by growth in customer accounts and higher product volumes.

Other income increased to $6.4m, up 42%, driven by higher mandate fees and discharge fees charged on lending products, deposit break fees and other one-off items. Overall, the uplift reflected continued growth in Judo's lending and deposit books.

2.5 Operating expenses

	Year to			Half Year to		
	Jun-25 $m	Jun-24 $m	YoY %	Jun-25 $m	Dec-24 $m	HoH %
Employee benefits expense	132.8	129.2	3%	61.8	71.0	(13%)
IT expense	36.2	28.5	27%	18.8	17.4	8%
Marketing expense	7.1	8.4	(15%)	3.8	3.3	15%
Occupancy and depreciation	8.0	8.1	(1%)	4.1	3.9	5%
Intangibles amortisation	11.7	12.1	(3%)	6.2	5.5	13%
Other expenses	26.0	30.2	(14%)	11.7	14.3	(18%)
Total underlying operating expenses[1]	**221.8**	**216.5**	**2%**	**106.4**	**115.4**	**(8%)**
Non-recurring costs						
CEO transition costs	–	3.2	(100%)	–	–	
Organisational restructuring costs	–	2.6	(100%)	–	–	
Total statutory operating expenses	**221.8**	**222.3**	**–**	**106.4**	**115.4**	**(8%)**
Total FTEs	557	543	3%	557	548	2%
Average FTEs	548	558	(2%)	552	544	1%
Total Relationship Bankers	161	144	12%	161	159	1%
Underlying cost-to-income ratio (%)[1]	52.4%	54.6%	(220bps)	47.9%	57.4%	(950bps)

1. Excluding non-recurring costs in FY24.

Underlying operating expenses were $221.8m, up 2%, excluding non-recurring costs in FY24.

Underlying CTI was 52.4%, reflecting an improvement of 220bps.

Employee benefits expense was $132.8m, up 3%, primarily driven by wage inflation. Average total FTEs decreased in FY25 while the average number of relationship bankers increased. This reflected the increasing maturity in enabling functions and the Bank's focus on investing to drive growth. Employee benefits expense was lower in 2H25 due to volatile items incurred in 1H25, the final incentive outcome and timing of recruitment.

IT expense was $36.2m, up 27% from FY24. This reflected general inflation in IT contracts, increased SaaS-related costs, and one-off support cost associated with Judo's new IT platforms that went live during FY25.

Marketing expense was $7.1m, a decrease of 15%, due to timing of brand investment and media campaigns.

Occupancy and depreciation expense was broadly stable compared to FY24.

Intangibles amortisation was $11.7m, down 3%. The movement in intangibles amortisation primarily reflects new systems moving to in-use during the period. The prior period also included the impact of accelerated amortisation due to Judo's previous core lending platform being replaced in August 2024. Judo's intangible assets are amortised on a straight-line basis and have an average useful life of approximately five years. The capitalised cost of in-use intangible assets as at 30 June 2025 was $67.6m[2].

Other expenses were $26.0m in FY25, down 14%, reflecting variability in timing and project-related activity.

2. Refer to Note 20 of the Financial Statements.

2.6 Gross loans and advances

Gross loans and advances were $12.5bn, an increase of 16%.

Growth was supported by continued recruitment of experienced relationship bankers and analysts. The Bank continued its regional expansion strategy, with Judo's relationship-led approach continuing to resonate well with regional SME customers. Judo added 10 new locations in FY25, taking the total number of locations to 31 nationally. Agribusiness lending has continued to experience consistent growth, now accounting for 7% of the lending book, up from 4% in June 2024. During FY25, Judo also incubated its warehouse lending business, attracting strong customer interest.

Lending growth during FY25 experienced some seasonality. Net growth in Q3 was subdued consistent with normal seasonal trends, and was also impacted by uncertainty in the operating environment. Gross originations were strong over the second half of the financial year notwithstanding the competitive environment for business lending.

Run-off, which consists of structural principal amortisation, customer repayments and refinances, averaged 26% for the year, above Judo's long-run expectation of ~20%. Elevated run-off was largely attributable to Judo's proactive management of the portfolio to balance growth and economics. As expected, run-off moderated by June 2025.

GLA by product

	Jun-25 $m	Dec-24 $m	Jun-24 $m	Jun-25 % of GLA	Dec-24 % of GLA	Jun-24 % of GLA
Business loans	9,602	9,031	8,187	77%	78%	76%
Equipment loans	619	619	643	5%	5%	6%
Line of credit	977	868	739	8%	7%	7%
Home loans	1,157	1,129	1,142	9%	10%	11%
Warehouse lending	109	–	–	1%	–	–
Gross loans and advances	**12,465**	**11,647**	**10,711**	**100%**	**100%**	**100%**
Allowance for credit losses	(186)	(160)	(149)			
Total loans and advances	**12,279**	**11,487**	**10,562**			

GLA by geography

	Jun-25 $m	Dec-24 $m	Jun-24 $m	Jun-25 % GLA	Dec-24 % GLA	Jun-24 % GLA
NSW	5,118	4,858	4,259	41%	42%	40%
VIC	3,759	3,446	3,308	30%	29%	31%
QLD	1,931	1,718	1,671	15%	15%	15%
WA	1,075	1,026	930	9%	9%	9%
Other	582	599	543	5%	5%	5%
Gross loans and advances	**12,465**	**11,647**	**10,711**	**100%**	**100%**	**100%**

GLA by industry

	Jun-25	Dec-24	Jun-24	HoH (%)	YoY (%)
Rental, hiring and real estate services	25%	25%	25%	–	–
Property operators (property investment)	*21%*	*21%*	*21%*	–	–
Other rental, hiring and real estate services	*4%*	*4%*	*4%*	–	–
Accommodation and food services	12%	12%	11%	–	1%
Agriculture, forestry and fishing	7%	5%	4%	2%	3%
Construction	7%	7%	7%	–	–
Manufacturing	6%	6%	7%	–	(1%)
Health care and social assistance	6%	5%	5%	1%	1%
Retail trade	5%	6%	6%	(1%)	(1%)
Financial and insurance services	5%	4%	4%	1%	1%
Professional, scientific and technical services	4%	5%	4%	(1%)	–
Wholesale trade	4%	4%	4%	–	–
Transport, postal and warehousing	2%	2%	3%	–	(1%)
Residential mortgage	9%	10%	10%	(1%)	(1%)
Other	8%	9%	10%	(1%)	(2%)
Gross loans and advances	**100%**	**100%**	**100%**		

2.7 Funding

	Jun-25 $m	Dec-24 $m	Jun-24 $m	HoH %	YoY %
Customer deposits					
Direct term deposits	7,041	6,628	5,654	6%	25%
Intermediated SMSF/retail term deposits	2,032	1,778	1,921	14%	6%
Intermediated middle markets term deposits	808	584	653	38%	24%
Total customer deposits	**9,881**	**8,990**	**8,228**	**10%**	**20%**
Wholesale funding					
Warehouse facilities	1,707	1,767	1,906	(3%)	(10%)
Term securitisation debt	227	285	361	(20%)	(37%)
Senior unsecured debt	350	200	200	75%	75%
Additional Tier 1/Tier 2 subordinated debt	315	315	190	–	66%
Negotiable certificates of deposit (NCDs)	516	581	487	(11%)	6%
Total wholesale funding[1]	**3,115**	**3,148**	**3,144**	**(1%)**	**(1%)**
Total funding	**12,996**	**12,138**	**11,372**	**7%**	**14%**
CET1 capital	1,517	1,464	1,411	4%	7%
Total funding and capital	**14,513**	**13,602**	**12,783**	**7%**	**14%**
Deposits/total funding and capital (%)	68.1%	66.1%	64.4%	200bps	370bps
Customer deposits – average tenor at origination (days)					
Direct term deposits	495	504	547		
Intermediated SMSF/retail term deposits	291	312	294		
Intermediated middle markets term deposits	264	306	263		

1. Funding balances are presented gross of any capitalised funding establishment costs.

Funding strategy

Key elements of Judo's funding strategy include:

- achieve certainty of funding sources to support the Bank's growth strategy;
- attain diversified sources of funding by product, tenor, and channel;
- manage funding risk, including maturity profile and counterparty concentrations; and
- optimise the cost of funds.

Judo has established diversified sources of funding in the form of deposits and wholesale funding to support growth in the loan book.

Judo's comprehensive funding strategy is supported by an S&P issuer credit rating of BBB/Stable/A-2.

Deposits

Deposits are a core part of Judo's funding strategy. Judo's at-scale target is for 75% of total assets to be funded from deposits and considerable progress was made on this during FY25 with deposits growing from 64% of total funding to 68%.

Judo offers term deposits directly and via intermediaries to retail and wholesale customers. As an ADI, Judo's deposits are covered by the Australian Government's deposit guarantee scheme (also known as the Financial Claims Scheme), providing protection of up to $250,000 per account holder.

As at 30 June 2025, customer deposits were $9.9bn, up 20%. Growth was largely from the direct retail channel, which increased by $1.4bn. This was supported by improving rollover rates of 70%, and continued growth in brand recognition in the market, contributing to stronger customer acquisition and retention.

Cost of deposits is discussed in more detail in section 2.3.

Wholesale funding

Wholesale funding remains an important component of Judo's funding strategy, providing flexibility and diversification. At-scale wholesale funding is expected to represent approximately 15% of total asset funding. This includes secured wholesale sources such as warehouses and term securitisations, as well as unsecured products including senior unsecured bonds, Tier 2 capital and NCDs.

Judo has continued to optimise its wholesale funding, with the total wholesale funding balance broadly flat over FY25. Committed warehouse funding limits were actively managed down to $2.5bn during the year as Judo converted some committed capacity originally established to support TFF repayment to uncommitted capacity. Drawn warehouse funding reduced by $0.2bn, ending FY25 at $1.7bn.

Judo's capital relief term securitisation transaction continued to repay, with the total balance reducing by 37%.

In October 2024 Judo successfully completed a $125m Tier 2 issuance. The deal received strong demand from investors, further reinforcing Judo's improving access to capital markets.

In June 2025 Judo issued a 3-year $175m senior unsecured bond at a margin of 145bps over 3-month BBSW. This was significantly lower than the 265bps margin for the prior equivalent transaction in September 2022 (maturing in September 2025), reflecting the substantial progress in Judo's credit profile in recent years.

2.8 Asset quality

Impairment on loans, advances and treasury investments

	Year to			Half Year to		
	Jun-25 $m	Jun-24 $m	YoY %	Jun-25 $m	Dec-24 $m	HoH %
Impairment expense – individually assessed	70.4	47.8	47%	47.6	22.8	109%
Impairment expense – collective	5.1	24.3	(79%)	(0.9)	6.0	(115%)
Impairment on loans and advances	**75.5**	**72.1**	**5%**	**46.7**	**28.8**	**62%**
Impairment on treasury investments	–	(2.0)	(100%)	–	–	–
Impairment on loans, advances and treasury investments	**75.5**	**70.1**	**8%**	**46.7**	**28.8**	**62%**
Impairment expense/average GLA (%)	0.66%	0.72%	(6bps)	0.79%	0.51%	28bps

Lending provisions and coverage

	Jun-25 $m	Dec-24 $m	Jun-24 $m	HoH %	YoY %
Individually-assessed provision	67.8	40.6	36.1	67%	88%
Collective provision	118.0	119.0	113.0	(1%)	4%
Total provisions	**185.8**	**159.6**	**149.1**	**16%**	**25%**
Specific provision[1]/impaired assets (%)	36.6%	28.4%	28.0%	820bps	860bps
Total provisions/impaired assets (%)	100%	111%	115%	(1,100bps)	(1,500bps)
Specific provision[1]/GLA (%)	0.54%	0.35%	0.34%	19bps	20bps
Collective provision/GLA (%)	0.95%	1.02%	1.05%	(7bps)	(10bps)
Total provisions/GLA (%)	1.49%	1.37%	1.39%	12bps	10bps
Total provisions/credit RWAs (%)	1.77%	1.65%	1.71%	12bps	6bps

Days Past Due ("DPD") and impaired assets[2]

	Jun-25 $m	Dec-24 $m	Jun-24 $m	HoH %	YoY %
30-89 DPD but not impaired	129.4	116.0	101.9	12%	27%
90+ DPD but not impaired	118.1	124.4	117.7	(5%)	–
Impaired assets	185.1	143.4	130.0	29%	42%
30+ DPD and impaired assets	**432.6**	**383.8**	**349.6**	**13%**	**24%**
30-89 DPD but not impaired/GLA (%)	1.04%	1.00%	0.95%	4bps	9bps
90+ DPD but not impaired/GLA (%)	0.95%	1.07%	1.10%	(12bps)	(15bps)
Impaired assets/GLA (%)	1.48%	1.23%	1.21%	25bps	27bps
30+ DPD and impaired assets/GLA (%)	**3.47%**	**3.30%**	**3.26%**	**17bps**	**21bps**
90+ DPD and impaired assets/GLA (%)	**2.43%**	**2.30%**	**2.31%**	**13bps**	**12bps**
Non-performing loans/GLA (%)	**3.18%**	**2.90%**	**2.72%**	**28bps**	**46bps**

1. Specific provisions include both individually-assessed and collective provisions for impaired assets.
2. Jun-25 figures exclude facilities in final stage of resolution where unconditional sale agreements are in place.

Impairment on loans, advances, and treasury investments

Impairment expense for FY25 was $75.5m, up from $70.1m in FY24 as result of higher levels of individually assessed provisions (**IAP**) held for impaired assets.

Impairment expense was largely driven by IAP for newly impaired exposures in FY25, in addition to increased IAP to existing impaired exposures.

Provision coverage

Total lending book provisions were $185.8m as at 30 June 2025, an increase from $149.1m as at 30 June 2024.

Judo's collective provision was $118.0m as at 30 June 2025, an increase of $5.0m during FY25. Judo's collective provision coverage reduced to 0.95% of GLA when compared to 30 June 2024, which was partly driven by new lending and industry mix.

The key drivers of the collective provision net increase were:

- growth in the loan book, partly offset by proactive portfolio management resulting in customer exits;
- general book seasoning and deterioration in credit quality, which saw several customer exposures moving from Stage 1 into Stage 2 performing or Stage 3 non-performing (including customers migrating to impaired status); and
- an increase to the vulnerable industry economic overlay, based on credit default experience. The accommodation and food services sector was removed as a vulnerable industry, due to observed defaults performing in line with the broader portfolio.

During FY25, the Bank also adopted a more granular approach to assessing customer level risk, which had a neutral impact on provisioning levels.

Judo's individually assessed provision was $67.8m, an increase from $36.1m as at 30 June 2024. The increase was mainly driven by new and existing impaired customers. $38.7m of loans were written off during the year.

Further details about credit provisioning can be found in Note 11 (Provision for credit impairment) of the Financial Statements.

Days past due and impaired assets

Judo's 90+ DPD and gross impaired assets to GLA of 2.43%[1] as at 30 June 2025 was 12bps higher than June 2024, and was a modest improvement of 3bps compared to 31 March 2025. Judo maintains a disciplined risk management approach to achieving optimal resolutions for both the customer and the Bank.

Judo's 90+ DPD loans (but not impaired) remained broadly flat during FY25 at $118.1m[1]. As a percentage of GLA, this was 0.95%, down 15bps from 1.10% in FY24. The reduction was mainly driven by several customers either repaying their principal in full or clearing their arrears, and several customers moving to impaired. As of 30 June 2025, there were 53 customer groups with loans 90+ DPD across various sectors (FY24: 40).

Judo's gross impaired assets to GLA increased by 27bps to 1.48% during FY25, with the increase predominantly observed in the second half of the financial year. The full year included 65 new customer group impairments across several sectors including accommodation and food services, retail trade, manufacturing and services to construction. This was partially offset by a combination of customer work-out activity, paydowns and asset sales. As of 30 June 2025, there were 99 customer groups in impaired status, which were considered to remain adequately provisioned at 36.6%.

1. Jun-25 figures exclude facilities in final stage of resolution where unconditional sale agreements are in place.

2.9 Capital structure and adequacy

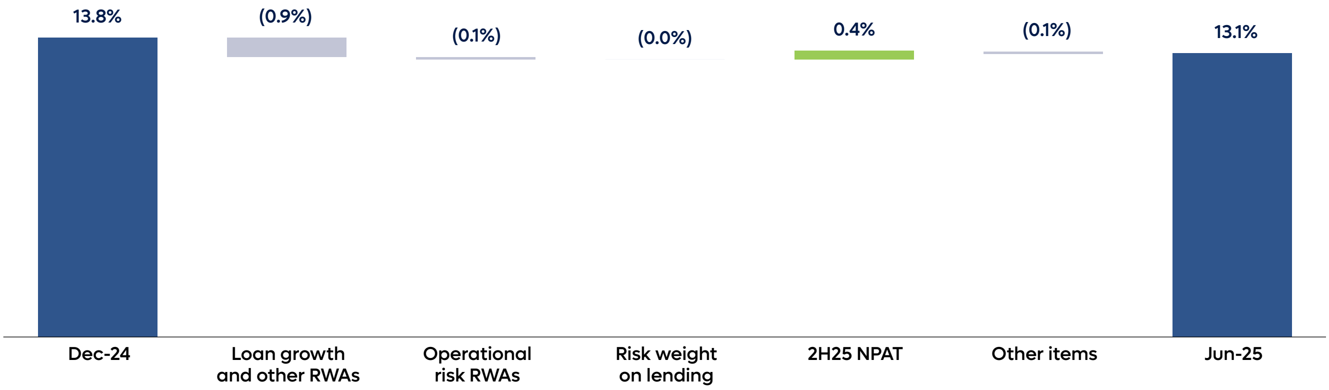
	Jun-25 $m	Dec-24 $m	Jun-24 $m	HoH %	YoY %
CET1 capital	1,517	1,464	1,411	4%	7%
AT1 capital	75	75	75	-	-
Tier 1 capital	**1,592**	**1,539**	**1,486**	**3%**	**7%**
Tier 2 capital instruments	240	240	115	-	109%
General reserve for credit losses	79	81	81	(2%)	(2%)
Tier 2 capital	**319**	**321**	**196**	**(1%)**	**63%**
Total capital	**1,911**	**1,860**	**1,682**	**3%**	**14%**
CET1 ratio (%)	13.1%	13.8%	14.7%	(70bps)	(160bps)
Total capital ratio (%)	16.5%	17.5%	17.5%	(100bps)	(100bps)
Risk Weighted Assets (RWAs)					
Cash and cash equivalents[1]	105	90	204	17%	(48%)
Investments	194	128	116	51%	67%
Loans and advances[1]	9,689	8,984	8,032	8%	21%
Off-balance sheet exposures[1]	466	431	366	8%	27%
Other	44	38	19	16%	132%
Total credit RWAs	**10,498**	**9,671**	**8,737**	**9%**	**20%**
Operational risk exposures	1,050	967	874	9%	20%
Total RWAs	**11,548**	**10,638**	**9,611**	**9%**	**20%**
Credit exposure[1,2]					
Cash and cash equivalents[2]	855	658	777	30%	10%
Investments	1,612	1,626	1,607	(1%)	–
Loans and advances[2]	12,167	11,328	10,368	7%	17%
Off-balance sheet exposures[2]	545	490	455	11%	20%
Other	44	38	19	16%	132%
Total exposures	**15,223**	**14,140**	**13,227**	**8%**	**15%**
Average risk weight on lending (%)[3]	79.9%	79.7%	77.6%	20bps	230bps

1. Excludes assets in Judo's capital relief term securitisation, which are de-consolidated for the purposes of regulatory capital calculations.
2. Credit exposures reflect credit equivalent amounts and are reported net of provisions on defaulted assets.
3. Average risk weight on lending (%) incorporates the requirements of *APS112 Standardised Approach to Credit Risk APS120 Securitisation*. Prior-year figures have been restated to reflect both on- and off-balance sheet exposures and adjusting for provisions on defaulted assets.

Judo maintains a strong capital position in order to satisfy regulatory capital requirements and provide financial security to depositors, while balancing adequate return to shareholders.

Judo is a high-growth business, and the current dividend policy is to reinvest all cash flows, and any excess capital generated by its activities into the business to support and maximise future growth. Accordingly, Judo does not expect to pay dividends to shareholders in the near term.

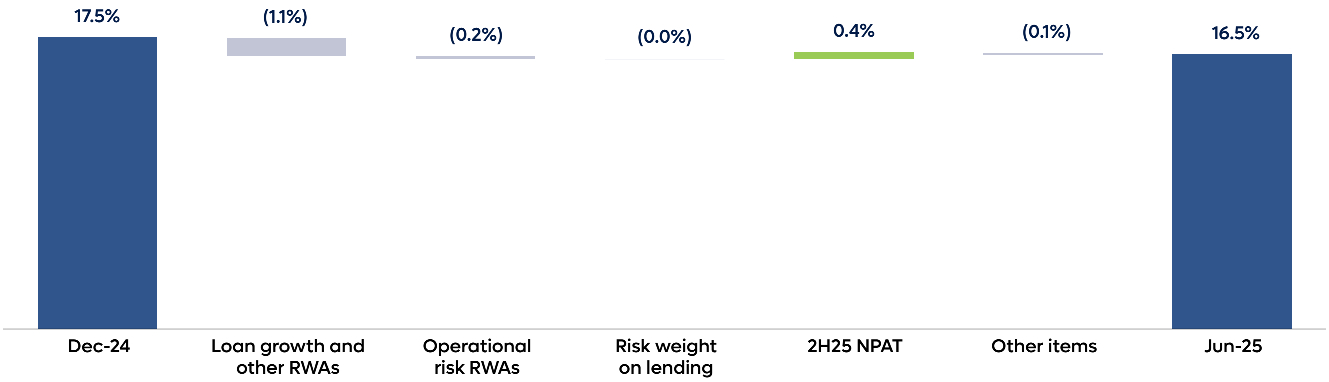
CET1 movements – December 2024 to June 2025 (%)



As at 30 June 2025, Judo's CET1 ratio was 13.1%, down 0.7% from 13.8% as at 31 December 2024. The key drivers of the movement were:

- Loan book growth of $0.8bn consumed 0.9% of CET1;
- 2H25 earnings contributed 0.4% to CET1;
- Other items contributed a net 0.1% reduction to CET1, largely due to an increased average risk weight in the liquid assets portfolio; and
- Risk weight on lending was flat across the half.

Total Capital movements – December 2024 to June 2025 (%)



As at 30 June 2025, the Bank's Total Capital ratio was 16.5%, down 1.0% across 2H25. Drivers were as described above.

2.10 Liquidity

	Jun-25 $m	Dec-24 $m	Jun-24 $m	HoH %	YoY %
Total liquid assets balance[1]	2,347	2,071	2,185	13%	7%
Less: liquid assets ineligible for MLH[1]	(1)	(2)	(6)	(50%)	(83%)
Total adjusted MLH balance	**2,346**	**2,069**	**2,179**	**13%**	**8%**
Total adjusted MLH balance (%)	16.9%	15.9%	18.2%	100bps	(130bps)

Judo's minimum liquidity holdings (**MLH**) position as at 30 June 2025 was 16.9% compared with 15.9% as at 31 December 2024. The average MLH for 2H25 was 17.1%, which was marginally down from 17.4% in 1H25.

1. Net of cash held in securitisation trust accounts related to collections on loan receivables.

2.11 Tax

Judo's effective tax rate for FY25 was 31.2%, exceeding the corporate tax rate of 30%. This variance was primarily driven by non-deductible Capital Note interest. However, the impact was partially offset by a tax benefit arising from share-based payments due to the increase in Judo's share price over FY25.

	Year to			Half Year to		
Effective tax rate	**Jun-25 $m**	**Jun-24 $m**	**YoY %**	**Jun-25 $m**	**Dec-24 $m**	**HoH %**
Statutory profit before tax	**125.6**	**104.3**	**20%**	**68.9**	**56.7**	**22%**
At the corporate tax rate (30%)	37.7	31.3	20%	20.7	17.0	22%
Add tax effect of:						
Share-based payments	(0.6)	1.5	(142%)	1.7	(2.3)	(173%)
Capital Note interest	1.7	1.1	53%	0.8	0.9	(13%)
Non-deductible expenses	0.2	0.2	22%	0.1	0.1	43%
Income tax under provided in previous years	0.2	0.3	(42%)	0.1	0.1	(26%)
Income tax expense	**39.2**	**34.4**	**14%**	**23.4**	**15.8**	**48%**
Effective tax rate	31.2%	33.0%		33.9%	27.9%	

Deferred tax	**Jun-25 $m**	**Dec-24 $m**	**Jun-24 $m**	**HoH %**	**YoY %**
Capital raising costs[1]	1.8	2.7	3.3	(33%)	(45%)
Share-based payments[2]	9.2	14.6	11.6	(37%)	(21%)
Provision for credit impairment[3]	55.8	47.9	44.8	16%	25%
Other[4]	9.3	8.0	9.0	16%	3%
Deferred tax assets	**76.1**	**73.2**	**68.7**	**4%**	**11%**
Other[4]	(13.5)	(6.9)	(0.4)	96%	large
Deferred tax liabilities	**(13.5)**	**(6.9)**	**(0.4)**	**96%**	**large**
Net deferred tax assets	**62.6**	**66.3**	**68.3**	**(6%)**	**(8%)**

1. Capital raising costs are deductible over a five-year period, commencing in the year they are incurred. Most of the capital raising costs were incurred in FY22 and will be deducted in full by 30 June 2026.
2. Share-based payments include both the settlement of a legacy incentive plan (which is deductible over five years commencing in FY22 and will be deducted in full by 30 June 2026) and the expected future deductions available in relation to current employee incentive plans.
3. Credit losses are deductible when the associated asset is formally written off.
4. All other deferred tax balances reflect temporary differences between the accounting and tax treatment, which are expected to unwind as the tax benefits/liabilities are realised.

2.12 Average Balance Sheet – Full-year

	Full year ended 30 June 2025			Full year ended 30 June 2024		
	Avg bal $m	Interest $m	Avg rate %	Avg bal $m	Interest $m	Avg rate %
Assets						
Interest earning assets						
Trading and investment securities	2,418	92.2	3.81%	3,443	122.5	3.56%
Gross loans and advances	11,499	967.7	8.42%	9,687	787.8	8.13%
Total interest earning assets	**13,917**	**1,059.9**	**7.62%**	**13,130**	**910.3**	**6.93%**
Non-interest earning assets						
Other assets (incl. loan provisions)	56	NM	NM	105	NM	NM
Total non-interest earning assets	**56**	**NM**	**NM**	**105**	**NM**	**NM**
Total assets	**13,973**	**1,059.9**	**NM**	**13,235**	**910.3**	**NM**
Liabilities						
Interest bearing liabilities						
Direct term deposits	6,475	330.7	5.11%	4,938	250.8	5.08%
Intermediated term deposits	2,524	126.9	5.03%	2,090	104.3	4.99%
TFF self-securitisation drawn	–	–	–	1,192	7.2	0.60%
Warehouse facilities	1,721	105.2	6.11%	1,295	85.1	6.57%
Term securitisation debt	289	22.4	7.76%	325	24.3	7.48%
Senior unsecured debt	208	14.2	6.84%	200	14.2	7.12%
Additional Tier 1 subordinated debt	75	6.3	8.40%	46	4.1	8.87%
Tier 2 subordinated debt	202	17.3	8.59%	115	10.7	9.30%
Certificates of deposit	587	28.9	4.92%	359	16.9	4.70%
TFF preserved component	–	–	–	890	5.3	0.60%
Repurchase agreements	–	–	–	16	0.6	3.77%
Other interest bearing liabilities	11	0.7	6.14%	13	0.8	6.40%
Total interest bearing liabilities	**12,091**	**652.6**	**5.40%**	**11,479**	**524.3**	**4.57%**
Non-interest bearing liabilities						
Other liabilities	255	NM	NM	220	NM	NM
Total non-interest bearing liabilities	**255**	**NM**	**NM**	**220**	**NM**	**NM**
Total liabilities	**12,346**	**652.6**	**NM**	**11,699**	**524.3**	**NM**
Average net assets	**1,628**	**NM**	**NM**	**1,536**	**NM**	**NM**
Average shareholder equity	**1,628**	**NM**	**NM**	**1,536**	**NM**	**NM**
Average 1m BBSW			**4.25%**			**4.27%**

2.13 Average Balance Sheet – Half-year

	Half year ended 30 June 2025			Half year ended 31 December 2024		
	Avg Bal $m	Interest $m	Avg Rate %	Avg Bal $m	Interest $m	Avg Rate %
Assets						
Interest earning assets						
Trading and investment securities	2,409	45.1	3.78%	2,412	47.1	3.87%
Gross loans and advances	11,796	489.8	8.37%	11,224	477.9	8.45%
Total interest earning assets	**14,205**	**534.9**	**7.59%**	**13,636**	**525.0**	**7.64%**
Non-interest earning assets						
Other assets (incl. loan provisions)	61	NM	NM	51	NM	NM
Total non-interest earning assets	**61**	**NM**	**NM**	**51**	**NM**	**NM**
Total assets	**14,266**	**534.9**	**NM**	**13,687**	**525.0**	**NM**
Liabilities						
Interest bearing liabilities						
Direct term deposits	6,867	170.2	5.00%	6,106	160.5	5.21%
Intermediated term deposits	2,439	59.0	4.88%	2,586	67.9	5.21%
Warehouse facilities	1,639	47.5	5.84%	1,808	57.7	6.33%
Term securitisation debt	254	9.5	7.54%	323	12.9	7.92%
Senior unsecured debt	214	6.9	6.50%	200	7.3	7.24%
Additional Tier 1 subordinated debt	75	3.1	8.34%	75	3.2	8.46%
Tier 2 subordinated debt	240	10.0	8.40%	169	7.3	8.57%
Certificates of deposit	588	14.0	4.81%	586	14.9	5.04%
Other interest bearing liabilities	11	0.4	7.33%	12	0.3	4.96%
Total interest bearing liabilities	**12,326**	**320.6**	**5.24%**	**11,865**	**332.0**	**5.55%**
Non-interest bearing liabilities						
Other liabilities	283	NM	NM	224	NM	NM
Total non-interest bearing liabilities	**283**	**NM**	**NM**	**224**	**NM**	**NM**
Total liabilities	**12,609**	**320.6**	**NM**	**12,089**	**332.0**	**NM**
Average net assets	**1,657**	**NM**	**NM**	**1,598**	**NM**	**NM**
Average shareholder equity	**1,657**	**NM**	**NM**	**1,598**	**NM**	**NM**
Average 1m BBSW			**4.14%**			**4.36%**

2.14 Outlook

The Australian economy is in the early stages of recovery from the consumer-led slowdown in 2024. Overall activity has been supported by strong government spending and resilient employment levels. Meanwhile, business conditions remain varied with some businesses, particularly those reliant on consumer discretionary spending, continuing to experience pressure. However, business confidence has started to improve at the beginning of FY26 and demand for credit remains robust.

SMEs could potentially benefit from growth in demand and consumption as a result of higher household incomes. Falling interest rates will further boost business and consumer spending. However, there remains some degree of uncertainty stemming from global trade policy development.

Judo has provided FY26 guidance, described in the table below.

Metric	Detail	FY26 Target	Metrics at-scale
GLA	Strong lending growth to continue, supported by investments in growth, productivity and ongoing penetration into regional and agribusiness lending.	\$14.2bn – \$14.7bn	\$15bn – \$20bn
NIM	FY26 NIM expected to be 3.00% – 3.10%. • 1H26 NIM expected to be ~3.0%, modestly lower than 2H25 due to current market conditions for deposits and lending, and RBA cash rate cuts • 2H26 NIM expected to be ~3.1%, benefitting from improved funding costs and mix following the launch of new savings products	3.00% – 3.10%	>3%
CTI	CTI to improve in FY26 vs FY25, benefitting from prudent cost management and revenue growth including in other operating income.	<50%	Approaching 30%
COR	Continued growth and seasoning of the portfolio and assuming macroeconomic conditions normalise.	60bps – 65bps of average GLA	50bps of average GLA
PBT/ ROE	Continue to demonstrate operating leverage; PBT benefiting from investment in productivity, product enhancements and balance sheet optimisation.	\$180m – \$190m	Low to mid-teens ROE

Annual Financial Report

Directors' Report

The Directors present their report together with the consolidated financial statements of Judo Capital Holdings Limited (**the Company**) and its controlled entities (**the Group**) for the year ended 30 June 2025.

Directors' information

David Hornery

Chair

Appointed
7 October 2021

Board committees	Board Audit Committee; Board Risk Committee; Board Remuneration and Nominations Committee
Qualifications	David holds a Bachelor of Economics degree from Sydney University and is a Member of the Australian Institute of Company Directors.
Skills and expertise	David is a highly experienced international banker, approaching 40 years of experience across Australia's leading investment and commercial banks. He was the co-founder of Judo and co-CEO from its inception until stepping up onto the Board at the IPO in 2021. Prior to this David was the Head of Corporate Institutional and Specialised Banking at National Australia Bank, the Global Head of Capital Markets at ANZ, the CEO Asia for ANZ and the Head of Capital Markets at Macquarie Bank. David is a Non-Executive Director of Bank of the South Pacific Financial Group Limited (ASX:BFL). He has been a board member of the Australian Financial Markets Association and the European Australian Business Council. In the not-for-profit sector, he has been a member of the President's Council of the Art Gallery of NSW and is Chair of Studio THI.
Directorships of other listed entities	Bank South Pacific Financial Group Limited (since March 2025)

Chris Bayliss

Chief Executive Officer and Managing Director

Appointed
19 March 2024

Board committees	Nil
Qualifications	Chris has a Financial Services Master of Business Administration from Sheffield Hallam University in the UK, is a Fellow of the Financial Services Institute of Australasia, and an Associate of the UK Chartered Institute of Bankers.
Skills and expertise	Chris is a career international banker with 40 years of experience across all facets of retail and business banking in the Asia Pacific, UK, and Europe. Chris's career has spanned many global banks and markets, including executive positions at Clydesdale/Yorkshire Bank, Bank of New Zealand, National Australia Bank, and Standard Chartered Bank in Singapore. Chris was a co-founder of Judo.
Directorships of other listed entities	Nil

Brad Cooper

Independent Non-Executive Director

Appointed 16 December 2024

Board committees	Board Risk Committee
Qualifications	Brad holds a Master of Business Administration from Macquarie University.
Skills and expertise	Brad has had a long and varied executive career in financial services, which includes over 20 years as a Chief Executive Officer. Brad has held the positions of CEO of BT Financial Group, CEO of Westpac New Zealand, and Managing Director of GE Consumer Finance in Australia and the UK. Brad is currently a Non-Executive Director of Credit Corp Group Limited (ASX: CCP). Alongside his extensive banking experience, Brad has a proven track record in scaling businesses and improving operational efficiencies, and a deep understanding of strategic and operational leadership, risk management and corporate governance.
Directorships of other listed entities	Credit Corp Group Limited (since April 2023)

Jennifer Douglas

Independent Non-Executive Director

Appointed 23 August 2021

Board committees	Board Remuneration and Nominations Committee (Chair)
Qualifications	Jennifer holds degrees in Law (Hons) and Science from Monash University, a Master of Law and Master of Business Administration from Melbourne University, and a Certificate in Digital Transformation from MIT in the USA. Jennifer is also a Fellow of the Australian Institute of Company Directors.
Skills and expertise	Jennifer has over 25 years of experience in the technology and media sectors, first as a lawyer and then executive, before moving into board roles. She has significant experience in driving growth through customer-centred thinking and use of technology, and her executive roles included $3 billion financial performance accountability and responsibility for customer experience at Telstra, and General Counsel and Head of Regulatory at Sensis. She is currently a Non-Executive Director and chair of the Remuneration, People and Culture Committee of Amotiv Limited (ASX: AOV), and a Non-Executive Director of Essential Energy and Peter MacCallum Cancer Foundation. She is also the Vice President of St Kilda Football Club. Jennifer was formerly Non-Executive Director of Opticomm Limited, Telstra SNP Monitoring, Family Life Inc, Pacific Access Superannuation Fund, and Hansen Technologies Ltd (ASX:HSN).
Directorships of other listed entities	Amotiv Limited (since March 2020)

Peter Hodgson

Senior Independent Non-Executive Director

Appointed
25 January 2017

Board committees	Board Audit Committee; Board Risk Committee (Chair); Board Remuneration and Nominations Committee
Qualifications	Peter holds a Master of Arts (Hons) in Law from Cambridge University and is a member of the Australian Institute of Company Directors.
Skills and expertise	Peter has nearly 40 years of experience in financial services in Australia and overseas. He has held senior executive positions at Bank of America, BZW and ANZ and he now holds a number of board positions, including as a Director and Chair. He is currently on the advisory board of Drummond Capital Partners, a member of the Trinity College Investment Management Committee and a director of Planum Capital Partners. He is Chair of the Centre of Evidence and Implementation and Chair of Significant Capital Ventures Ltd. In July 2023, Peter was appointed as a Non-Executive Director and Chair of Risk and Compliance of The Star Entertainment Group (ASX:SGR). Peter's past roles include Chair of Save the Children Australia, which he held for nine years, and Chair of Greengate Aged Care Partnership and Chair of Paranta Bioscience Ltd. He was also a trustee and director of Save the Children International and chaired the Audit and Risk Committee of the organisation.
Directorships of other listed entities	The Star Entertainment Group Limited (since July 2023)

Malcolm McHutchison

Independent Non-Executive Director

Appointed
27 February 2020

Board committees	Board Remuneration and Nominations Committee
Qualifications	Malcolm holds a Bachelor of Economics from Monash University, a Master of Business Administration from the Australian Graduate School of Management at UNSW and is also a Graduate of the Australian Institute of Company Directors.
Skills and expertise	Malcolm has over 30 years of experience in business and financial services. He is currently the group chief executive of Modern Star, Australia's market-leading education resources business. Prior to this, Malcolm was the chief executive of Interactive, one of Australia's largest IT services companies. Prior to Interactive, Malcolm led the Macquarie Capital Asset Management function, responsible for the operating performance of an $800m portfolio of equity investments across Australia, China, and New Zealand. During this time, he served on several boards, most notably Domino's Pizza China, Quadrant Energy and Mine Site Technology.
Directorships of other listed entities	Nil

Mette Schepers

Independent Non-Executive Director

Appointed
17 April 2019

Board committees	Board Audit Committee; Board Risk Committee
Qualifications	Mette holds a Bachelor of Commerce from the University of Melbourne, a Graduate Diploma of Applied Finance and Investments from the Securities Institute of Australia (now FINSIA), a Graduate Diploma of Mobile Banking from Illinois Institute of Technology and an Associate Degree in Design (Furniture) from RMIT. Mette is a Graduate of the Australian Institute of Company Directors.
Skills and expertise	Mette has over 30 years of international experience in banking and professional services and is a Chartered Accountant. Mette has held senior executive roles at Mercer, ANZ, Esanda and FleetPartners, and has extensive experience serving large corporates, small-to-medium businesses and retail customers. Prior to this, Mette worked internationally with PwC. Mette is currently a board member of the Colonial Foundation. Previously, Mette served on the boards of a variety of private and for purpose companies, and a statutory authority.
Directorships of other listed entities	Nil

Manda Trautwein

Independent Non-Executive Director

Appointed
17 April 2019

Board committees	Board Audit Committee (Chair); Board Risk Committee (Observer)
Qualifications	Manda holds a Bachelor of Commerce from Macquarie University, a Master of Applied Finance from Macquarie University and a Master of Applied Taxation from UNSW. She is a Fellow of Chartered Accountants ANZ, a Member of CPA Australia, and a Fellow of the Australian Institute of Company Directors.
Skills and expertise	Manda has over 25 years of experience as an accountant in public practice, with a specific focus on advising high-growth, founder-led businesses. She is currently a partner of William Buck in Sydney and has been a Non-Executive Director of Forty Winks Pty Ltd since December 2024. Manda was previously an Adjunct Fellow at Macquarie University, where she lectured to postgraduate students in Applied Finance.
Directorships of other listed entities	Task Group Holdings Limited (to July 2024)

The following persons were Directors from the beginning of the financial year until their date of resignation, as detailed below:

- John Fraser (resigned 25 October 2024).

Meetings of Directors

The numbers of meetings of the Company's Board of Directors (the Board) and of each Board Committee held during the year ended 30 June 2025, and the numbers of meetings attended by each Director were:

	Directors' meetings		Meetings of committees					
			Audit		Risk		Remuneration	
	A	B	A	B	A	B	A	B
David Hornery	15	15	6	6	6	6	1	1
Chris Bayliss	15	15	–	–	–	–	–	–
Brad Cooper[1]	9	9	–	–	3	3	–	–
Jennifer Douglas	15	15	–	–	–	–	4	4
John Fraser[2]	4	3	–	–	2	1	2	2
Peter Hodgson	15	15	6	6	6	6	4	4
Malcolm McHutchison	15	13	–	–	–	–	4	4
Mette Schepers	15	15	6	6	6	6	–	–
Manda Trautwein[3]	15	15	6	6	6	6	–	–

A = Number of meetings held during the time the Director held office or was a member of the Committee during the year.

B = Number of meetings attended.

1. Brad Cooper joined the Board on 16 December 2024 and attended all eligible Board meetings held on or after that date.
2. John Fraser resigned from the Board on 25 October 2024.
3. Manda Trautwein's attendance at the Board Risk Committee meetings was in the capacity of an observer, and not an official member.

Directors' interests in equity

Particulars of shares, rights and other relevant interests held by Directors are set out in the Remuneration Report.

Company secretaries

Yien Hong

Chief Legal and Commercial Officer & Company Secretary

Appointed
10 September 2019

Qualifications	Yien holds an LLB (Hons), BCom and BA from the University of Adelaide and is a Graduate of the Australian Institute of Company Directors.
Skills and expertise	An accomplished legal and governance professional with over 20 years' experience across banking, property and commercial law. Yien joined Judo in 2019 and now leads the Legal & Commercial team. Yien trained at Herbert Smith Freehills in Melbourne and was Managing Associate at Linklaters, London before leading the Global Finance and FX legal team at Deutsche Bank, London Branch. She has held senior legal roles at NAB and prior to Judo Bank, was General Counsel and Company Secretary at Growthpoint Properties. Yien is a Fellow of the Governance Institute and a graduate of the AICD Company Directors Course. She holds a Bachelor of Laws (Hons), Commerce and Arts (Jurisprudence) from the University of Adelaide. She has previously served as Director for the YWCA Housing Association Victoria and YWCA National Housing as well as on the Property Council of Australia Victorian Tax Committee. She is currently a director of the Australian Financial Complaints Authority and Australian Arts Orchestra.

Liam Williams

General Manager, Legal & Company Secretary

Appointed
25 March 2020

Qualifications	Liam holds a BA LLB from Macquarie University.
Skills and expertise	Liam was admitted to practice in NSW in 1998 (where he holds a current practising certificate) and England and Wales in 2004. He commenced with MinterEllison as a graduate lawyer, and spent four years in the Banking team. In 2003 he relocated to London to work for Linklaters, where he worked for five years (moving to the Singapore office during that time). He has also worked at Herbert Smith Freehills, and was a partner at a medium-sized firm in Sydney. He has practised predominantly in banking and finance law, and has undertaken secondments at BNP Paribas, Westpac and Suncorp, as well as presenting for the Asia Pacific Loan Market Association. Liam joined Judo Bank in February 2020.

Principal activities

During the year the principal continuing activities of the Group consisted of the provision of finance and credit to Small and Medium Enterprises (**SMEs**) throughout Australia. Key services offered include:

(a) Business loans;

(b) Asset finance;

(c) Lines of credit;

(d) Residential mortgages (business loan customers); and

(e) Bank guarantees

In addition to the services listed above, during the year the Group established a warehouse lending product, allowing for the provision of tailored warehouse facilities to SME-focused non-bank financial institutions.

The Group funds lending activity primarily through term deposits which are offered to customers across Retail, Wholesale and Business sectors as well as Self-Managed Superannuation Funds (**SMSF**). Other key funding sources include securitisation warehouse funding and capital notes which qualify for treatment as Additional Tier 1 (**AT1**) and Tier 2 Capital under Prudential Standards.

Review of operations

The Group's statutory net profit after income tax for FY25 was $86.4m, an increase of $16.5m or 23.6%. Growth in profit reflected higher net interest income, an increase in fees earned on ancillary services, broadly stable operating costs, and a modest increase in the cost of risk.

Net interest income was $407.3m, an increase of $21.3m or 5.5%. The increase in interest income is primarily attributable to growth in the loan book and higher interest rates received on lending assets. This was partially offset by an increase in interest expense driven by growth in funding to support lending.

Other operating income was $15.6m, an increase of $4.9m or 45.8%, due to an increase in fees received from bank guarantees, lines of credit and term deposit breaks.

Operating expenses decreased by $0.5m or 0.2%, reflecting disciplined cost control and noting prior year one-off restructuring costs which were not repeated in the current period.

Credit impairment charges increased by $5.4m or 7.7% primarily due to migration of facilities from collective to specific provisioning, and increased weightings to downside macroeconomic scenarios in the calculation of the Group's expected credit loss (**ECL**) provision. Customer write-offs increased to $38.7m net of recoveries, up from $30.5m.

Income tax expense increased by $4.8m due to higher earnings. The Group's effective income tax rate for the year is 31.2% (2024: 33.0%). Several costs incurred by the Group are treated as non-temporary differences primarily related to employee share-based incentive plans and distributions on AT1 Capital notes.

Total assets increased by $1,781.6m or 13.5% primarily driven by an increase in loans and advances. Cash and treasury investments increased by $89.5m, consistent with lending growth and regulatory liquidity requirements.

Total liabilities increased by $1,660.3m or 14.3%, primarily due to growth in Term Deposits which reached $9,879.2m. Borrowings increased following new issuances of senior unsecured and Tier 2 Capital notes during the year.

Total equity increased by $121.3m or 7.7% driven by current year statutory profits and movements in reserves including share-based payments, cash flow hedges and fair value through other comprehensive income (**FVOCI**).

The Group remained well capitalised during the year, closing the year with a Common Equity Tier 1 (**CET1**) Ratio of 13.1% (2024: 14.7%) and Total Capital Ratio of 16.5% (2024: 17.5%). The downward movement in CET1 and Total Capital Ratios reflect loan book growth, partially offset by organic capital generation.

Significant changes in the state of affairs

On 18 February 2025, the Company announced that Peter Hodgson had decided to step down as Chair of the Board on 28 February 2025, and would be succeeded by Non-Executive Director David Hornery. Peter remains on the Board as a Senior Independent Non-Executive Director.

Other than the items outlined above and discussed in this Annual Financial Report, there have been no significant changes in the state of affairs during the financial year.

Events since the end of the financial year

No matters or circumstances have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Likely developments and expected results of operations

Details regarding likely developments in the operations of the Group, and the expected results of those operations in future financial years, have not been included in this report as the inclusion or disclosure of such information is likely to result in unreasonable prejudice to the Group.

Environmental regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Dividends

No dividends were paid during the financial year. The Directors do not recommend that a dividend be paid in respect of the financial year ended 30 June 2025 (2024: $nil).

Share options and rights

As at the date of this report, there are 5,226,467 deferred share rights and 5,039,755 performance rights outstanding, which entitle the holder to one fully paid ordinary share in the Company (subject to vesting conditions, which include performance conditions for the performance rights). No exercise price is payable for these rights. The rights are automatically exercised upon vesting, with vesting dates ranging between late August to mid-September 2025 through to late August to mid-September 2028 (subject to Board approval).

In addition, as at the date of this report, there are 96,492,103 options that are exercisable or may become exercisable, which represent entitlements to fully paid ordinary shares in the Company (subject to vesting conditions). The exercise price for these options ranges between $1.25 and $2.73, with the last date for the exercise of the options ranging between 20 December 2029 and 5 October 2033.

For the period from 1 July 2024 to the date of this report, 8,384,939 fully paid ordinary shares were issued as a result of the exercise of a right or option. An additional 14,925 shares that were issued in the 2024 financial year were allocated as a result of the exercise of rights.

For further details on the rights and options on issue, refer to Note 26 Share-based payment plans and the Remuneration Report (which forms part of the Directors' Report).

Insurance of officers and indemnities

(a) Insurance of officers

During or since the end of the year, the Group has given indemnity or entered an agreement to indemnify, or paid or agreed to pay insurance premiums in order to indemnify the Directors of the Company against all liabilities to another person that may arise from their position as Directors of the Company and its controlled entities except where the liability arises out of conduct involving lack of good faith.

Further disclosure required under section 300(9) of the *Corporations Act 2001* is prohibited under the terms of the contract.

(b) Indemnity of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been an auditor of the Group.

Proceedings on behalf of the Group

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

Audit and non-audit services

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers Australia) for audit and non-audit services during the year are disclosed in Note 27. The Group's External Auditor Independence Policy was established to preserve the independence of its auditors and includes rigorous processes for the review and approval of non-audit services.

The Group may engage the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Group is important.

The Directors, after considering the non-audit services provided by the auditor and following advice from the Board Audit Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Board Audit Committee to ensure they comply with the policy and do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Management attestations

In line with s295A of the *Corporations Act 2001* and Recommendation 4.2 of the ASX Corporate Governance Principles and Recommendations, the Board has received a joint declaration from both the Chief Executive Officer and Chief Financial Officer that, in their opinion, the financial statements and accompanying notes for the financial year comply with the appropriate accounting standards, and give a true and fair view of the financial position and performance of the Group. In addition, this attestation includes a declaration that the Consolidated Entity Disclosure Statement is true and correct.

Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 89.

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report and financial report. Amounts in the Directors' Report and financial report have been rounded off in accordance with the instrument to the nearest hundred thousand dollars, and presented in the form of a whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars, except where otherwise specifically directed by the ASIC Legislative Instrument.

This report is made in accordance with a resolution of Directors.

David Hornery
Chair

19 August 2025

Manda Trautwein
Director

19 August 2025

Remuneration Report

Letter from the Chair

Dear Shareholders,

On behalf of the Board of Judo Bank, I am pleased to present our FY25 Remuneration Report. This Report outlines the remuneration arrangements in place for Key Management Personnel (**KMP**) of Judo in FY25.

We present below our performance and variable remuneration outcomes in FY25. As indicated in our FY24 Remuneration Report, we have made several changes to our remuneration framework. The changes, all of which applied in FY25 unless otherwise noted, were as follows:

- **Shifted the executive remuneration mix** to longer-term variable reward to support the delivery of long-term strategic goals and provide increased alignment between reward outcomes and shareholder experience.
- **Reweighted the cash and equity delivery mechanism** for our Judo Grows short-term incentive (**STI**) outcomes, while continuing to deliver a market competitive equity component that reinforces our owner's mindset principle. This change was applied from FY24.
- **Recalibrated STI payout levels** to ensure the appropriate remuneration outcomes were delivered at threshold, target and stretch performance levels.
- **Changed the Judo Grows+ long-term incentive (LTI) plan instrument from Premium Priced Options to Performance Rights with a relative total shareholder return (rTSR) measure** to support this next stage of Judo's growth.

These changes were made to ensure the remuneration framework continues to drive delivery of our strategic objectives, as well as aligns the interests of our executives with Judo's shareholders, while keeping customers at the heart of everything we do.

Our performance and variable remuneration outcomes in FY25

In FY25, Judo delivered solid financial results and made significant progress executing our simple and clear strategy. We continued to expand our SME lending franchise, including expanding to 10 new locations, while maintaining a market-leading net promoter score of +53. Judo's deposit base grew to $9.9bn, supporting the growth ambitions of our lending franchise. We also completed the strategic replatforming of our core IT systems, equipping Judo with a modern, cloud-based and flexible technology stack designed to support a full-scale bank. Financially, Judo achieved a ROE of 5.3% and underlying PBT growth of 14%[1], which was slightly below our guidance of 15% PBT growth on an underlying basis. Further, due to volatility in the operating environment and portfolio management initiatives, lending growth for the year was not as strong as originally anticipated. Judo's share price closed at $1.57 as of 30 June 2025.

When reviewing remuneration outcomes, the Board carefully considered a range of factors, including the Judo Grows scorecard measure outcomes, overall Company performance, the operating environment and the shareholder experience to determine an appropriate Judo Grows STI scorecard outcome. As part of this assessment the Board determined to apply downwards discretion to reduce the FY25 scorecard outcome to reflect overall performance and shareholder expectations. As such, the FY25 Executive KMP Judo Grows scorecard outcome was reduced from 80% to 65% out of a possible maximum outcome of 130%.

There were no Judo Grows+ LTI awards eligible for vesting in FY25. Judo Grows+ LTI will become eligible for vesting for the first time in FY26 for one Executive KMP (Andrew Leslie), who was issued LTI prior to his appointment to the Executive Committee under Non-KMP vesting conditions, and in FY27 for all other Executive KMP who hold those awards.

Further detail in respect of the Group's FY25 performance and remuneration outcomes for Executive KMP is outlined in Section 1 of this Remuneration Report.

KMP movements

The Board wishes to thank Peter Hodgson for his invaluable contribution and leadership as Chair. Peter Hodgson stepped down as Chair on 28 February 2025 and remains on the Judo Board of Directors as a Senior Independent Non-Executive Director.

David Hornery was elected as Chair effective 1 March 2025. David has been a member of Judo's Board since 2021 having previously co-led the Company as Judo's Chief Executive Officer (**CEO**), bringing with him a deep understanding of Judo as well as significant experience from across some of Australia's leading banking organisations.

As announced during the year, John Fraser retired as an Independent Non-Executive Director at the conclusion of the 2024 Annual General Meeting on 25 October 2024. Following John Fraser's retirement, Brad Cooper was appointed as an Independent Non-Executive Director effective 16 December 2024. Brad brings with him significant banking experience including over 20 years as a CEO.

1. Excluding non-recurring costs in FY24.

Recognising the range of new growth opportunities available to Judo as we continue to scale, Frank Versace transitioned into the newly created role of Chief Strategy and Growth Officer effective 1 July 2024[2]. He was succeeded as Chief Risk Officer (**CRO**) by Renée Roberts who commenced on 6 September 2024 having previously been the Executive Director, Banking at the Australian Prudential Regulation Authority (**APRA**) where she was responsible for the prudential supervision of all authorised deposit-taking institutions in Australia.

Finally, as part of a review of the Judo organisational structure, the Board determined that the role of Chief Operating Officer would no longer be considered a KMP role from 1 July 2024 given the reduction in the role's responsibilities moving forward. As such, all remuneration related to this role is presented up to and including FY24 only. As disclosed in our FY24 Remuneration Report, Lisa Frazier who previously held the role of Chief Operating Officer ceased employment in early FY25. Details of her termination arrangements are disclosed in the FY24 Remuneration Report.

Non-Executive Director (NED) fees

As disclosed in our FY24 Remuneration Report, the Board determined to increase the base fee policy for the Chair and NEDs by 3.7% for FY25. The overall annual NED fees paid continue to be below the NED fee pool approved by shareholders in 2021. No NED fee increases will apply for FY26.

To align with shareholder interests, the Board adopted a minimum shareholding guideline for NEDs. Under the guideline NEDs are encouraged to hold ordinary shares equal in value to the annual base fee policy for the Chair, and Board base fee policy for all other NEDs within three years from the later of 1 July 2024 or their date of appointment.

Looking forward

The Board will continue to monitor and evolve our remuneration framework to ensure it remains fit for purpose and aligned with our strategic objectives and creation of shareholder value. No significant changes to the executive remuneration framework are planned for FY26.

On behalf of the Board, I invite you to consider our Remuneration Report which will be presented to shareholders at the 2025 Annual General Meeting.

Jennifer Douglas
Chair of the Board Remuneration and Nominations Committee

2. Frank Versace has since commenced as Chief Customer Officer effective 1 July 2025.

1. Key messages

1.1 FY25 Company performance snapshot

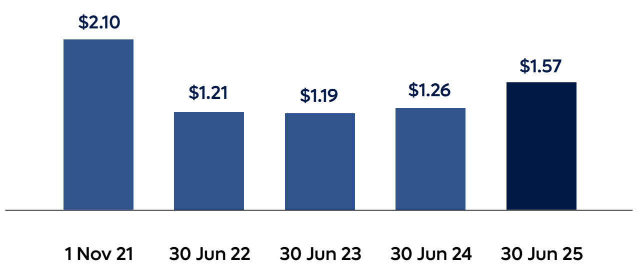
Our remuneration framework has been developed to support the achievement of our strategic objectives. The Judo Grows scorecard (Section 1.3) reflects the core measures of success for Judo. Performance against other key metrics are provided below.

Table 1.1 Overview of Company performance

	30 Jun 21	30 Jun 22[1]	30 Jun 23	30 Jun 24	30 Jun 25
Lending portfolio ($bn)	3.5	6.1	8.9	10.7	12.5
Profit before tax (PBT) ($m)	(7)	16	108	104	126
Closing share price ($)[2]	2.10	1.21	1.19	1.26	1.57
Judo Grows STI outcome (% of target)	n/a	110%	115%	80%	65%

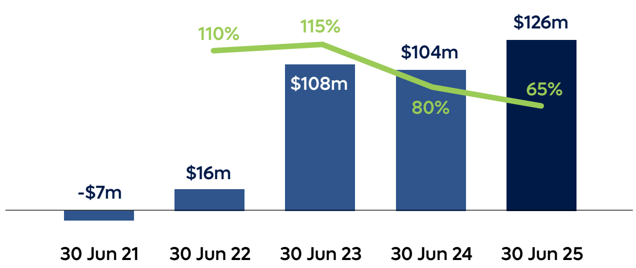
1. Prior year comparatives for PBT are reported on a pro-forma basis for 30 June 2022. Refer to the basis of preparation on page 2 of Judo's FY23 Annual Report for more information.
2. Closing share price for 30 June 2021 presented is the share price at listing on 1 November 2021. There were no dividends paid to shareholders during the period or during any period since Judo listed on the Australian Stock Exchange.

Judo share price performance



Judo's closing share price as of 30 June 2025 was $1.57 resulting in an annual growth of 25% as compared to the ASX200 Index annual growth of 10% for the same period. Whilst JDO outperformed, the share price was volatile during the year.

Judo Grows STI outcome relative to PBT performance



Judo Grows comprises 50% financial performance assessed through PBT (excluding Judo Grows). The above graph shows the Executive KMP Judo Grows outcome as a percentage of target relative to Company PBT over the last five years.

1.2 Risk and remuneration

Judo's variable remuneration is designed to include criteria to reflect the outcomes of the business activities, the risks related to the business activities, and the time necessary for the outcomes of those business activities to be reliably measured. These are assessed annually by the Board in the form of Company and individual risk, values and conduct gateway requirements at grant, and as ongoing conditions for the vesting of any awards under Judo Grows and Judo Grows+.

The long-term components of remuneration, and the risk adjustment mechanisms inherent in the design of these arrangements, provides incentive to encourage behaviour that supports long-term financial soundness and Judo's Risk Management Framework (**RMF**). This also helps to reinforce the fundamentals of banking and our core values of Trust, Performance, Teamwork and Accountability.

As outlined in Section 3.2, all variable remuneration outcomes are also subject to Board discretion and can be adjusted downwards, including to zero.

FY25 variable remuneration outcomes

As part of the annual performance review, the Board determined that all Executive KMP had met the risk, values and conduct gateway requirements for all awards granted in FY25 under Judo Grows and Judo Grows+.

However, despite the solid scorecard outcomes achieved in FY25 (summarised in Table 1.3), the Board determined to exercise its discretion to reduce the Judo Grows scorecard outcome to appropriately reflect overall performance and shareholder expectations. As such, the overall scorecard outcome awarded was reduced from 80% to 65% out of a possible maximum of 130%, resulting in the remuneration outcomes to Executive KMP summarised in Table 1.4.

There were no adjustments made to any Executive KMP remuneration in FY25 as a result of consequence management.

1.3 FY25 performance scorecard outcomes

Judo operates an annual STI plan, Judo Grows, with a 12-month performance period. In determining the award outcome, the Board assesses performance against a balanced scorecard comprising financial and non-financial measures aligned to Judo's short-term strategic priorities.

As outlined in Section 1.2, the Board determined to award an outcome of 65% of target to Executive KMP for FY25.

Below is a summary of the scorecard and measures for FY25, including the Board's assessment of performance against these measures.

Table 1.3 Judo Grows scorecard performance outcome

Weight	Measure	FY25 method for assessment	Outcome and discussion
Our shareholders			
50%	PBT excluding Judo Grows	Calculated from statutory financial results (PBT) excluding expense attributable to Judo Grows	*Target* The outcome for PBT excluding Judo Grows expense was $141m for FY25. This result was at target.
Our customers			
10%	Customer NPS	Measured using the weighted average of the three components of onboarding NPS, relationship NPS and exit NPS.	*Maximum* We exceeded our FY25 stretch performance level, which was set above our industry peers, reflecting our focus on putting customers at the heart of everything we do.
10%	Customer retention	Customer retention was measured by 'run-off' which is defined as the annualised rate at which the back book exits the loan book, through scheduled amortisation, discretionary pay-downs by continuing customers, and external refinance.	*Below threshold* We did not achieve our threshold run-off level, with performance levels impacted by heightened volatility in our operating environment which led to higher than anticipated external refinancing.
Our people			
10%	People – including employee engagement and progress towards our FY26 gender diversity targets	Engagement measured via a third party, as the annual average of monthly engagement scores over the performance period, in addition to a survey participation gateway.	*Maximum* We exceeded our stretch target and were pleased to maintain a strong level of engagement throughout FY25.
		Progress towards gender diversity targets calculated as a percentage of women in Judo's entire workforce.	*Maximum* We achieved our maximum with 38% female representation across Judo by the end of FY25, reflective of our ongoing commitment to gender diversity in our workforce.

Weight	Measure	FY25 method for assessment	Outcome and discussion
Our risk culture			
10%	Risk culture	Risk culture is measured via a scorecard which included risk, control and compliance environment; core behaviours in risk management; portfolio hygiene in file management and included a qualitative assessment by the CRO.	*At threshold* We achieved a threshold result for 'risk culture' in FY25 against our stretch objectives. While we had strong risk culture survey results, improved focus on portfolio hygiene and overall customer management, we acknowledge a greater focus is required on proactive risk management and the faster resolution of risk matters to further improve our overall risk culture.
Our strategy			
10%	Progress towards FY25 strategic priorities	Discretionary assessment of progress towards FY25 strategic priorities which included delivery of major technology platforms; continuous operational uplift; expanding into new markets; and building enterprise leadership capability.	*Between threshold and target* While strong progress was shown towards several strategic priorities in FY25 including the completion of our migration to a core banking platform, other strategic priorities remain in progress for delivery during FY26.

1.4 FY25 executive remuneration outcomes

In FY25, all Executive KMP were considered to be accountable persons for Financial Accountability Regime (**FAR**) purposes (**Accountable Persons**), and specified roles for APRA Prudential Standard CPS 511 (**CPS 511**) purposes.

Judo Grows STI

Table 1.4.1 Judo Grows remuneration outcomes for current KMP

Name	Role	FY25 target as a % of fixed remuneration	Overall outcome	% paid (relative to target)	% forfeited (relative to target)
Chris Bayliss	Chief Executive Officer and Managing Director	60%	390,988	65%	35%
Andrew Leslie	Chief Financial Officer	50%	214,500	65%	35%
Frank Versace	Chief Strategy and Growth Officer	50%	227,500	65%	35%
Renée Roberts[1]	Chief Risk Officer	50%	198,339[2]	65%	35%

1. Renée Roberts commenced at Judo and became KMP on 6 September 2024.
2. Represents a pro-rata outcome for the period since commencement.

Judo Grows STI deferral

All Executive KMP holding FY22 Judo Grows Deferred Share Rights (2nd tranche) satisfied the risk, values and conduct vesting conditions applying to those awards and therefore no downward adjustment was applied. Accordingly, in October 2024, the following amounts vested under FY22 Judo Grows (2nd tranche) for KMP:

Table 1.4.2 FY22 Judo Grows Deferred Share Rights vesting outcomes for KMP

Name	Role	Number of instruments	% vesting	% forfeited
Chris Bayliss	Chief Executive Officer and Managing Director	81,567	100%	–
Andrew Leslie[1]	Chief Financial Officer	N/A	N/A	N/A
Frank Versace	Chief Strategy and Growth Officer	55,932	100%	–
Renée Roberts[2]	Chief Risk Officer	N/A	N/A	N/A

1. Andrew Leslie was not a member of the Executive Committee at the time of grant, as such his grant of FY22 Judo Grows Deferred Share Rights was deferred for one year and vested fully during FY24. No equity vested to Andrew Leslie in FY25.
2. Renée Roberts was not employed at Judo at the time of grant of the FY22 Judo Grows.

Judo Grows+ LTI

Performance Rights under FY25 Judo Grows+ were granted to all Executive KMP in October 2024. Key terms applicable under the FY25 Judo Grows+ are outlined in Table 5.3.

No amounts related to prior year awards were eligible to vest under Judo Grows+ in FY25.

Other awards

In FY22 Chris Bayliss was granted an IPO Top-Up Award delivered as 75% Deferred Share Rights and 25% Premium Priced Options, subject to ongoing service and individual risk, values and conduct vesting requirements.

The IPO Top-Up Award will be eligible to vest from November 2026. As such, no amounts related to this award were eligible to vest in FY25. For further details on the IPO Top-Up Award, please refer to our FY22 Remuneration Report.

2. Who is covered by this Report

This Report outlines the remuneration arrangements in place for the Group's KMP in FY25 – that is, all Non-Executive Directors and executives who have authority and responsibility for planning, directing and controlling the activities of the Group. All members of Judo's Board are therefore considered KMP.

Table 2 sets out the Group's KMP during FY25. Judo's Board Audit Committee approved the named Executive KMP and the group's makeup. It is comprised of all the roles that have primary accountability and decision-making authority over the Group's core strategy, operations and segments.

As part of a review of the Judo organisational structure, the Board determined that the role of Chief Operating Officer would no longer be considered a KMP role from 1 July 2024 due to a reduction in that role's scope. As such, all remuneration related to this role is presented up to and including FY24 only.

Table 2 Key Management Personnel

Name	Role	Term as KMP
Executive KMP		
Chris Bayliss	Chief Executive Officer and Managing Director	Full year
Andrew Leslie	Chief Financial Officer	Full year
Frank Versace	Chief Strategy and Growth Officer	Full year[1]
Renée Roberts	Chief Risk Officer	Part year[2]
Non-Executive KMP		
David Hornery	Chair	Full year[3]
Peter Hodgson	Senior Independent Non-Executive Director	Full year[4]
Jennifer Douglas	Independent Non-Executive Director	Full year
John Fraser	Independent Non-Executive Director	Part year[5]
Malcolm McHutchison	Independent Non-Executive Director	Full year
Manda Trautwein	Independent Non-Executive Director	Full year
Mette Schepers	Independent Non-Executive Director	Full year
Brad Cooper	Independent Non-Executive Director	Part year[6]

1. Frank Versace commenced as Chief Strategy and Growth Officer on 1 July 2024, having previously held the role of Chief Risk Officer. He commenced as Chief Customer Officer on 1 July 2025.
2. Renée Roberts commenced as Chief Risk Officer on 6 September 2024.
3. David Hornery commenced as Chair on 1 March 2025. Prior to that date, he was a Non-Executive Director.
4. Peter Hodgson was Chair until 28 February 2025. Since 1 March 2025, he has been a Senior Independent Non-Executive Director.
5. John Fraser ceased to be an Independent Non-Executive Director on 25 October 2024 at the conclusion of the 2024 Annual General Meeting.
6. Brad Cooper commenced as an Independent Non-Executive Director on 16 December 2024.

3. Governance

3.1 Role of the Remuneration and Nominations Committee

Judo Bank Board

Reviews and approves recommendations from the Remuneration and Nominations Committee.

Remuneration and Nominations Committee (REMCO)

Responsible for the oversight and implementation of Judo's remuneration strategy and policy and ensuring its consistency with Judo's RMF.

Advises and assists the Board in fulfilling its responsibilities in relation to:

- Board composition,
- Judo's Executive Committee,
- People and remuneration matters, including remuneration strategies, policies, frameworks for implementation and how these support Judo's strategy and culture.

Risk Committee

- Provides recommendations to the REMCO for remuneration adjustments as it relates to the Company's Risk Management Considerations, and Judo's Code of Conduct.

Executive Committee

- Responsible for implementing and maintaining appropriate people and remuneration policies designed to ensure compliance with internal policies, applicable laws and regulations, to foster a positive culture and to identify and address any issues of risk for Judo.
- May provide recommendations to the REMCO on people and remuneration matters as appropriate.

Independent external advisers

- The REMCO may seek and consider advice from external advisers from time to time to assist with discharging its duties.
- Any advice from consultants is used as a reference point and does not serve as a substitute for thorough consideration by the REMCO.
- Remuneration consultants were engaged by management during FY25 to provide advice. However, neither the REMCO nor management sought or received any remuneration recommendations from these external advisers.

You can find the REMCO Charter at https://www.judo.bank/corporate-governance.

3.2 Adjustments to variable remuneration

The Board, with input from the REMCO and the Board Risk Committee, may in its absolute discretion adjust variable remuneration, including unvested and unpaid awards. This includes the discretion to adjust the total number of unvested awards to zero. Variable remuneration can be adjusted for business, risk and conduct outcomes, which may include paying no variable remuneration to KMP in any given year.

Further, the Board may reduce or claw back an Executive KMP's awards or resulting shares (including to zero) so that no unfair benefit is obtained by the Executive KMP in circumstances where a Malus Event occurs in relation to the relevant individual or the Company.

A Malus Event includes circumstances where a person:

a) engages in serious misconduct or fraud;

b) materially commits a breach of their obligations to any Group entity;

c) acts, or fails to act, in a way that contributes to a Group entity incurring significant reputational harm, significant unexpected financial loss, or making a material financial misstatement; and/or

d) is an Accountable Person and:

   i. fails to comply with their accountability obligations in accordance with section 21 of the *Financial Accountability Regime Act 2023* (Cth); or

   ii. becomes deregistered by APRA from being or acting as an Accountable Person.

The Board also retains the ability to use their absolute discretion and apply malus and/or clawback for any material matters not explicitly reflected above.

Adjustments, reductions or cancellations of variable remuneration may be applied to the current year's Judo Grows incentive plan and/or deferred equity under any existing variable reward programs that could have otherwise vested based on the achievement of the applicable criteria. The adjustment, cancellation or reduction must be proportionate with the Company performance, risk or conduct outcome and need not relate to the specific period in which the event occurred.

Details of any adjustments made to variable remuneration in FY25 are summarised in Section 1.2.

4. Executive remuneration

4.1 FY25 executive remuneration strategy: key features

In FY24, the Board determined to update our executive remuneration framework with key changes effective in FY25. As such, our FY25 executive remuneration strategy was underpinned by the following principles:

To inspire talented people to **grow** a sustainable challenger bank **as one team**	To put customers at the heart of everything we do and drive **long-term** performance	To enable an **owners'** mindset	To reinforce a commitment to **our purpose, which is to be the most trusted SME bank in Australia**	To be simple, **fair and transparent**

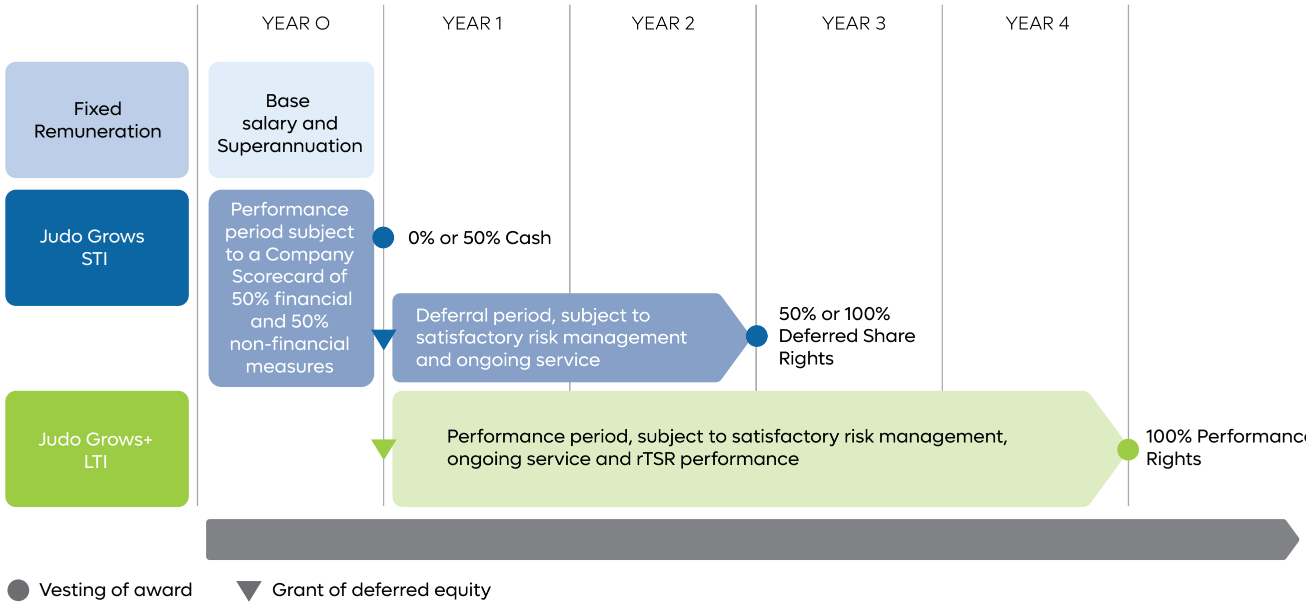
Key changes to the strategy included:

- **Shifting the executive remuneration mix** towards longer term variable remuneration, with a greater portion of variable remuneration delivered in equity through Judo Grows+.
- **Recalibrating the Judo Grows STI payout levels** to ensure appropriate outcomes at threshold, target and stretch performance levels.
- **Changing the Judo Grows+ vehicle from Premium Priced Options to Performance Rights with a rTSR performance measure.**

Judo's FY25 executive remuneration framework is focused on encouraging long-term sustainable decision-making and supporting our purpose to be the most trusted SME business bank in Australia. The framework also strongly incorporates risk management and aligns to both the letter and the spirit of applicable remuneration regulations (FAR, CPS 511). In addition, performance-based remuneration is weighted to long-term equity enabling an owner's mindset and true alignment between our executives and shareholders.

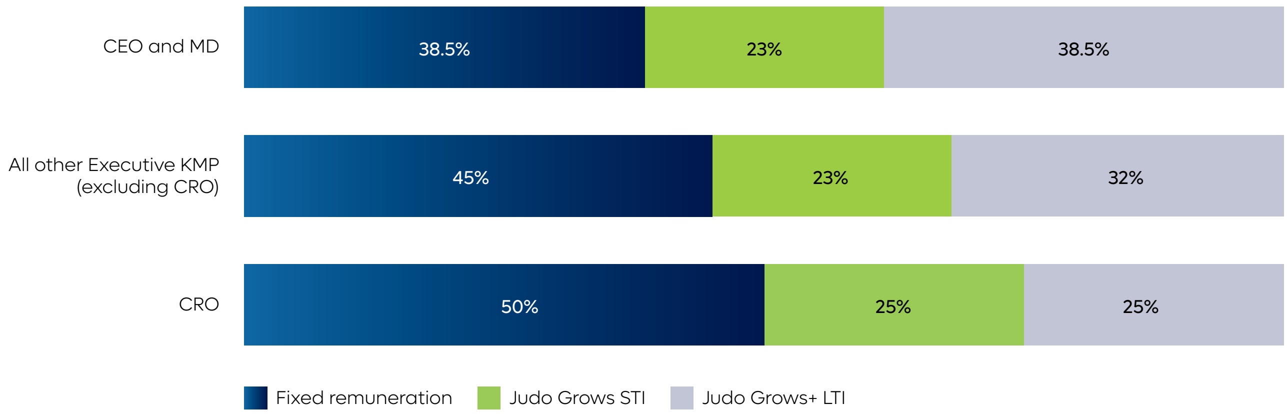
The Board considers that the long-term components of remuneration, and the risk adjustment mechanism inherent in the design of these arrangements, are sufficient to encourage behaviour that supports long-term financial soundness and Judo's RMF.

	Fixed Remuneration	Judo Grows STI	Judo Grows+ LTI
Purpose	• Attract, retain and motivate key talent. • Ensures a focus on core accountabilities of the role.	• Focuses executives towards delivering short-term and medium-term value. • Ensures accountability, with key financial and non-financial areas aligned to Judo's strategic pillars, including risk management. • Demonstrates alignment with Judo's core value of Teamwork, setting the "tone from the top".	• Focuses executives towards delivering long-term value. • Encourages sustainable decision-making in the long-term interests of shareholders. • Generates strong alignment between executives and shareholders.
Overview	• Defined as base salary and superannuation. • Benchmarked to peers.	• Opportunity target of 50%–60% of fixed remuneration. Maximum is 130% of target. • Delivered 100% in deferred equity unless the Executive KMP elects to receive 50% in cash (in which case they receive 50% cash and 50% deferred equity). All deferred equity is subject to approximately 2-year deferral following the initial 1-year performance period, subject to: – Risk, conduct and values requirements at both grant and vesting. – Balanced scorecard of 50% financial and 50% non-financial measures.	• Opportunity of 50%–100% of fixed remuneration. • Delivered 100% in Performance Rights, subject to: – Board's discretionary performance overlay at vesting, considering financial and non-financial factors, including risk, conduct and values requirements. – Relative Total Shareholder Return performance outcome.



4.2 Executive pay mix

The FY25 Executive KMP pay mix is outlined below. The Judo Grows portion represents the annual at-target opportunity, and the Judo Grows+ portion represents the annual face-value opportunity.



The CRO has a higher weighting towards fixed remuneration and lower weighting to long-term variable remuneration. A lower weighting to long-term variable remuneration reinforces the independence of this position, particularly given the CRO's role in recommending risk culture outcomes, and the risk management considerations used by the Board in determining variable remuneration outcomes.

5. Remuneration elements – detailed information

We set out below a detailed description of each element of the Executive KMP remuneration framework.

5.1 Fixed remuneration

Fixed remuneration is reviewed annually against relevant comparator group remuneration benchmarks to ensure it remains market competitive. In setting individual remuneration levels, the executive's unique skills, experience and responsibilities, and a consideration of the complexity of the role and their individual performance are also considered. In FY25, where applicable, Executive KMP received increases, following a review of market competitiveness, role complexity and the unique profile of Judo's executive team.

5.2 Judo Grows STI

Key terms for FY25 Judo Grows STI are outlined in the table below.

Table 5.2 FY25 Judo Grows – key terms

Term	Further detail
Performance period	1 July 2024 – 30 June 2025
Eligibility criteria	• Must satisfy Company and individual risk, values and conduct gateway requirements, assessed annually as part of Judo Tracks, the Company's performance management process. • Must be employed before 1 April 2025 and have not resigned or given notice at the time Deferred Share Rights are offered or awarded and (if applicable) cash payment is made. • Subject to applicable leaver provisions (as outlined in Section 5.4 below).
Opportunity	Target opportunity levels are set with reference to market practice and Judo's remuneration mix policy: • **CEO and MD:** 60% of fixed remuneration • **All other executives:** 50% of fixed remuneration Maximum opportunity is set at 130% of target.
Delivery	• 100% Deferred Share Rights vesting approximately two years from grant date OR where the individual elects to receive cash: • 50% cash after results announcement; and • 50% Deferred Share Rights vesting approximately two years from grant date.
Allocation	• Deferred Share Rights will be allocated based on the 10-trading day volume weighted average price (**VWAP**) of Judo shares following the FY25 annual results announcement.
Assessment of performance	• Performance is assessed against a balanced scorecard comprising 50% financial and 50% non-financial measures over the performance period. • Ahead of each financial year, Management proposes key measures of success across the core focus areas for Board approval. For FY25, the measures were: – Our shareholders (50%) – Our customers (20%) – Our people (10%) – Our risk culture (10%) – Our strategy (10%) • Performance against the scorecard measures is assessed annually by the Board based on recommendations from the REMCO after the end of the performance period. • Final Judo Grows pool is subject to a Board discretionary adjustment based on the Company's Risk Management Considerations, whereby the Board may make downward adjustments (including to zero) for a range of financial and non-financial considerations. • A financial overlay applies to outcomes under the Judo Grows plan, with overall affordability of the pool being tested against the Company's PBT performance for the performance period.
Other vesting conditions	In addition, Deferred Share Rights will be subject to vesting conditions as follows: • **Service condition:** continuous employment for a period of approximately two years from date of grant; and • **Risk management:** the Board being satisfied that the individual has at all times satisfied the risk, values and conduct requirements of the Company.
Board discretion	The Board may, at any time and in its absolute discretion, determine to adjust downwards the number of unvested and unpaid awards held by an Executive KMP, including down to zero (as outlined in Section 3.2).

5.3 Judo Grows+ LTI

Key terms for FY25 Judo Grows+ LTI are outlined in the table below.

Table 5.3 Judo Grows+ FY25 key terms

<table>
<tr><th>Term</th><th>Further detail</th></tr>
<tr><td>Performance period</td><td>1 July 2024 to 30 June 2028</td></tr>
<tr><td>Eligibility criteria</td><td>Must satisfy Company and individual risk, values and conduct gateway requirements, which are assessed annually as part of Judo Tracks, the Company's performance management process.
Must be employed and not serving any period of notice as at the date of grant.
Subject to applicable leaver provisions (as outlined in 5.4 below).</td></tr>
<tr><td>Opportunity</td><td>Opportunity levels are set with reference to market practice and Judo's remuneration mix policy:
CEO and MD: 100% of fixed remuneration
All other Executive KMP (except the CRO): 70% of fixed remuneration.
CRO: 50% of fixed remuneration.</td></tr>
<tr><td>Delivery</td><td>100% in Performance Rights.
Subject to the satisfaction of the vesting conditions, each vested Performance Right entitles the holder to one share.</td></tr>
<tr><td>Allocation</td><td>The number of Performance Rights granted was calculated by dividing the individual's dollar value LTI opportunity for FY25 by the 10-trading day VWAP of Judo shares following the FY24 annual results announcement.</td></tr>
<tr><td>Performance vesting condition</td><td>The number of Performance Rights that vest will be subject to relative Total Shareholder Return performance over the performance period:
Relative Total Shareholder Return (rTSR) – 100%
rTSR is measured against a comparator group of companies within the ASX200 (excluding companies in the Metals, Mining and Equity Real Estate Investment Trust industries) as defined on 1 July 2024. Performance will be independently tested at the end of the performance period with vesting outcomes as follows:<table><tr><th>rTSR performance</th><th>Vesting</th></tr><tr><td>Does not reach the 50th percentile</td><td>–</td></tr><tr><td>50th percentile</td><td>50%</td></tr><tr><td>Between 50th percentile and 75th percentile</td><td>Straight-line basis</td></tr><tr><td>75th percentile or higher</td><td>100%</td></tr></table>To reduce the impact of short-term share price volatility, the share prices for the Company and other companies in the comparator group will be averaged over the 30 calendar days prior to the start date of the performance period and over the 30 calendar days up to and including the end date of the performance period. Adjusted closing share prices will be used.
Any Performance Rights that do not vest will automatically lapse. There is no re-testing of the performance condition.</td></tr>
<tr><td>Other vesting conditions</td><td>Service condition: continuous employment to the date of vesting (approximately four years from date of grant); and
Risk management: the Board being satisfied that the individual has at all times satisfied the risk, values and conduct requirements of the Company.</td></tr>
<tr><td>Board discretion</td><td>The Board may, at any time and in its absolute discretion, determine to adjust downwards the number of unvested and unpaid awards held by an Executive KMP, including down to zero (as outlined in Section 3.2).</td></tr>
</table>

5.4 Other terms

Table 5.4 applies to all awards detailed in Section 5 of this report.

Table 5.4 Other terms

Term	Further detail
Voting and dividend rights	Judo Grows Deferred Share Rights and Judo Grows+ Performance Rights do not carry any dividend or voting rights over the deferral and/ or vesting period.
Hedging	Executive KMP are not permitted to enter any arrangement for the purpose of hedging, borrowing or otherwise affecting their economic exposure to Deferred Share Rights under Judo Grows, or Performance Rights under Judo Grows+.
Leaver provisions	Where an Executive KMP is a Good Leaver (e.g. cessation of employment due to redundancy, death, debilitating illness or injury, permanent incapacity, genuine retirement, or the Board determines the individual to be a Good Leaver) the following treatment will apply: • Where employment ceases during the Judo Grows performance period and the Executive KMP has worked at least three months of the performance period, the Board may determine that the Executive KMP remains eligible to receive a Judo Grows award, pro-rated for the period they were employed and subject to vesting conditions and any applicable downward adjustments. The delivery method (cash or Deferred Share Rights) is subject to Board determination and discretion. • All vested awards that have not been automatically exercised at the time the Executive KMP becomes a Good Leaver will be retained and remain subject to clawback. • Unvested Judo Grows Deferred Share Rights and/or Judo Grows+ Performance Rights will remain fully on-foot unless the Board determines otherwise, subject to vesting conditions, and any applicable downward adjustment post-cessation of employment. Where an Executive KMP is not a Good Leaver (e.g. where the employee terminates employment due to resignation or is terminated by the Company for serious misconduct), all in-year Judo Grows eligibility will be forfeited, and any on-foot awards under either the STI or LTI will no longer be eligible to vest and will be forfeited, unless determined otherwise at the discretion of the Board.
Change of control	Where a change of control event has occurred, or is expected to occur, the Board may: • determine that any unvested awards should remain unvested; • determine to buy back or cancel some or all of the awards for cash consideration equal to their fair market value; • waive any vesting condition or exercise condition; and/or • determine that any vesting condition or exercise condition is satisfied. In the absence of a determination by the Board, all unvested awards will vest immediately prior to the change of control event.

6. Remuneration of executives – FY25 outcomes

6.1 Statutory disclosures

Table 6.1 has been prepared in accordance with AASB Standards and section 300A of *the Corporations Act 2001*. The table shows details of the nature and amount of each element of remuneration paid or awarded to the Executive KMP for services provided during the year (including variable reward amounts in respect of performance during the year that are awarded following the end of the year).

Table 6.1 Statutory disclosures for Executive KMP

		Short-term benefits			Post-employment	Other long-term benefits	Termination benefits	Equity-based benefits			Total[1]
Name	**Financial Year**	**Cash salary[2]**	**Annual variable reward cash[3]**	**Non-monetary benefits[4]**	**Superannuation[5]**	**Other long term[6]**	**Termination benefits[7]**	**Deferred Share Rights[8]**	**Performance Rights[9]**	**Options[10]**	
Chris Bayliss	FY25	985,978	195,494	5,981	29,932	19,724	–	580,837	246,212	381,975	2,446,133
	FY24	877,565	201,369	3,470	27,399	54,030	–	527,421	–	381,898	2,073,152
Andrew Leslie	FY25	628,376	107,250	5,406	29,932	21,865	–	160,842	91,064	138,593	1,183,328
	FY24	593,884	148,800	4,293	27,399	19,861	–	118,349	–	138,531	1,051,117
Frank Versace	FY25	679,601	113,750	3,500	29,932	16,122	–	184,205	96,583	184,451	1,308,144
	FY24	672,176	136,000	2,950	27,399	18,256	–	160,209	–	184,396	1,201,386
Renée Roberts[11]	FY25	583,766	99,170	6,209	28,035	1,438	–	26,679	63,059	–	808,356
Former KMP[12]											
Joseph Healy[13]	FY24	1,200,737	764,800	4,965	27,399	31,529	748,817	720,398	–	2,140,608	5,639,253
Lisa Frazier	FY24	716,231	348,000	5,282	27,399	23,608	490,438	(983,658)	–	125,675	752,975

1. The value of performance-based remuneration as a percentage of total remuneration in the statutory disclosures was 57% for Chris Bayliss, 42% for Andrew Leslie, 44% for Frank Versace and 23% for Renée Roberts in FY25.
2. Refers to base salary including annual leave accrued or utilised during the financial year. For Joseph Healy in FY24, it includes salary received for acting as an adviser to Chris Bayliss from 19 March 2024 (the day after he ceased to be a KMP) until 28 June 2024.
3. Cash receivable under the FY25 Judo Grows that is scheduled to be paid during FY26.
4. Non-monetary benefits relate to Company-funded benefits. Any related fringe benefits tax is included.
5. Includes any Company contributions to superannuation and any contributions by employees made by way of salary sacrifice of fixed remuneration.
6. Comprises long service leave accrued or utilised during the financial year.
7. Termination benefits for Joseph Healy and Lisa Frazier in FY24 include payment in lieu of balance of notice period, inclusive of superannuation to the quarterly maximum contribution cap. Amounts paid to Joseph Healy and Lisa Frazier in connection with cessation of employment were within their statutory entitlements and in compliance with Section 200B of the Corporations Act. Payments were made in FY25.
8. Equity amortisation for Deferred Share Rights delivered under Judo Grows for all Executive KMP and Deferred Share Rights delivered under the IPO Top-Up award (for Chris Bayliss). The FY24 value of Deferred Share Rights for FY25 KMP differs from those presented in the FY24 Remuneration Report as they have been updated to reflect an expense true up. Deferred Share Rights for FY25 Judo Grows will be granted in FY26. Amounts are based on a scorecard outcome of 65% of target. Joseph Healy's FY24 value reflects acceleration of amortisation expense to his cessation date. Lisa Frazier's negative amount in FY24 reflects forfeiture of the IPO Top Up award.
9. Equity amortisation for Performance Rights delivered under Judo Grows+ for all Executive KMP.
10. Equity amortisation for Premium Priced Options delivered under Judo Grows+ for all Executive KMP, Premium Priced Options delivered under the IPO Top-Up award (for Chris Bayliss) and options delivered under the Legacy LTI Plan (for Lisa Frazier in FY24). Joseph Healy's FY24 options value reflects acceleration of amortisation expense to his cessation date. Lisa Frazier's amount in FY24 reflects forfeiture of the IPO Top-Up award.
11. Renée Roberts commenced as KMP on 6 September 2024. All values presented reflect pro-rata amounts since her commencement in the role.
12. In line with the plan rules, all unvested options and Deferred Share Rights retained by former KMP remain unvested and will be tested at the original vesting dates.
13. Joseph Healy ceased to be KMP on 18 March 2024, however continued providing services as an employee until 28 June 2024.

6.2 Summary of awards held by executives

Table 6.2 shows the number and value of options, Deferred Share Rights and Performance Rights that were granted by Judo, forfeited, lapsed or vested for the Executive KMP during the year to 30 June 2025.

Table 6.2 Summary of awards held by executives

Name	Plan	Granted[1]	Type of equity	Number held at the start of the period[2]	Number granted during the period[3]
Chris Bayliss	IPO Top-Up Award	02-Nov-21	Deferred Share Rights	714,285	–
	IPO Top-Up Award	02-Nov-21	Premium Priced Options	1,712,328	–
	FY22 Judo Grows	04-Oct-22	Deferred Share Rights	81,567	–
	FY22 Judo Grows+	02-Nov-21	Premium Priced Options[6]	1,198,630	–
	FY23 Judo Grows	05-Oct-23	Deferred Share Rights	404,296	–
	FY23 Judo Grows+	04-Oct-22	Premium Priced Options[7]	1,875,000	–
	FY24 Judo Grows	25-Oct-24	Deferred Share Rights	–	125,073
	FY24 Judo Grows+	18-Sep-23	Premium Priced Options[8]	2,306,547	–
	FY25 Judo Grows+	25-Oct-24	Performance Rights	–	727,018
Andrew Leslie	FY22 Judo Grows+	02-Nov-21	Premium Priced Options	359,589	–
	FY23 Judo Grows	05-Oct-23	Deferred Share Rights	226,503	–
	FY23 Judo Grows+	04-Oct-22	Premium Priced Options	600,000	–
	FY24 Judo Grows	20-Sep-24	Deferred Share Rights	–	92,422
	FY24 Judo Grows+	18-Sep-23	Premium Priced Options	1,845,238	–
	FY25 Judo Grows+	20-Sep-24	Performance Rights	–	286,956
Frank Versace	FY22 Judo Grows	04-Oct-22	Deferred Share Rights	55,932	–
	FY22 Judo Grows+	02-Nov-21	Premium Priced Options	821,917	–
	FY23 Judo Grows	05-Oct-23	Deferred Share Rights	291,991	–
	FY23 Judo Grows+	04-Oct-22	Premium Priced Options	1,300,000	–
	FY24 Judo Grows	20-Sep-24	Deferred Share Rights	–	84,472
	FY24 Judo Grows+	18-Sep-23	Premium Priced Options	1,619,047	–
	FY25 Judo Grows+	20-Sep-24	Performance Rights	–	304,347
Renée Roberts	FY25 Judo Grows+	20-Sep-24	Performance Rights	–	232,919

1. The date on which the fair value of instruments was measured for accounting purposes.
2. For Renée Roberts, balance at the start of the period is the balance as at 6 September 2024, the date Renée Roberts commenced employment and became a KMP.
3. Shareholder approval was obtained pursuant to ASX Listing Rule 10.14 for the grant of Deferred Share Rights and Performance Rights to Chris Bayliss during FY25.
4. Due to different applicable accounting measurement dates, FY24 Judo Grows awards granted were valued using the closing price on 25 October 2024 for Chris Bayliss and 20 September 2024 for other Executive KMP. FY25 Judo Grows+ Performance Rights were independently valued for accounting purposes (fair value) using the Monte Carlo methodology, which produced a valuation of $1.43 per Performance Right for Chris Bayliss and $1.34 per Performance Right for other Executive KMP.
5. Represents the unamortised amount of each award that will be expensed in future years beyond FY25.
6. FY22 Judo Grows+ premium priced options have an exercise price of $2.73 for all Executive KMP.
7. FY23 Judo Grows+ premium priced options have an exercise price of $1.53 for all Executive KMP.
8. FY24 Judo Grows+ premium priced options have an exercise price of $1.25 for all Executive KMP.

Fair value granted during the period ($)[4]	Exercised during the period	Forfeited or lapsed during the period	Other changes	Balance at end of the period	Vested and exercisable	Unvested	Maximum value to be amortised in future years ($)[5]
–	–	–	–	714,285	–	714,285	402,724
–	–	–	–	1,712,328	–	1,712,328	156,309
–	81,567	–	–	–	–	–	–
–	–	–	–	1,198,630	–	1,198,630	109,416
–	–	–	–	404,296	–	404,296	33,896
–	–	–	–	1,875,000	–	1,875,000	89,114
235,137	–	–	–	125,073	–	125,073	88,628
–	–	–	–	2,306,547	–	2,306,547	257,198
1,039,636	–	–	–	727,018	–	727,018	793,424
				9,063,177			1,930,708
–	–	–	–	359,589	–	359,589	8,632
–	–	–	–	226,503	–	226,503	18,990
–	–	–	–	600,000	–	600,000	28,516
163,587	–	–	–	92,422	–	92,422	61,659
–	–	–	–	1,845,238	–	1,845,238	205,758
384,521	–	–	–	286,956	–	286,956	293,457
				3,410,708			617,012
–	55,932	–	–	–	–	–	–
–	–	–	–	821,917	–	821,917	75,028
–	–	–	–	291,991	–	291,991	24,481
–	–	–	–	1,300,000	–	1,300,000	61,785
149,515	–	–	–	84,472	–	84,472	56,355
–	–	–	–	1,619,047	–	1,619,047	180,536
407,825	–	–	–	304,347	–	304,347	311,242
				4,421,774	–		709,428
312,111	–	–	–	232,919	–	232,919	249,052
				232,919			249,052

6.3 Executive KMP shareholdings and capital notes holdings

Table 6.3 includes all Executive KMP shareholdings and capital notes holdings, including any holdings held indirectly by a company, trust or a spouse.

Table 6.3 Movement in shareholdings and capital notes holdings held by Executive KMP during the financial year[1]

Current as at 30 June 2025	Type	Balance at start of the year	Received upon vesting/ exercise of incentive plan awards	Other changes during the year[2]	Balance at end of year
Chris Bayliss	Ordinary Shares	4,601,730	81,567	(1,183,298)	3,499,999[3]
Andrew Leslie	Ordinary Shares	403,236	–	–	403,236
Frank Versace	Ordinary Shares	977,631	55,932	(400,000)	633,563
Renée Roberts[4]	Ordinary Shares	20,000	–	–	20,000

1. Table includes holdings in the Executive KMP's name as well as those held by related parties.
2. Changes resulting from sales for Chris Bayliss and Frank Versace.
3. Including 2,000,000 shares where the legal title is held by HSBC Australia as security for a loan made to Chris Bayliss. Chris Bayliss retains beneficial ownership and economic exposure to the shares under the arrangement.
4. For Renée Roberts, balance at the start of the year is the balance as at 6 September 2024, the date Renée Roberts commenced employment and became a KMP.

7. Non-Executive Director remuneration

7.1 Fee pool

The current maximum aggregate fee pool of $1.8 million per annum (inclusive of superannuation) was approved by shareholders at the 7 October 2021 Annual General Meeting.

7.2 Non-Executive Director fees

In reviewing and setting the fee policy for Non-Executive Directors (**NEDs**), the Board considers the responsibilities of the role, complexity of the business, Director skills and experience, and market benchmark data provided by external consultants.

As outlined in the FY24 Remuneration Report, the Chair and NED base fee policy increased by 3.7% for FY25, in line with market benchmarking against relevant listed peers. There was no change to Committee fees.

For FY26, the Board has determined that there will be no increase to Chair fees, NED base fees and Committee fees and no change to the NED fee pool approved by shareholders per Section 7.1.

The NED fee policy for FY25 and FY26 is provided below:

Table 7.2 NED fee policy

	Fees (inclusive of superannuation)
Board base fee	
Chair	$280,000
Non-Executive Director[1]	$140,000
Board committee fee (Board Audit, Board Risk, and Board Remuneration and Nominations)	
Chair	$25,000
Member	$15,000

1. Includes the Senior Independent Non-Executive Director

The Chair is also a member of the Board Audit Committee, Board Risk Committee, and Board Remuneration and Nominations Committee but does not receive additional fees for these roles.

NEDs do not participate in the Company's incentive plans and they do not receive retirement benefits other than the superannuation contributions disclosed in this Report. Directors may also be reimbursed for travel and other expenses reasonably incurred in attending to the Company's affairs. NEDs may be paid additional or special remuneration as the Directors decide is appropriate, where a NED performs extra work or services that are not in the capacity as a NED of the Company or a subsidiary of the Company.

Minimum shareholding guideline

To align with shareholder interests, in FY25 the Board adopted a guideline that within three years of the later of 1 July 2024 and the date of appointment, NEDs are encouraged to hold ordinary shares equal in value to the annual base fee policy for the Chair and Board base fee policy for all other NEDs.

The value of a NED's shareholding is based on the number of shares held by each Director and the Company share price as at the last trading day of the financial year.

The guideline will be assessed for the first time as at 30 June 2027.

8. Non-Executive KMP remuneration – outcomes FY25

8.1 Statutory disclosures

Outlined below is the statutory disclosure table for Non-Executive KMP.

Table 8.1 Statutory disclosures for Non-Executive KMP

		Short-term benefits		Post-employment benefits	
Non-Executive Director	**Year**	**Cash fees $[1]**	**Non-monetary benefits $[2]**	**Superannuation $[3]**	**Total $**
Current Non-Executive KMP					
David Hornery[4]	FY25	185,351	–	21,315	206,667
	FY24	148,649	–	16,351	165,000
Peter Hodgson[5]	FY25	225,650	–	25,950	251,600
	FY24	243,243	–	26,757	270,000
Jennifer Douglas	FY25	147,982	–	17,018	165,000
	FY24	144,144	–	15,856	160,000
Malcolm McHutchison[6]	FY25	139,013	–	15,987	155,000
	FY24	135,135		14,865	150,000
Manda Trautwein	FY25	147,982	–	17,018	165,000
	FY24	144,144	–	15,856	160,000
Mette Schepers	FY25	139,885		30,115	170,000
	FY24	137,500	–	27,500	165,000
Brad Cooper[7]	FY25	75,825	–	8,720	84,545
Former KMP					
John Fraser[8]	FY25	51,208	–	5,889	57,097
	FY24	157,658	–	17,342	175,000

1. Includes base fees and any applicable Committee Chair or Member fees.
2. There were no non-monetary benefits provided to Non-Executive KMP during the period.
3. Superannuation includes any applicable superannuation salary sacrifice contributions.
4. David Hornery has been Chair since 1 March 2025, having previously been a Non-Executive Director. Fees have been pro-rated for the time he was in each role.
5. Peter Hodgson was Chair until 28 February 2025. Since then, he has been a Senior Independent Non-Executive Director. Fees have been pro-rated for the time he was in each role.
6. Malcolm McHutchison commenced receiving fees during FY24 with respect to his role as a Non-Executive Director.
7. Brad Cooper commenced receiving fees with respect to his role as an Independent Non-Executive Director on 16 December 2024.
8. John Fraser ceased to be an Independent Non-Executive Director on 25 October 2024 at the conclusion of the 2024 Annual General Meeting. Fees have been pro-rated for the time up to his resignation.

8.2 Non-Executive KMP shareholdings and capital notes holdings

Table 8.2 includes all NED shareholdings and capital notes holdings, including any holdings held indirectly by a company, trust or a spouse.

Table 8.2 Movement in shareholdings and capital notes holdings of Non-Executive KMP during the financial year[1]

	Type	Balance at start of the year	Changes during the year[2]	Balance at end of the year
David Hornery	Ordinary shares	21,298,064	–	21,298,064
	Capital notes	1,500	–	1,500
Peter Hodgson[3]	Ordinary shares	2,560,260	–	2,560,260
	Capital notes	1,400	–	1,400
Jennifer Douglas	Ordinary shares	73,263	–	73,263
Malcolm McHutchison	Ordinary shares	–	–	–
Manda Trautwein	Ordinary shares	554,879	–	554,879
Mette Schepers	Ordinary shares	202,859	–	202,859
Brad Cooper[4]	Ordinary shares	–	–	–
John Fraser[5]	Ordinary shares	4,596,754	–	4,596,754

1. Table includes holdings in the Director's name as well as those held by related parties.
2. Changes resulting from purchases and sales.
3. Peter Hodgson also acquired relevant interests in four Judo Subordinated Notes during FY25. He continues to hold those interests as at 30 June 2025.
4. For Brad Cooper, balance at the start of the period is the balance as at 16 December 2024, the date Brad Cooper commenced as an Independent Non-Executive Director and became a KMP.
5. Balance for John Fraser at the end of the year is as at the conclusion of the 2024 Annual General Meeting on 25 October 2024 when he ceased to be an Independent Non-Executive Director and KMP.

9. Further information

9.1 Executive contracts

All Executive KMP have a written Executive Service Agreement with the Group. The key terms of these agreements are detailed in the table below.

Table 9.1 Executive KMP contracts

Name	Employer-initiated notice period	Employee-initiated notice period	Contract duration	Termination payments
Chris Bayliss	12 months	12 months	Ongoing	Members of the Executive KMP are not entitled to any termination payments. A payment may be made in lieu of notice at the discretion of the Board where termination occurs other than for cause.
Andrew Leslie	6 months	6 months		
Frank Versace	12 months	6 months		
Renée Roberts	6 months	6 months		

For all Executive KMP, the Group may terminate the service agreement immediately without notice in certain circumstances, including (but not limited to) where the relevant Executive KMP engages in a serious breach of agreement or serious misconduct.

9.2 Other transactions with KMP and their personally related entities

9.2.1 Loans to KMP

As at 30 June 2025, there are no outstanding loans to KMP and no KMP loans were in existence during FY25.

Further information can be found in Note 26 of the Financial Statements.

9.2.2 Other KMP transactions

The Group did not engage in any transactions with KMP or their related parties during FY25 other than Term Deposit investments, that have been made on terms equivalent to those that prevail in arm's-length transactions.

Auditor's Independence Declaration

Auditor's Independence Declaration

As lead auditor for the audit of Judo Capital Holdings Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been:

a. no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b. no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Judo Capital Holdings Limited and the entities it controlled during the period.

AJ Richardson

AJ Richardson
Partner
PricewaterhouseCoopers

Melbourne
19 August 2025

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Notes	2025 $M	2024 $M
Effective interest income	3	1,059.9	910.3
Interest expense	3	(652.6)	(524.3)
Net interest income		**407.3**	**386.0**
Other operating income	4	15.6	10.7
Operating expenses	5	(221.8)	(222.3)
Credit impairment	11	(75.5)	(70.1)
Net profit before income tax		**125.6**	**104.3**
Income tax expense	6	(39.2)	(34.4)
Net profit after income tax		**86.4**	**69.9**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Gain on revaluation of cash flow hedge	18(b)	23.9	7.1
Gain on investments measured at FVOCI		0.1	0.3
Other comprehensive income for the period, net of tax		**24.0**	**7.4**
Total comprehensive income for the period		**110.4**	**77.3**

		Cents	Cents
Earnings per share			
Basic earnings per share	7	7.7	6.3
Diluted earnings per share	7	7.3	6.1

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	2025 $M	2024 $M
ASSETS			
Cash and cash equivalents	8	862.1	777.4
Investments	9	1,612.1	1,607.3
Loans and advances	10	12,334.3	10,619.3
Current tax assets	6	–	2.6
Derivative assets	14	0.3	2.7
Property, plant and equipment	19	7.0	8.6
Intangible assets	20	47.7	48.3
Deferred tax assets	6	62.6	68.3
Other assets	21	52.1	62.1
Total assets		**14,978.2**	**13,196.6**
LIABILITIES			
Deposits	12	9,879.2	8,226.6
Borrowings	13	3,108.7	3,134.8
Derivative liabilities	14	6.0	3.8
Current tax liabilities	6	2.9	–
Provisions	22	87.1	80.9
Other liabilities	23	207.7	185.2
Total liabilities		**13,291.6**	**11,631.3**
Net assets		**1,686.6**	**1,565.3**
EQUITY			
Share capital	17	1,536.3	1,522.1
Reserves	18	1.9	(18.8)
Retained earnings	18	148.4	62.0
Total equity		**1,686.6**	**1,565.3**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2025

	Share capital $M	Reserves $M	Retained earnings $M	Total equity $M
Balance at 1 July 2023	**1,518.3**	**(33.3)**	**(7.9)**	**1,477.1**
Profit for the period	–	–	69.9	69.9
Other comprehensive income, net of tax	–	7.4	–	7.4
Total comprehensive income for the period	**–**	**7.4**	**69.9**	**77.3**
Transactions with owners in their capacity as owners:				
Issue of ordinary shares for Employee Share Scheme	3.8	(3.8)	–	–
Movement in reserves, net of tax	–	10.9	–	10.9
	3.8	7.1	–	10.9
Balance at 30 June 2024	**1,522.1**	**(18.8)**	**62.0**	**1,565.3**

	Share capital $M	Reserves $M	Retained earnings $M	Total equity $M
Balance at 1 July 2024	**1,522.1**	**(18.8)**	**62.0**	**1,565.3**
Profit for the period	–	–	86.4	86.4
Other comprehensive income, net of tax	–	24.0	–	24.0
Total comprehensive income for the period	**–**	**24.0**	**86.4**	**110.4**
Transactions with owners in their capacity as owners:				
Issue of ordinary shares for Employee Share Scheme	14.2	(14.2)	–	–
Movement in reserves, net of tax	–	10.9	–	10.9
	14.2	(3.3)	–	10.9
Balance at 30 June 2025	**1,536.3**	**1.9**	**148.4**	**1,686.6**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2025

	Notes	2025 $M	2024 $M
Cash flows from operating activities			
Interest received		1,069.6	905.9
Interest paid		(618.7)	(459.9)
Payments to suppliers and employees		(203.6)	(205.0)
Fees and other income received		15.6	10.7
Income taxes paid		(35.5)	(62.4)
Cash flows from operating activities before changes in operating assets and liabilities		**227.4**	**189.3**
Changes in operating assets and liabilities			
Net increase in loans and advances		(1,781.9)	(1,832.4)
Net increase in deposits		1,652.7	2,272.1
Net increase in collateral received on interest rate swaps		38.4	12.9
Net cash inflow from operating activities	24	**136.6**	**641.9**
Cash flows from investing activities			
Movement in investments			
Purchases of investments		(2,223.3)	(2,841.7)
Proceeds from investments		2,213.2	3,662.6
Payments for property, plant and equipment		–	(2.4)
Payments for intangible assets		(11.1)	(23.0)
Net cash (outflow)/inflow from investing activities		**(21.2)**	**795.5**
Cash flows from financing activities			
Proceeds from borrowings		1,734.2	4,219.0
Repayment of borrowings		(1,763.2)	(5,591.6)
Principal portion of lease payments		(1.7)	(2.1)
Net cash (outflow) from financing activities		**(30.7)**	**(1,374.7)**
Net increase in cash and cash equivalents		**84.7**	**62.7**
Cash and cash equivalents at the beginning of the financial year		777.4	714.7
Cash and cash equivalents at end of year	8	**862.1**	**777.4**

The accompanying notes form part of these financial statements.

Notes to the Consolidated Financial Statements

1. Summary of material accounting policy information

This note outlines the material accounting policies adopted in the preparation of these Consolidated Financial Statements. These policies have been applied consistently across all periods presented, unless otherwise stated. The Consolidated Financial Statements relate to the Group consisting of Judo Capital Holdings Limited and its controlled entities.

(a) Basis of preparation

These general purpose Consolidated Financial Statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**), the *Corporations Act 2001* and the ASX Listing Rules. Judo Capital Holdings Limited and its controlled entities is a for-profit entity for the purpose of preparing the Consolidated Financial Statements.

Judo Capital Holdings Limited is a company limited by shares, incorporated and domiciled in Australia.

The financial report was approved by the Directors as at the date of the Directors' report. The Directors have the power to amend and reissue the Consolidated Financial Statements.

Compliance with International Financial Reporting Standards

The Consolidated Financial Statements of the Group also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Historical cost convention

The Consolidated Financial Statements have been prepared on a historical cost basis, except where otherwise stated. Certain assets and liabilities are measured at fair value in accordance with the accounting policies.

Presentation format

The statement of financial position has been presented in order of liquidity. All amounts are presented in Australian Dollars (**AUD**), which is the Group's functional and presentation currency.

(b) Use of critical accounting judgements and estimates

The preparation of Consolidated Financial Statements requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets, liabilities, incomes and expenses. These estimates are based on historical experience and other factors considered reasonable under the circumstances and reviewed on an ongoing basis. Except as noted below, there have been no significant changes to the accounting estimates, judgements, or assumptions applied in the current financial year compared to prior year.

The critical accounting judgements and estimates include:

- ECL on loans and advances
- Behavioural term of loans and advances, with reference to prepayment rates, refinances and contractual maturity
- Measurement of income taxes and uncertainty over income tax treatments
- Impairment assessment of intangible assets

Measurement of expected credit losses

Except as outlined in Note 11, the methodology utilised in determining the Group's expected credit losses remains consistent with those applied in the prior year. There are a number of judgements and estimates made by management in relation to the underlying assumptions that are continuously reviewed and revised on a periodic basis which include, but are not limited to:

- Credit risk factors of probability of default (**PD**), loss given default (**LGD**) and exposure at default (**EAD**) used in the ECL calculation are point-in-time estimates based on current conditions and adjusted to include the impact of multiple probability-weighted future forecast economic scenarios.
- Estimates applied by the Group in assessing the fair value of collateral to be realised on impaired exposures, which extends to collateral pledged and guarantees received through ordinary lending arrangements.

Further, the Group applies overlays to account for external factors that cannot be adequately captured by its expected credit loss models. Overlays are determined based on a range of techniques, including stress testing, benchmarking, scenario analysis and expert judgement. Overlays are subject to internal governance and applied as an incremental expected credit loss top-up to the impacted portfolio segments.

Refer to Note 11 for further detail on the methodology and assumptions.

The Group continues to evolve and enhance its processes and systems to assess physical and transitional risks of climate change and their potential impact on the lending portfolio and collateral held as security.

Climate-related considerations are integrated into the Group's credit assessment practices and are addressed through the Risk Management Framework, Risk Appetite Statements and Environmental, Social and Governance (**ESG**) Credit Risk Guidance.

These accounting estimates require a significant degree of judgement, where applicable, both on origination and throughout the expected life of the loan. The Group has concluded that no adjustments for impairment are required to be taken to provisions in relation to climate risk for the year ended 30 June 2025.

Behavioural term of loans and advances

When applying the effective interest rate method, the Group estimates the behavioural term of loans and advances, based on historical prepayment rates, refinances and the contractual maturities.

Measurement of income taxes

Deferred tax assets and liabilities are based on the assumption that no adverse change will occur in the income tax legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Uncertainty over income tax treatments

The Group estimates the amount expected to be paid to tax authorities based on its understanding and interpretation of relevant tax laws which may require the exercise of judgement.

Impairment assessment of intangible assets

The Group completes an annual assessment for indicators of impairment of intangible assets, except where a period-end impairment assessment is performed for the following items:

- Internally generated software that is classified as work-in-progress; and
- Internally generated software in use, where indicators of impairment are present.

Where an estimate of recoverable amount is required, management applies several judgements and assumptions which, if applicable, are disclosed in further detail in Note 20. The Group's accounting policy for impairment of assets is disclosed in Note 1(p).

(c) New standards and amendments

The following standards and interpretations relevant to the Group apply for the first time to financial reporting periods commencing on or after 1 January 2024:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current [AASB 101].*
- AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback [AASB 16].*
- AASB 2023-1 *Amendments to Australian Accounting Standards – Supplier Finance Arrangements [AASB 7 & AASB 107].*

The amendments listed above did not have a material impact on the disclosures and amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(d) Accounting standards issued but not yet effective

The following standards and interpretations have been issued but are not mandatory for annual reporting periods ending on 30 June 2025.

Title	Key requirements	Effective Date*
AASB 2024-2 *Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments [AASB 7 & AASB 9]*	AASB 2024-2 amends AASB 7 *Financial Instruments: Disclosures and AASB 9 Financial Instruments to*: • clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; • clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; • add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and • update the disclosures for equity instruments, designated at fair value through other comprehensive income (**FVOCI**). The Group is in the process of assessing the impact on the presentation and disclosures within the consolidated financial statements.	1 January 2026 (early adoption is available)
AASB 18 *Presentation and Disclosure in Financial Statements*	AASB 18 sets out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The Group is in the process of assessing the impact on the presentation and disclosures within the consolidated financial statements.	1 January 2027 (early adoption is available)

* Applicable to annual reporting periods commencing on or after the given date.

(e) Going concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

(f) Principles of consolidation

The Consolidated Financial Statements represent the financial position and performance of the Group, comprising the parent entity and its subsidiaries. The Group is considered to control an entity where it has:

- power over the entity (defined as existing rights that give it the current ability to direct the relevant activities of the entity);
- exposure or rights to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the parent entity, and apply consistent accounting policies. Where necessary, adjustments are made to bring into line any differences in accounting policies.

All intercompany balances and transactions, including any unrealised profits or losses are eliminated in full on consolidation. Subsidiaries are included in the consolidation from the date on which control is obtained and are derecognised from the date that control ceases.

(g) Effective interest income and expense

Effective interest income and expense are recognised as they accrue using the effective interest rate (**EIR**) method. The EIR is the rate that exactly discounts estimated future cash flows over the expected life of the financial instrument to its gross carrying amount. The EIR calculation includes all fees paid or received that are an integral part of the effective interest rate (e.g. document preparation and establishment fees), transaction costs, upfront and trail commissions, and any premiums or discounts which are amortised over the expected life of the financial instrument.

For financial assets classified within Stages 1 & 2 of the ECL model, interest income is calculated by applying the EIR to the gross carrying amount of the assets. Interest income on financial assets in Stage 3 is calculated by applying the EIR to the net amortised cost carrying amount (i.e. gross carrying amount net of provisions for impairment).

Where the Group recognises a lease liability in its capacity as a lessee, the interest component of the lease payment is recognised as an interest expense.

(h) Other operating income

Fees and commissions that are not considered an integral part of the EIR of a financial instrument are disclosed as other operating income. These amounts are typically recognised upon execution of a contract with a customer, at the point where the related performance obligation has been satisfied. These include but are not limited to facility fees on unused line of credit, term deposit break fees, and bank guarantee service fees.

Gains or losses on the disposal of property, plant and equipment are determined as the difference between the carrying value of the asset and the proceeds received. These are recognised at the point when control of the asset is transferred to the buyer.

Realised gains or losses on investments are recognised in the period in which they are crystalised, and are measured as follows:

- Amortised cost: the gain or loss is the difference between the carrying value of the asset and the proceeds received upon disposal
- FVOCI: the gain or loss is the difference between the asset's face value, plus or minus any unamortised premium or discount, and the proceeds received upon disposal.

(i) Operating expenses

Operating expenses are recognised in the period in which the related goods or service are received, and the costs can be reliably measured. Any amounts received as a reimbursement for costs incurred are offset against the relevant expense in the same period.

(j) Capital raising transaction costs

Transaction costs incurred in connection with a capital raising are accounted for as a deduction from equity, but only to the extent they are incremental costs directly attributable to the capital raising. An incremental cost is defined as expenditure that would not have been incurred had the Group not issued equity instruments. Indirect costs including management time, employee incentives, marketing initiatives and administrative overheads are not considered incremental and are therefore, excluded from the equity deduction.

The treatment of transaction costs depends on the nature of share activity: costs related to the issuance of new shares are recognised as a deduction from equity, whereas costs associated with the sale or listing of existing shares are expensed as incurred, as they are not transaction costs relating to the issue of an equity instrument. Where multiple forms of capital raising are undertaken, transaction costs are apportioned against each form to determine the portion that is capitalised as an equity deduction and the portion that is expensed to the profit or loss.

(k) Income tax

Income tax expense comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is the expected tax payable on the current period's taxable income and any adjustment to the tax payable/receivable in respect of previous years, based on the applicable income tax rate.

Deferred tax is recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.

Deferred tax is measured at tax rates that are expected to apply when temporary differences reverse, using tax rates enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised to the extent it is probable that future taxable profits will be available to utilise those deductible temporary differences.

Tax consolidation

Judo Capital Holdings Limited and its controlled entities have implemented a tax-consolidated group. Each entity in the tax-consolidated group recognises tax expense, deferred tax assets and deferred tax liabilities relating to its own transactions, events and balances only.

The tax-consolidated group has entered into a Tax Funding Agreement (**TFA**) that sets out the funding obligations of the members of the tax-consolidated group in respect of tax amounts. Consistent with the TFA, current tax liabilities (or assets) are transferred from the controlled entity to the head entity as inter-company payables or receivables.

The tax-consolidated group has also entered into a Tax Sharing Agreement to limit the liability of the controlled entities in the tax-consolidated group, in the event of default by the head entity to meet its tax payment obligations.

(l) Cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and funds held in trust by third party service providers for the purposes of fulfilling loan settlements.

Interest earned on cash and cash equivalents is accrued in interest income using the EIR method, with the corresponding accrued receivable recognised within other assets.

(m) Financial assets

Under AASB 9, the Group's classification of financial assets is dependent on:

- the business model within which the financial asset is managed; and
- the contractual cash flow characteristics of the financial asset.

Accordingly, the Group classifies its financial assets as follows:

- amortised cost: Financial assets with contractual cash flows that comprise solely payments of principal and interest, which are held within a business model whose objective is to hold assets to collect contractual cash flows; and
- FVOCI: Financial assets with contractual cash flows that comprise solely payments of principal and interest, held within a business model whose objective is to collect the contractual cash flows or to sell the assets.

The Group does not hold any assets classified as fair value through profit or loss.

With the exception of hedging derivatives and investments held within the Group's Hold to Collect and Sell portfolio, all other financial assets are classified and measured at amortised cost.

Measurement

At initial recognition, financial assets not classified at fair value through profit or loss are measured at fair value plus transaction costs that are directly attributable to their acquisition.

Subsequently, financial assets are measured either at amortised cost or fair value, depending on their classification under AASB 9. Financial assets measured at amortised cost are carried at the amount initially recognised, adjusted for principal repayments, cumulative amortisation of transaction costs, premiums or discounts using the EIR method, and any loss allowance.

Financial assets with embedded derivatives are assessed in their entirety when determining whether their contractual cash flows represent solely payments of principal and interest.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk (**SICR**). Note 11 details how the Group determines whether there has been a SICR since initial recognition.

(n) Property, plant and equipment

Each class of plant and equipment is measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

The depreciable amount of property, plant and equipment is depreciated over its estimated useful life beginning from the time the asset is available for use. Depreciation is recognised in a manner consistent with the expected consumption of the economic benefits embodied in the asset.

Class of fixed asset	Useful lives	Depreciation basis
Leasehold improvements at cost	3 – 7 years	Straight line
Furniture, fittings and equipment at cost	3 – 5 years	Straight line

The residual value and useful life of property, plant and equipment is reviewed at least at the end of each annual reporting period. If expectations differ from previous estimates, the change(s) are accounted for as a change in an accounting estimate in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*.

(o) Intangible assets

Intangible assets are identifiable non-physical, non-monetary assets. For internally generated software, the Group capitalises development costs when it can demonstrate:

- Intention to complete the development for use;
- Ability to use the assets to generate future economic benefits;
- Reliable measurement of the development costs; and
- Control of the asset.

When these criteria are met, the costs incurred during the development phase are recognised as an intangible asset and amortised over the asset's useful life.

Internally generated software costs incurred are categorised as either research, which may include discovery activities, formulation and design of new systems, and development, which may include construction, coding and testing. Research costs are expensed as incurred, whereas development costs are capitalised as an intangible asset where control has been established. All other development costs that cannot be reliably measured or where control cannot be established are expensed as incurred.

Software-as-a-Service

Configuration and customisation costs incurred under a Software-as-a-Service (**SaaS**) arrangement are expensed as incurred or expensed over the contracted service period where the Group does not establish control of the underlying software asset. In contrast, software development costs are capitalised as an intangible asset when the Group has established control of the underlying asset. These capitalised costs are subsequently amortised over the asset's estimated useful life.

Amortisation of intangible assets

Internally generated software costs are not amortised during the development phase. Once software is ready for use, management determines a suitable amortisation period, currently ranging between two and five years, applied on a straight line basis.

(p) Impairment of assets

Assets other than intangible assets not yet ready for use and intangible assets with indefinite useful lives are assessed for impairment whenever events or circumstances arise that indicate the asset may be impaired.

Intangible assets not yet ready for use and intangible assets with indefinite useful lives are not subject to amortisation and are therefore tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

For impairment testing, assets are assessed on either an individual basis, or grouped into cash generating units (**CGU**) which represent the lowest levels at which largely independent cash inflows are identifiable.

An impairment loss is recognised when the carrying amount of an asset or CGU exceeds its recoverable amount. The recoverable amount is defined as the higher of fair value less costs to sell and value in use.

Impairment losses for individual assets are recognised immediately in profit or loss, unless the asset is carried at a revalued amount (e.g. under the revaluation model for property, plant and equipment), in which case the loss is treated as a revaluation decrease. Impairment losses related to a CGU is first allocated to goodwill, if any, associated with the CGU. Any remaining loss is then allocated pro rata to the other assets within the CGU.

(q) Leases

At the commencement date of a lease (other than leases of 12-months or less and leases of low value assets), the Group recognises:

- a lease liability, representing its obligation to make lease payments; and
- a right-of-use (**ROU**) asset, representing its right to use the underlying asset.

Right-of-use assets

ROU assets are initially recognised at cost, comprising the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date of the lease, less any lease incentives received, any initial direct costs incurred by the Group, and an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

Subsequent to initial recognition, right-of-use assets are measured at cost (adjusted for any remeasurement of the associated lease liability), less accumulated depreciation and any accumulated impairment loss.

ROU assets are depreciated over the shorter of the lease term and the estimated useful life of the underlying asset, consistent with the estimated consumption of the economic benefits embodied in the underlying asset.

Lease liabilities

Lease liabilities are initially recognised at the present value of the future lease payments (i.e. the lease payments that are unpaid at the commencement date of the lease). These lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or otherwise using the Group's incremental borrowing rate.

Subsequent to initial recognition, lease liabilities are measured at the present value of the remaining lease payments (i.e. the lease payments that are unpaid at the reporting date). Interest expense on lease liabilities is recognised in profit or loss (presented as a component of interest expense). Lease liabilities are remeasured to reflect changes to lease terms, changes to lease payments and any lease modifications not accounted for as separate leases.

Variable lease payments not included in the measurement of lease liabilities are recognised as an expense when incurred.

Leases of 12-months or less and leases of low value assets

Lease payments made in relation to leases of 12-months or less and leases of low value assets (for which a lease asset and a lease liability have not been recognised) are recognised as an expense on a straight-line basis over the lease term.

(r) Derivatives and hedging activities

Derivative financial instruments are contracts whose value is derived from an underlying price, index or other variable. These include instruments such as interest rate swaps, forward rate agreements, futures and options. All derivatives are initially recognised on the balance sheet at fair value and are subsequently measured at fair value through profit or loss, unless designated as a part of an effective hedge relationship and classified as hedging derivatives. Derivatives are presented as assets when their fair value is positive and as liabilities when their fair value is negative, after accounting for collateral received or paid in respect of the open position.

At inception of all hedge relationships, the Group documents the relationship between the hedging instrument and hedged item, the risk being hedged, the Group's risk management objective and strategy and the method for assessing hedge effectiveness throughout the life of the hedge.

The Group designates certain derivatives as effective cash flow hedges, with changes in the fair value recognised in the cash flow hedge reserve within equity. Amounts accumulated in the cash flow hedge reserve are transferred to the profit or loss when the instrument expires, is sold or when the hedge no longer meets the criteria for hedge accounting or the forecast transaction occurs. Any portion of the hedge deemed ineffective is recognised immediately in profit or loss.

(s) Financial liabilities

The Group initially recognises all financial liabilities, including deposits and borrowings, at fair value net of any directly attributable transaction costs. After initial recognition these liabilities are measured at amortised cost. The difference between the net proceeds and the redemption amount is recognised in profit or loss over the life of the liability using the EIR method.

(t) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Subsequently, they are measured at amortised cost. The difference between the net proceeds and the redemption amount is recognised in profit or loss over the term of the borrowings using the EIR method.

If it is probable that a loan facility will be drawn down, any fees paid on the establishment of the facility are deferred and recognised as transaction costs when the draw-down occurs. If there is no evidence that the facility will be drawn, the fees are treated as prepayment for liquidity services and amortised over the term of the facility.

Repurchase agreements

Under repurchase agreements, the Group retains the risks and rewards associated with any assets pledged as collateral. As a result, these assets, continue to be recognised on the Group's statement of financial position.

Subordinated debt with capital-based conversion features

Subordinated debt that includes capital-based conversion features contains embedded derivatives due to the capped number of shares issued upon conversion following a trigger event (i.e. Option Conversion, Loss Absorption or Acquisition Event). However, as the embedded derivative is closely related to the host contract, it is not separated for accounting purposes.

(u) Provisions

Provisions are recognised when the Group has a legal or constructive obligation arising from a past event, it is probable that an outflow of economic resources will be required to settle the obligation, and the amount can be reliably estimated. Where material, provisions are discounted to reflect the present value of expected future cash flows.

Trail commissions

Trail commission liabilities depend on assumptions about the behavioural life of the underlying transaction. The Group estimates the behavioural term of each loan with reference to historical prepayment patterns and contractual maturity. Associated costs are capitalised and amortised through profit or loss as effective interest income using the EIR method.

Employee entitlements

Short term benefits: Liabilities for annual leave and employee incentives that are expected to be settled wholly within 12 months are recognised based on services provided up to the reporting date measured at the expected settlement amount.

Long term benefits: Provisions for long service leave and annual leave not expected to be settled within 12 months are measured at the present value of future expected payments. These estimates consider future wage and salary levels, service durations and employee turnover, and are discounted using appropriate corporate bond rates. Changes in assumptions are recognised in profit or loss in the period they occur.

(v) Share-based payments

The Group operates share-based payment employee share schemes. The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. In respect of share-based payments that are dependent on the satisfaction of performance conditions, the number of shares expected to vest is reviewed and adjusted at each reporting date. See Note 26 for further details.

The value of equity-based compensation is recorded in the share-based payments reserve. It reflects the fair value of equity benefits provided to employees as part of their remuneration based on an independent valuation.

(w) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group, excluding any costs related to equity instruments other than Ordinary Shares; by
- the weighted average number of Ordinary Shares outstanding during the financial year, adjusted for any bonus issues and excluding Treasury Shares.

Diluted earnings per share

Diluted earnings per share adjusts the basic EPS to reflect the impact of all potential dilutive Ordinary Shares. This includes:

- the after-income tax effect of interest and other financing costs associated with dilutive potential Ordinary Shares; and
- the weighted average number of additional Ordinary Shares that would have been issued if all dilutive instruments have been converted.

(x) Rounding of amounts

The Company complies with ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the Consolidated Financial Statements. Amounts in the Consolidated Financial Statements have been rounded off in accordance with the instrument to the nearest hundred thousand dollars, and presented in the form of a whole number of millions of dollars and one place of decimals representing hundreds of thousands of dollars, or in certain cases, to the nearest dollar.

(y) Comparatives

Where necessary, comparative information has been reclassified and repositioned for consistency with current year disclosures.

FINANCIAL PERFORMANCE

2. Segment information

(a) Overview

For the year ended 30 June 2025, the Group's segment information is presented based on a singular reportable segment, being SME lending, which operates solely within Australia. The Group considers the allocation of revenues and costs to a single reportable segment most aligned with the Group's current organisational structure and information that is presented to the CEO and KMP.

Prior period segment information has also been presented on this basis. Reportable segments are therefore consistent with the financial information presented in the financial statements and notes contained within this report.

(b) Major customers

No single customer contributes revenue greater than 10% of the Group's revenues.

3. Net interest income

	2025 $M	2024 $M
Effective interest income		
Cash and cash equivalents	33.4	37.8
Investments	58.8	84.7
Loans and advances	967.7	787.8
	1,059.9	**910.3**
Interest expense		
Deposits	(457.6)	(355.1)
Borrowings	(194.3)	(168.4)
Lease liabilities	(0.7)	(0.8)
	(652.6)	**(524.3)**
Net interest income	**407.3**	**386.0**

(a) Average balances and related interest

The following tables summarise the Group's key interest-bearing assets and liabilities, including their interest earned or incurred and associated average interest rate based on daily average balances. This information supports an understanding of the Group's net interest income and funding profile.

	Year ended 30 June 2025		
	Average balance $M	Interest $M	Average interest %
Effective interest income			
Cash and cash equivalents	838.9	33.4	3.98
Investments	1,572.9	58.8	3.74
Loans and advances	11,469.6	967.7	8.44
	13,881.4	**1,059.9**	**7.64**
Interest expense			
Deposits	8,964.6	457.6	5.10
Borrowings	3,075.8	194.3	6.32
	12,040.4	**651.9**	**5.41**

	Year ended 30 June 2024		
	Average balance $M	Interest $M	Average interest %
Effective interest income			
Cash and cash equivalents	912.2	37.8	4.14
Investments	2,676.9	84.7	3.16
Loans and advances	9,661.6	787.8	8.15
	13,250.7	**910.3**	**6.87**
Interest expense			
Deposits	7,008.8	355.1	5.07
Borrowings	4,533.5	168.4	3.71
	11,542.3	**523.5**	**4.54**

4. Other operating income

	2025 $M	2024 $M
Other operating income		
Realised gains on sale of investments	1.2	0.2
Fee income	9.2	6.2
Other income	5.2	4.3
	15.6	**10.7**

5. Operating expenses

	2025 $M	2024 $M
Depreciation and rental expenses		
Depreciation of property, plant and equipment	1.6	1.6
Depreciation of right-of-use assets	2.2	2.7
Rental expenses	4.2	3.8
	8.0	**8.1**
Employee benefits		
Salaries, superannuation and related on-costs	108.3	102.8
Performance-based compensation	23.7	25.4
Other employee benefits	0.8	6.7
	132.8	**134.9**
Other operating expenses		
Amortisation of intangible assets	11.7	12.1
Consultants	1.4	1.6
Impairment of intangible assets	–	0.8
Information technology	36.2	28.5
Marketing	7.1	8.4
Professional fees	6.1	6.0
Travel and entertainment	6.7	6.3
Other	11.8	15.6
	81.0	**79.3**
Total operating expenses	**221.8**	**222.3**

6. Income tax

(a) Amounts recognised in profit or loss

	2025 $M	2024 $M
Current tax		
Current year	42.0	42.4
Income tax under provided in previous years	0.1	0.3
Total current tax expense	**42.1**	**42.7**
Deferred income tax		
Current year	(3.0)	(8.3)
Income tax under provided in previous years	0.1	–
Total deferred tax benefit	**(2.9)**	**(8.3)**
Income tax expense	**39.2**	**34.4**

(b) Amounts recognised directly in equity

	2025 $M	2024 $M
Deferred income tax arising in the reporting period related to items charged/(credited) directly in equity:		
Net gain on cash flow hedges	10.3	3.0
Net gain on investments measured at FVOCI	–	0.1
Share-based payments	(2.6)	(0.7)
	7.7	**2.4**

(c) Numerical reconciliation of income tax expense to profit before tax

	2025 $M	2024 $M
The prima facie tax payable on profit before income tax is reconciled to the income tax expense as follows:		
Profit before income tax expense	125.6	104.3
Tax at the Australian tax rate of 30% (2024–30%)	37.7	31.3
Add tax effect of non-temporary differences:		
Share based payments	(0.6)	1.5
Capital Note interest	1.7	1.1
Non-deductible expenses	0.2	0.2
Income tax under provided in previous years	0.2	0.3
Income tax expense	**39.2**	**34.4**

(d) Deferred tax assets

	2025 $M	2024 $M
Deferred tax assets		
Provision for credit impairment	55.8	44.8
Employee benefits	2.8	2.6
Capital raising costs	1.8	3.3
Share-based payments	9.2	11.6
Other	6.5	6.4
Total deferred tax assets	**76.1**	**68.7**
Deferred tax liabilities		
Intangibles	(3.3)	(0.2)
Cash flow hedges	(10.2)	–
Other	–	(0.2)
Total deferred tax liabilities	**(13.5)**	**(0.4)**
Net deferred tax assets	**62.6**	**68.3**

(e) Current tax

	2025 $M	2024 $M
Current tax assets	–	2.6
Current tax liabilities	(2.9)	–
	(2.9)	**2.6**

The balance of the Group's franking credits available for subsequent reporting periods, based on a tax rate of 30%, is estimated to be $114.1m (2024: $76.1m). This amount is calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking account movements that will arise from the expected settlement of income tax after the end of the financial year, and those that will be utilised in franking the August 2025 AT1 Capital note distribution.

7. Earnings per share

	2025 Cents	2024 Cents
Basic earnings per share	7.7	6.3
Diluted earnings per share	7.3	6.1

(a) Reconciliations of earnings used in calculating earnings per share

	2025 $M	2024 $M
Net profit after tax	86.4	69.9
Total basic earnings	**86.4**	**69.9**
Earnings used in calculating basic earnings per share	86.4	69.9
Add: accretion of share-based payments expense	2.4	3.5
Total diluted earnings	**88.8**	**73.4**

(b) Weighted average number of shares (WANOS) used in calculating earnings per share

	2025 Number	2024 Number
WANOS used in calculating basic earnings per share	**1,115,401,161**	**1,108,340,097**
Adjustments for calculation of diluted earnings per share:		
Options	101,756,623	101,189,691
Deferred share rights	–	2,499,999
WANOS used in calculating diluted earnings per share	**1,217,157,784**	**1,212,029,787**

(c) Potentially dilutive instruments

The following instruments are potentially dilutive for the reporting period:

	Dilutive	
	2025	**2024**
Premium priced options	Dilutive	Dilutive
Deferred share rights	Antidilutive	Both dilutive & antidilutive
Performance rights	Antidilutive	N/A
Capital notes	Antidilutive	Antidilutive

FINANCIAL INSTRUMENTS

8. Cash and cash equivalents

	2025 $M	2024 $M
Cash at bank	715.3	654.6
Funds held in trust	146.8	122.8
	862.1	**777.4**

Cash and cash equivalents held by the Group include funds held in non interest earning trust by third party service providers for the purposes of fulfilling loan settlements, as well as funds held by subsidiaries that are restricted for use in line with trust waterfall mechanisms. As at 30 June 2025, the total funds held in trust by third party service providers was $146.8m (2024: $122.8m), which includes a $9m float (2024: $20m) that is accessible for general use by the Group.

9. Investments

	2025 $M	2024 $M
Hold to Maturity Portfolio **Financial assets measured at amortised cost**		
Government bonds and notes	5.0	55.9
Semi-government bonds and notes	453.1	1,003.8
Financial institution notes and securities	380.3	186.0
	838.4	**1,245.7**
Provision for credit impairment	(0.3)	(0.3)
	838.1	**1,245.4**
Hold to Collect and Sell Portfolio **Financial assets measured at FVOCI**		
Government bonds and notes	–	–
Semi-government bonds and notes	349.1	59.5
Financial institution notes and securities	424.9	302.4
	774.0	**361.9**
	1,612.1	**1,607.3**

Hold to Collect and Sell Portfolio

The Group maintains a separate investment portfolio managed by Treasury to support liquidity and optimise portfolio performance. The business model for this portfolio is to hold the assets to collect their contractual cash flows or to sell them. In accordance with the accounting policy detailed in Note 1, these assets are classified and measured at FVOCI in the table above.

Maturity profile of investments

The following table outlines the maturity profile of the Group's investments portfolio by investment class, comparing the carrying amount and fair value as at balance date:

30 June 2025	One year or less		More than one year and up to five years		More than five years		Total	
$M	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**	**Carrying Amount**	**Fair Value**
Government bonds	–	–	–	–	5.0	4.9	5.0	4.9
Semi-government bonds & notes	189.3	186.7	612.9	605.8	–	–	802.2	792.5
Financial institution notes & securities	361.5	361.8	442.3	442.6	1.4	2.2	805.2	806.6
	550.8	**548.5**	**1,055.2**	**1,048.4**	**6.4**	**7.1**	**1,612.4**	**1,604.0**
30 June 2024								
$M								
Government bonds	50.9	49.5	–	–	5.0	5.0	55.9	54.5
Semi-government bonds & notes	544.5	540.5	454.3	429.6	64.5	64.6	1,063.3	1,034.7
Financial institution notes & securities	185.4	185.4	298.2	298.6	4.8	4.9	488.4	488.9
	780.8	**775.4**	**752.5**	**728.2**	**74.3**	**74.5**	**1,607.6**	**1,578.1**

10. Loans and advances

	2025 $M	**2024 $M**
Business loans	9,602.4	8,187.1
Equipment loans	619.4	642.8
Line of credit	977.2	739.3
Home loans	1,156.9	1,142.2
Warehouse lending	109.4	–
Gross loans and advances	**12,465.3**	**10,711.4**
Adjusted for:		
Capitalised net transaction costs	54.8	57.0
Provision for credit impairment	(185.8)	(149.1)
	12,334.3	**10,619.3**

Capitalised net transactions costs include upfront establishment fees, upfront broker commissions and expected future trail commissions (see Note 22), accounted for in line with the EIR method.

	Contractual maturity at 30 June 2025			
	Maturing in one year or less $M	**Maturing between one and up to five years $M**	**Maturing after five years $M**	**Total $M**
Business loans	2,108.0	5,611.9	1,882.5	9,602.4
Equipment loans	41.5	577.9	–	619.4
Line of credit	969.3	7.9	–	977.2
Home loans	11.2	11.5	1,134.2	1,156.9
Warehouse lending	–	109.4	–	109.4
Gross loans and advances	**3,130.0**	**6,318.6**	**3,016.7**	**12,465.3**
	Contractual maturity at 30 June 2024			
Business loans	1,381.7	4,841.1	1,964.3	8,187.1
Equipment loans	23.7	619.1	–	642.8
Line of credit	730.8	8.5	–	739.3
Home loans	9.2	11.3	1,121.7	1,142.2
Gross loans and advances	**2,145.4**	**5,480.0**	**3,086.0**	**10,711.4**

Based on behavioural terms and current market conditions, the amounts expected to be repaid within 12 months of the end of the reporting period are $3,876.6m (2024: $3,232.4m).

11. Provision for credit impairment

The Group accounts for its credit risk by providing for expected credit losses. In calculating ECL, the Group considers the customer's PD, LGD, and EAD and the amortisation profile of the exposure. Forward-looking macroeconomic conditions are incorporated into both the PD and LGD using multiple economic scenarios.

Updates to expected credit loss approach during the period

During the year, the Group updated its internal credit rating scale used to measure the default risk of customers. The revised scale provides a larger number of risk grades and enables the Group to assess risk at a more granular level. As a result, other components of the ECL methodology were recalibrated against the updated scale, including:

- the risk grade movement used by the Group to determine whether a SICR has occurred, which was updated to incorporate the impact of a more granular set of risk grades; and
- the weightings applied to forward-looking macroeconomic scenarios, which were recalibrated to ensure that the calculation of expected credit losses continued to appropriately reflect the Group's view of expected losses across the loss distribution, resulting in an increase to the weighting applied to downside scenarios.

Other components of the methodology remain consistent with those applied in the prior year, which are summarised further on the following page.

Credit risk classifications

For the purposes of calculating ECL, the Group categorises loans into the following credit risk classifications, and calculates ECL as follows:

Credit risk classification	Criteria applied by the Group	Basis of recognising allowance for credit losses	Basis for recognising interest revenue
Stage 1: Performing	Customers that currently have a low probability of default and a strong capacity to meet contractual cash flows, and have not incurred a significant increase in credit risk since initial loan recognition date.	12 month expected credit losses assessed on a collective basis. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.	Gross carrying amount of the financial asset.
Stage 2: Performing – Significant increase in credit risk	Loans that are still designated as performing, but there has been a significant increase in credit risk since the initial recognition date. See below for more information on how the Group considers whether a significant increase in credit risk has occurred.	Full lifetime expected credit losses assessed on a collective basis.	Gross carrying amount of the financial asset.
Stage 3: Non-performing	Customer meets the Group's definition of default, as detailed below.	Full lifetime expected credit losses assessed on a collective basis[1].	Amortised cost of the financial asset.
Stage 3: Non-performing impaired assets	Customers that are non-performing and there is an identifiable concern about the recoverability of the principal.	Where there is objective evidence of impairment following the customer defaulting on their contractual obligations, expected credit loss is assessed on an individual basis.	Amortised cost of the financial asset.

1. An additional assessment is completed by Asset Management to ensure an appropriate provision based on realisable security.

Probability of default and credit risk classifications

The Group considers the probability of a customer defaulting upon origination of an exposure, and whether there has been a SICR at each reporting period. Internal credit rating grades are assigned at a customer level based on financial and non-financial information (including annual reviews) and incorporate management's credit experience and judgement. This judgement leverages available data that represents reasonable and supportable forward-looking information. The following indicators are assessed in determining a SICR:

- A borrower is more than 30 days past due in making a contractual payment;
- A borrower has breached a covenant or is more than 90 days past due of being compliant;
- Actual or expected significant changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- Actual or expected significant changes in the operating results of the borrower;
- Significant increases in credit risk observed on other financial instruments issued by the same borrower;
- External credit rating – predominantly for treasury investment exposures; and
- Adverse movements in internal credit risk grade over set thresholds.

Loss Given Default

LGD represents the expected loss in the event of a default. The Group determines LGD by considering the value of recoverable assets from direct collateral securing a loan, indirect collateral provided in support of a guarantee, and the unsecured recovery rate. In estimating the LGD, the Group considers:

- Time in workout – the time between default and receipt of recovery proceeds, including potential changes in collateral during that time; and
- Workout cost – expenses incurred to possess and sell the collateral such as any legal and agent fees.

Where the facilities are part of an SME Government Guarantee Scheme, the Group incorporates potential recoveries when determining ECL.

Exposure at Default

EAD represents the estimated outstanding balance of a facility at the time of default, including drawn amounts and, where applicable, expected future drawdowns on undrawn commitments.

Definition of default

A default on a financial asset is considered to have occurred when the customer is:

- considered unlikely to pay their credit obligations in full without recourse actions such as realising security; and/or
- at least 90 days past due on their credit obligations.

Impaired status

A customer is classified as impaired when there is objective evidence of impairment following the customer defaulting on their contractual obligations. Under these circumstances, the ECL provision is assessed on an individual exposure basis and is measured by taking into account the customer's realisable collateral value, the likely cost and time to work out, and any shared loss arrangements (e.g. SME Government Guarantee Schemes) as compared to the outstanding principal. The ECL provision for the customer is recognised on lifetime ECL.

The Group's policy is to write-off financial assets when there is no reasonable expectation of recovery. Following a write-off, the Group may continue to pursue enforcement activities to recover amounts due. Any recoveries made are recognised in profit or loss.

Incorporation of forward-looking information and macroeconomic scenarios

In addition to considering historical experience based on a 'through-the-cycle' view of expected credit losses, the Group incorporates forward-looking information and multiple economic scenarios, via a third-party PD macroeconomic model which is housed within the Credit Risk Engine, to determine expected credit losses. Within the Group's credit risk management processes, this is referred to as determining the 'point-in-time' view of expected credit losses.

The Group uses four macroeconomic scenarios, each of which are representative of a range of possible outcomes. The fourth scenario, severe downside, was introduced during the year to enhance the Group's ability to capture the non-linearity of losses in the tail of the loss distribution.

The Group's Credit Provision Model Governance Forum is responsible for the approval of each scenario and the weighting applied. Scenario weights are used to capture the Group's view of expected credit loss across the loss distribution. The change in internal credit rating scale required a recalibration of the weights applied to each scenario in order to correctly capture the Group's view.

Forward-looking macroeconomic scenarios

In determining the macroeconomic scenarios used in the probability-weighted average ECL calculation, the Group makes assumptions about key macroeconomic indicators including: gross domestic product (**GDP**) growth rates, unemployment rates and inflation rates. These assumptions underpin the base case scenario and are complemented by upside and downside scenarios to reflect a range of possible economic outcomes. The base case Australian macroeconomic assumptions used to measure the provision for credit impairment are:

Base case Australian macroeconomic inputs	**June 2026 Forecast**	**June 2027 Forecast**
GDP growth rate (annual)	2.4%	2.7%
Unemployment rate	4.4%	4.3%
Consumer price index (annual)	2.7%	2.5%

The recalibration of weights during the period saw the probability weighting for the Group's base case and upside scenario decrease by 5% and 10% respectively, and the addition of a severe downside case scenario with an allocation of 15%.

Probability weightings	**June 2025**	**June 2024**
Base case	50%	55%
Upside	5%	15%
Downside & severe downside	45%	30%

The macroeconomic scenarios used are based on third-party macroeconomic outlooks with oversight provided through the Credit Provision Model Governance Forum, and include adjustments to ensure consistency with the Group's view. The key features of each of the macroeconomic scenarios are as follows:

- **Base Case** – The economy follows the RBA's expected path. Economic growth recovers gradually through FY26, with real GDP reaching 2.7% by FY27. Employment grows steadily, and labour demand stabilises, with the unemployment rate peaking only marginally higher at 4.4% in FY26. Underlying inflation remains within the RBA's 2%–3% target band, tracking close to the mid-point of 2.5% over the forecast horizon. The RBA is expected to cut the cash rate twice through FY26, bringing it to a terminal rate of 3.35%.
- **Upside** – This scenario reflects more favourable macroeconomic conditions than the base case. Household and business sentiment recover more strongly, supported by smaller-than-anticipated tariff impacts and faster resolution of geopolitical tensions. As a result, economic growth is stronger, the unemployment rate falls to 3.7% in FY26, and inflation initially increases to above 3% before returning to the top half of the RBA's target band by the end of FY27. The RBA reduces the cash rate more gradually over a longer timeline, reaching a terminal rate of 3.35%.
- **Downside** – This scenario assumes economic deterioration. Escalating geopolitical tensions and broader U.S. tariffs weigh heavily on global demand and sentiment. Economic growth slows significantly in FY26 falling below 1%, and businesses begin reducing headcount, pushing the unemployment rate toward 6%. Inflation drops sharply in the near term to below 2%, prompting the RBA to adopt a more accommodative stance, cutting the cash rate to around 2.67% by the mid-point of FY26.
- **Severe Downside** – This scenario represents a substantially worse economic outcome than the downside case. The economy experiences a technical recession across multiple quarters in FY26, resulting in significant job losses with the unemployment rate climbing above 7% and a rapid decline in inflationary pressures. In response, the RBA cuts the cash rate by approximately 300 basis points, reaching a terminal level of around 1.50%.

The inherent judgement required in the application of macroeconomic scenarios results in uncertainty in measuring expected credit losses. The following table details the difference in ECL coverage on loans and advances, based on modelled outputs reflecting a 100% upside, base, downside and severe downside probability weighting.

Scenario	June 2025	June 2024
Upside	0.55%	0.77%
Base case	0.76%	0.95%
Downside & severe downside	1.09% & 1.42%	1.40%
Weighted average	0.95%	1.05%

(a) Measurement and calculation of provision for credit impairment

The table below discloses the breakdown of credit impairment expense on financial instruments.

	2025 $M	2024 $M
Increase in collective provision for credit impairment	5.1	22.3
Increase in specific provision for credit impairment	70.4	47.8
Credit impairment expense	**75.5**	**70.1**

Total provisions held for credit impairment across loans and advances is $185.8m (30 June 2024: $149.1m). The following table provides a reconciliation from the opening balance to the closing balance of the provision for credit impairment for loans and advances:

	Stage 1 collectively assessed $M	Stage 2 collectively assessed $M	Stage 3 collectively assessed $M	Stage 3 individually assessed $M	Total $M
Balance at 1 July 2023	**40.7**	**28.3**	**19.7**	**18.8**	**107.5**
Net transfer between stages	0.6	(1.9)	(11.0)	12.3	–
Increase in provision for new loans and advances	23.2	4.4	4.1	1.6	33.3
Net remeasurement of provision	(4.3)	14.9	12.8	35.4	58.8
Write-back of provisions no longer required	(8.8)	(6.4)	(3.3)	(1.1)	(19.6)
Amounts written off, previously provided for	–	–	–	(30.9)	(30.9)
Balance at 30 June 2024	**51.4**	**39.3**	**22.3**	**36.1**	**149.1**
Net transfer between stages	1.4	(7.0)	(5.1)	10.7	–
Increase in provision for new loans and advances	26.0	5.0	1.0	1.0	33.0
Net remeasurement of provision	(12.4)	7.8	17.5	61.1	74.0
Write-back of provisions no longer required	(12.0)	(11.9)	(5.3)	(2.4)	(31.6)
Amounts written off, previously provided for	–	–	–	(38.7)	(38.7)
Balance at 30 June 2025	**54.4**	**33.2**	**30.4**	**67.8**	**185.8**

- **Net transfer between stages:** movements of loans and advances recognised in the opening balance that have transferred between Stage 1, Stage 2 and Stage 3 excluding remeasurement impacts;
- **Increase in provision for new loans and advances:** movements in provisions for impairment due to new loans and advances originated during the period, reflecting their impairment provision at the end of the period;
- **Net remeasurement of provision:** net movements in provisions for impairment recognised in the opening balance reflecting remeasurement as a result of transfers of loans and advances between stages, as well as changes in credit risk parameters, management overlays or other assumptions;
- **Write-back of provisions no longer required:** derecognition of provisions for impairment on loans and advances that have matured and been repaid; and
- **Amounts written-off, previously provided for:** derecognition of provisions for impairment on loans and advances that have been deemed unrecoverable and written-off.

Management overlays

Management overlays are subject to internal governance and applied where model limitations or other external factors are not adequately captured by ECL models. These overlays are incorporated into total collective provisions.

The Group continues to carry an economic overlay, reflecting elevated uncertainty, including interest rate and inflationary pressures, and expected asset quality deterioration in industries more exposed to reduced discretionary consumer spending, labour shortages and rising input and energy costs.

Industries currently captured by the economic overlay include retail trade (including pharmacies), manufacturing, and construction (including services provided to construction). The accommodation and food services sector was removed from the economic overlay during the period, following observed performance in line with model expectations. The Group has adopted an internal stress testing scenario and expert judgement for the identified vulnerable industries, in order to inform the measurement of the management overlay taken for the year ended 30 June 2025.

Total overlays incorporated in the collective provision as at 30 June 2025 are $6.0m (30 June 2024: $4.2m).

12. Deposits

	2025 $M	2024 $M
Customer term deposits	7,040.5	5,653.5
Wholesale term deposits	2,838.7	2,573.1
	9,879.2	**8,226.6**

	2025 $M	2024 $M
Deposits by state or territory		
New South Wales	3,530.0	3,136.3
Victoria	2,822.1	2,158.4
Queensland	1,551.4	1,304.8
Western Australia	1,083.0	844.8
South Australia	506.7	424.4
Australian Capital Territory	193.7	181.7
Tasmania	147.7	139.9
Northern Territory	44.6	36.3
Total deposits	**9,879.2**	**8,226.6**

13. Borrowings

	2025 $M	2024 $M
Secured		
Securitisation	1,932.1	2,262.3
	1,932.1	2,262.3
Unsecured		
Negotiable certificates of deposit	516.0	486.6
Senior unsecured debt	349.5	199.7
Additional Tier 1 Capital notes	72.6	71.9
Subordinated Tier 2 Capital notes	238.5	114.3
	1,176.6	872.5
Total borrowings	**3,108.7**	**3,134.8**

(a) Secured loan facilities

The Group's secured loan facilities represent borrowings under the warehouse securitisation program and repurchase agreements with corporate counterparties.

Securitisation

The Group's warehouse securitisation program is facilitated through multiple securitisation trusts. Each trust operates under an agreed facility limit with its respective financier/s, and borrowings are secured by individual receivables originated by Judo Bank Pty Ltd and held by the trust. As the loans have been securitised but retained by the Group, the assets remain on the balance sheet. Repayments are made in accordance with each trust's waterfall mechanism as calculated by the trustee.

In addition, the Group facilitates a capital-relief securitisation transaction, also backed by Judo Bank Pty Ltd originated loans held by the securitisation trust. The transaction qualifies for regulatory capital relief and is accretive to the Group's CET1 ratio as the underlying assets are excluded from RWAs. Consistent with the warehouse structure, the securitised loans remain on the balance sheet.

As at 30 June 2025, the Group's total committed capacity of debt warehouse facilities is $2,515m (2024: $2,730m).

(b) Unsecured loan facilities

AT1 Capital notes

The Group has issued perpetual, subordinated and unsecured Capital Notes qualifying as AT1 Capital totalling $75m. These notes are priced at 650 basis points over the 3 month BBSW and pay discretionary, non-cumulative, floating rate distributions on a quarterly basis (subject to no payment condition existing and the Group's absolute discretion).

The Group may elect to convert, redeem or resell all or some Capital Notes that are outstanding on specified dates[1], or on the occurrence of a tax event or regulatory event as specified in the Capital Notes prospectus. The Capital Notes will otherwise convert into a variable number of Ordinary Shares on 16 November 2031, provided the mandatory conversion conditions are met on that date, as specified in the prospectus. If any of the mandatory conversion conditions are not met on that date, then the mandatory conversion date will be the next distribution payment date on which the conditions are met.

The Capital Notes are accounted for in accordance with the accounting policy as specified in Note 1.

Subordinated Tier 2 Capital notes

The Group has issued floating rate subordinated notes to support its regulatory capital. The notes constitute direct and unsecured subordinated obligations of the Group and qualify as Tier 2 Capital under the capital framework defined by APRA.

During the year, the Group completed a second issuance of subordinated Tier 2 Capital notes totalling $125m. These notes are priced at 335 basis points over the 3 month BBSW and are scheduled to mature on 23 October 2034[2].

Other unsecured borrowings

The Group has also issued two additional unsecured funding sources to support its funding strategy, being medium-term senior unsecured bonds and Negotiable Certificates of Deposit (**NCDs**). Due to the Group's investment grade credit rating, NCDs are eligible to be traded and may be used under repurchase agreement with the RBA. As at the reporting date, the Group has two senior unsecured bonds outstanding:

- A $175 million fixed rate bond maturing on 26 September 2025, priced at 265 basis points over the 3-year swap rate on the date of issuance.
- A $175 million floating rate bond issued during the period, maturing on 13 June 2028, priced at 145 basis points over the 3-month BBSW.

Both instruments are classified as financial liabilities measured at amortised cost under AASB 9. Interest expense is recognised using the EIR method. Disclosures relating to maturity and interest rate risk are provided in Note 15 in accordance with AASB 7.

1. The scheduled optional conversion, redemption or resale dates are 16 February 2029, 16 May 2029, 16 August 2029 and 16 November 2029.
2. The notes include an optional early redemption feature, with a first optional redemption date of 23 October 2029 (subject to certain conditions, including APRA approval).

14. Derivatives

The Group utilises derivative financial instruments to manage its exposure to financial risks. At inception of each hedge relationship, the Group documents the relationship between the hedging instrument and hedged item, the risk being hedged, the Group's risk management objective and strategy, and how effectiveness will be measured throughout the hedge relationship.

Derivatives that are not designated in a qualifying hedge relationship, are classified as trading derivatives and measured at fair value through the profit or loss. The Group did not hold any trading derivatives during the financial year ended 30 June 2025 (2024: nil).

(a) Derivative assets and liabilities

The table below sets out total derivative assets and liabilities treated as hedging derivatives:

			2025		2024	
			Fair value $M	Notional value $M	Fair value $M	Notional value $M
Derivative assets	**Hedging instrument**	**Risk**				
Cash flow hedges	Interest rate swaps	Interest rate	0.3	25.4	2.7	1,261.9
Derivative liabilities	**Hedging instrument**	**Risk**				
Cash flow hedges	Interest rate swaps	Interest rate	(6.0)	8,421.9	(3.8)	5,844.7

The fair values disclosed above are presented net of any collateral pledged, or received. As at 30 June 2025, no collateral had been pledged (2024: $5.7m), while $40.7m had been received (2024: $8.0m).

The weighted average fixed interest rate of interest rate swaps designated as hedging instruments for interest rate risk as at 30 June 2025 was 3.82% (2024: 4.07%).

The table below presents the maturity profile of hedging instruments by notional amounts and fair values:

	2025				2024			
	One year or less $M	More than one year and up to five years $M	More than five years $M	Total $M	One year or less $M	More than one year and up to five years $M	More than five years $M	Total $M
Notional amount								
Notional amount	6,682.7	1,764.6	–	8,447.3	5,197.8	1,908.8	–	7,106.6
Fair value								
Fair value	(0.8)	(4.9)	–	(5.7)	(2.8)	1.7	–	(1.1)

(b) Risk management strategy for hedge accounting

The Group manages interest rate risk exposure across various financial instruments including term deposits and Class A warehouse notes, and share capital through the use of interest rate derivatives. The interest rate risk arises from mismatches in the repricing of the Group's variable-rate lending portfolio relative to its liabilities and the investment term of capital. These mismatches can result in volatility in net interest income and impact the Group's earnings. Derivative instruments are used to align the timing of interest rate resets and mitigate this exposure.

Interest rate derivatives are executed and designated into qualifying cash flow hedge relationships on inception. Gross exposures are allocated to time buckets based on expected repricing dates of the underlying financial instrument. Derivatives are then matched to these exposures to hedge variability in future expected cash flows. The Group primarily hedges exposures to the 1-month BBSW which represents the most significant source of variability in future cash flows across the hedged items.

(c) Hedged items

The balance of the cash flow hedge reserve, representing the effective portion of the movements in the hedging instrument, is presented in Note 18(b). Movements in hedging instruments recognised in other comprehensive income are reported in the Group's Statement of Profit or Loss and Other Comprehensive Income.

The following table presents the carrying amount of hedged items in designated hedged relationships, and the corresponding fair values of the hedging instruments. As the Group does not hedge its entire exposure to each class of financial instruments, the amounts shown below do not represent the total carrying amount disclosed elsewhere in the financial statements.

	2025		2024	
	Carrying amount $M	Fair value of hedging instruments $M	Carrying amount $M	Fair value of hedging instruments $M
Borrowings				
Debt warehouse – variable rate	222.3	(1.6)	351.6	1.0
Loans and advances[1]				
Loans and advances – variable rate	8,225.0	(4.1)	6,755.0	(2.1)
	8,447.3	**(5.7)**	**7,106.6**	**(1.1)**

1. Loans and advances are held at amortised cost and do not include fair value adjustments.

(d) Hedge ineffectiveness

All derivative instruments held by the Group have been designated into highly effective cash flow hedging relationships at inception. Hedge ineffectiveness may arise when changes in variable cash flows from the derivative instruments differ significantly from those of the hedged items. Potential sources of ineffectiveness primarily relate to timing differences in the repricing. The Group's variable rate lending book is based on a 5-day average reference rate whereas the associated derivative reprices using a 1-day reference rate. No hedge ineffectiveness was recognised in profit or loss for the year ended 30 June 2025 (2024: nil).

15. Financial risk management

The Group is exposed to the following financial risks in respect to the financial instruments that it held at the end of the reporting period:

- Interest rate risk;
- Credit risk; and
- Liquidity risk.

The Board has overall responsibility for identifying operational and financial risks.

(a) Interest rate risk

The Group is exposed to interest rate risk in relation to its cash and cash equivalents, lending assets, investments in bonds, notes & securities, deposits and borrowings. Interest rate risk refers to the possibility that the fair value or future cash flows of financial instrument will fluctuate due to changes in market interest rates. To mitigate this risk, the Group maintains a mix of variable rate and fixed rate borrowings, utilising cash-flow hedging instruments, such as interest rate derivatives.

Although the Group does not operate a securities trading book, it is exposed to interest rate risk due to repricing mismatches between assets (predominantly loans and liquid assets held to satisfy regulatory liquidity requirements) and liabilities (predominantly customer deposits and borrowing from governments and other financial institutions). Throughout the financial year, the Group maintained a net asset interest rate exposure where the balance of interest rate-sensitive assets exceeded that of interest rate-sensitive liabilities.

The Group's policy is to manage interest rate risk in the banking book at a level appropriate for its size and complexity, ensuring that the risk remains within acceptable thresholds.

Sensitivity

The following table illustrates the estimated impact on the Group's after-tax profit from potential changes in interest rates, based on its current interest rate sensitive exposures.

	2025 $M	2024 $M
Increase of 100 basis points		
Impact on profit after tax	13.9	6.8
Impact on equity	13.9	6.8
Decrease of 100 basis points		
Impact on profit after tax	(13.9)	(6.8)
Impact on equity	(13.9)	(6.8)

(b) Credit risk

Credit risk represents the potential for financial loss arising from a customer or counterparty failing to meet contractual obligations. The Group actively manages credit risk to generate sustainable net interest income consistent with its Risk Appetite Statement and Credit Policy.

The Group is guided by the principles of responsible lending, with assessment criteria including the customer's character, capacity to repay, capital, and collateral. The Group only assumes credit exposures that are transparent, well understood and appropriately assessed. In a dynamic macroeconomic environment, characterised by elevated inflation and rising interest rates, relationship bankers and credit executives apply expert judgement and forward looking analysis to assess a customer's resilience. Historical financial performance is considered alongside qualitative factors and scenario based outlooks.

To mitigate concentration risk, the Group actively diversifies its credit portfolio sectors. geographies and customer segments. Credit exposures are actively managed through regular customer engagement and portfolio reviews. The Group considers the sustainability of borrowers' business models, including climate-related risks, and is enhancing its use of quantitative assessment tools. Credit risk is assessed across both funded exposures, such as loans and treasury investments, and unfunded exposures, including undrawn commitments, guarantees, and derivatives.

Adherence to the Group's credit risk principles underpinned by the Credit Risk Management Framework, lending guidelines, and a delegated lending authority framework supports the continued growth in the loan portfolio. Key metrics such as PD, LGD and EAD are used to assess and monitor whether the Group's credit risk is within appetite. Given the Group's limited historical loss experience, the application of these metrics in credit assessment and calculation of ECL incorporates a blend of primary, Group-specific data and external sources, such as third-party loss data and peer benchmarking.

For credit risk management purposes, the Group assigns internal credit rating grades to counterparties to measure credit risk and support the calculation of ECL. Each grade is associated with a PD derived using external default data, reflecting the Group's limited operating history and loss experience.

The maximum exposure to credit risk at balance date, excluding the value of any collateral or other credit enhancements, comprises recognised financial assets such as loans and advances and treasury investments. This exposure is represented by the carrying amount of these assets, net of any impairment provisions, as disclosed in the Consolidated Statement of Financial Position and accompanying notes. Off-balance sheet credit risk exposures include customer funding commitments, which encompasses expected future loan drawdowns, undrawn credit facilities, and bank guarantees. The table below outlines the Group's maximum exposure to credit risk across both on-balance sheet and off-balance sheet positions:

	2025 $M	2024 $M
Financial assets		
Cash and cash equivalents	862.1	777.4
Investments	1,612.1	1,607.3
Loans and advances	12,334.3	10,619.3
Derivative assets	0.3	2.7
Other assets	169.4	189.9
Total balance sheet exposures	**14,978.2**	**13,196.6**
Customer funding commitments	800.3	711.3
Other	165.4	135.9
Total exposures	**15,943.9**	**14,043.8**

The Group holds collateral against loans and advances to customers in the form of mortgagee interest over real property, other registered securities over assets and guarantees. In the event of customer default, the Group may take possession of the collateral to mitigate credit risk.

The Group does not have any large lending exposures, defined as exposures exceeding 10% of Tier 1 capital, to any single counterparty or group of connected counterparties under financial instruments entered into by the Group.

Measuring expected credit losses

For financial assets, including loans and advances, guarantees and future commitments, the measurement of ECL is by a group of subject matter experts in customer, credit, modelling and economics, known as the Credit Provision Model Governance Forum. The detailed methodology and governance approach are outlined in Note 11 of the financial statements.

Exposure to credit risk

The following table outlines the gross carrying amount and associated credit impairment provision of the Group's loans and advances by internal credit rating grade and ECL stage. The Group's internal credit risk rating grades broadly align with Moody's rating scale as follows:

Internal credit rating	**Moody's equivalent**
Investment	Aaa – Baa
Speculative	Ba – Ca
Default	C

	Stage 1		**Stage 2**		**Stage 3**	
30 June 2025	**Carrying amount $M**	**Impairment provision $M**	**Carrying amount $M**	**Impairment provision $M**	**Carrying amount $M**	**Impairment provision $M**
Internal credit rating						
Investment	615.8	0.7	27.5	0.3	–	–
Speculative	9,752.6	53.7	1,638.8	32.9	76.9	7.4
Default	–	–	–	–	353.7	90.8
	10,368.4	**54.4**	**1,666.3**	**33.2**	**430.6**	**98.2**
30 June 2024						
Internal credit rating						
Investment	557.0	0.3	17.9	0.2	–	–
Speculative	8,295.0	51.1	1,540.5	39.0	56.0	4.6
Default	–	–	0.4	0.1	244.6	53.8
	8,852.0	**51.4**	**1,558.8**	**39.3**	**300.6**	**58.4**

The gross carrying amount at default includes loans and advances outstanding at balance date as disclosed in Note 10. In addition to on-balance sheet exposures, the Group's maximum credit risk exposure also encompasses off balance sheet items, including expected future loan commitments and undrawn credit facilities.

Climate-related risk encompasses the physical and transitional impact of climate change on the Group. This includes the impact of extreme weather events and the longer-term consequences of sustained climate change on our customers' ability to service their debts, as well as on the valuation of collateral as security for loans. The Group has identified and addressed these risks in the Risk Management Framework, Risk Appetite Statement and ESG Credit Risk Guidance, particularly at the point of facility origination. Accordingly, the potential impact of climate-related risk on credit risk and impairment provisioning is considered during origination and is subject to ongoing monitoring through the Group's credit risk management processes.

Collateral held against loans and advances

The following disclosure provides the proportion of total credit risk exposure of the Group falling within each classification of collateral held:

	2025 $M	2025 %	2024 $M	2024 %
Maximum exposure	13,425	100.0	11,552	100.0
Collateral classification:				
Fully secured	7,065	52.6	6,196	53.6
Partially secured	4,303	32.1	3,713	32.2
Balance sheet security	2,057	15.3	1,643	14.2

Collateral classification	Description
Fully secured	Fully secured by term deposit, guarantee, real property or balance sheet assets.
Partially secured	Partially secured by term deposit, guarantee, real property or balance sheet assets.
Balance sheet security	Partially secured by term deposit, guarantee, real property or balance sheet assets, where debt limits are higher. The Group takes a position on the sustainable cash flows of the borrowing group supported by security, which typically includes directors' guarantees, general security agreements and/or specific security agreement.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities as they fall due.

(i) Maturities of financial instruments

The following tables analyse the Group's financial instruments into relevant maturity groupings based on their contractual maturities for:

(a) all non-derivative financial liabilities, and

(b) net and gross settled derivative financial instruments where contractual maturities are essential to understanding the timing of related cash flows.

The amounts disclosed represent contractual undiscounted cash flows, allocated to time bands based on the earliest date on which the Group may be required to make payment. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the reporting period.

Contractual maturities of financial instruments at 30 June 2025	Six months or less $M	More than six months and up to twelve months $M	More than one year and up to five years $M	More than five years $M	Total contractual cash flows $M	Carrying amount assets/ (liabilities) $M
Non-derivatives						
Cash and cash equivalents	862.1	–	–	–	862.1	862.1
Investments	451.5	99.3	1,055.2	6.4	1,612.4	1,612.1
Loans and advances	1,801.1	1,328.9	6,318.6	3,016.7	12,465.3	12,334.3
Other assets	42.0	1.1	9.0	–	52.1	52.1
Deposits	(6,933.9)	(1,617.7)	(1,328.5)	–	(9,880.1)	(9,879.2)
Borrowings	(925.2)	(225.3)	(1,267.8)	(697.3)	(3,115.6)	(3,108.7)
Lease liabilities	(1.2)	(1.2)	(10.1)	–	(12.5)	(10.6)
Other liabilities	(197.1)	–	–	–	(197.1)	(197.1)
Total non-derivatives	**(4,900.7)**	**(414.9)**	**4,776.4**	**2,325.8**	**1,786.6**	**1,665.0**
Derivatives						
Interest rate swaps	(0.5)	(0.3)	(4.9)	–	(5.7)	(5.7)
Total derivatives	**(0.5)**	**(0.3)**	**(4.9)**	**–**	**(5.7)**	**(5.7)**
30 June 2024						
Non-derivatives						
Cash and cash equivalents	777.4	–	–	–	777.4	777.4
Investments	622.5	158.3	752.5	74.3	1,607.6	1,607.3
Loans and advances	1,204.2	941.2	5,480.0	3,086.0	10,711.4	10,619.3
Other assets	50.6	1.1	9.0	1.4	62.1	62.1
Deposits	(4,922.7)	(1,707.6)	(1,567.6)	(29.7)	(8,227.6)	(8,226.6)
Borrowings	(741.4)	(224.2)	(1,384.4)	(793.0)	(3,143.0)	(3,134.8)
Lease liabilities	(1.3)	(1.2)	(10.6)	(1.9)	(15.0)	(12.5)
Other liabilities	(172.7)	–	–	–	(172.7)	(172.7)
Total non-derivatives	**(3,183.4)**	**(832.4)**	**3,278.9**	**2,337.1**	**1,600.2**	**1,519.5**
Derivatives						
Interest rate swaps	(0.1)	(2.7)	1.7	–	(1.1)	(1.1)
Total derivatives	**(0.1)**	**(2.7)**	**1.7**	**–**	**(1.1)**	**(1.1)**

The Group actively manages the inherent liquidity risk from the maturity transformation inherent in the provision of banking services. This includes:

- Daily cash flow analysis and monitoring ensure sufficient liquidity coverage; and
- Maintaining a substantial portfolio of high quality liquid assets including deposits with major Australian banks, Australian Corporate & Government Securities (**ACGS**) and Semi Government securities above regulatory Minimum Liquidity Holdings requirements.

To provide short term liquidity, the Group issues NCDs and maintains access to repurchase agreements with other domestic and international banks. Additionally, the Group has committed warehouse securitisation facilities to generate funding where required.

16. Fair value measurements

(a) Fair value of financial instruments carried at amortised cost

The financial instruments detailed below are carried at amortised cost, representing the value at which the Group expects to realise these assets. The table below details the respective fair values of each financial instrument at period end, providing a comparison to their carrying amounts. Fair values of financial assets and liabilities not included in the table below approximate their carrying values.

	30 June 2025		30 June 2024	
	Carrying Amount $M	**Fair Value $M**	**Carrying Amount $M**	**Fair Value $M**
Financial assets				
Cash and cash equivalents	862.1	862.1	777.4	777.4
Investments	838.1	830.0	1,245.4	1,216.2
Loans and advances	12,334.3	12,339.2	10,619.3	10,584.0
	14,034.5	**14,031.3**	**12,642.1**	**12,577.6**
Financial liabilities				
Deposits	(9,879.2)	(9,899.3)	(8,226.6)	(8,209.9)
Borrowings	(3,108.7)	(3,108.7)	(3,134.8)	(3,134.8)
	(12,987.9)	**(13,008.0)**	**(11,361.4)**	**(11,344.7)**

(b) Fair value hierarchy

To provide an indication of the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. Each level is explained below.

Level 1: Financial instruments with fair values determined by a quoted price in active markets at the end of the reporting period. This includes publicly traded derivatives and equity securities. The quoted market price used for financial assets held by the Group is the current bid price.

Level 2: Financial instruments not traded in active markets, such as over-the-counter derivatives. Fair values are determined using valuation techniques that maximise the use of observable market data, minimising reliance on entity-specific estimates. Instruments are classified as level 2 if all significant inputs are observable.

Level 3: Financial instruments where one or more of the significant inputs are not based on observable market data. This includes instruments such as unlisted equity securities, which require the use of valuation models incorporating management judgement.

Financial assets and liabilities carried at fair value

The table below presents financial instruments carried at fair value, classified according to their category in the Statement of Financial Position and categorised by their fair value hierarchy level:

At 30 June 2025	Notes	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Financial assets					
Investments	9	–	774.0	–	774.0
Derivatives – interest rate swaps	14	–	0.3	–	0.3
Total financial assets		**–**	**774.3**	**–**	**774.3**
Financial liabilities					
Derivatives – interest rate swaps	14	–	(6.0)	–	(6.0)
Total financial liabilities		**–**	**(6.0)**	**–**	**(6.0)**

At 30 June 2024	Notes	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Financial assets					
Investments	9	–	361.9	–	361.9
Derivatives – interest rate swaps	14	–	2.7	–	2.7
Total financial assets		**–**	**364.6**	**–**	**364.6**
Financial liabilities					
Derivatives – interest rate swaps	14	–	(3.8)	–	(3.8)
Total financial liabilities		**–**	**(3.8)**	**–**	**(3.8)**

There were no transfers between levels for recurring fair value hierarchy during the year.

In accordance with the Group's policy, any transfers into and out of fair value hierarchy levels are recognised as at the end of the reporting period.

Financial assets and liabilities carried at amortised cost

The table below presents the fair value of financial instruments carried at amortised cost, classified according to their category in the Statement of Financial Position and categorised by their fair value hierarchy level:

At 30 June 2025	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Financial assets				
Cash and cash equivalents	–	862.1	–	862.1
Investments	–	830.0	–	830.0
Loans and advances	–	–	12,339.2	12,339.2
Total financial assets	**–**	**1,692.1**	**12,339.2**	**14,031.3**
Financial liabilities				
Deposits	–	–	(9,899.3)	(9,899.3)
Borrowings	–	–	(3,108.7)	(3,108.7)
Total financial liabilities	**–**	**–**	**(13,008.0)**	**(13,008.0)**
At 30 June 2024				
Financial assets				
Cash and cash equivalents	–	777.4	–	777.4
Investments	–	1,216.2	–	1,216.2
Loans and advances	–	–	10,584.0	10,584.0
Total financial assets	**–**	**1,993.6**	**10,584.0**	**12,577.6**
Financial liabilities				
Deposits	–	–	(8,209.9)	(8,209.9)
Borrowings	–	–	(3,134.8)	(3,134.8)
Total financial liabilities	**–**	**–**	**(11,344.7)**	**(11,344.7)**

(c) Valuation techniques used to determine fair value

Valuation techniques used to value financial instruments carried at fair value include:

- for investments – the fair value is based on quoted closing market prices at the balance date; and
- for interest rate swaps – fair values are determined using the present value of the estimated future cash flows based on observable yield curves.

Valuation techniques used to value financial instruments carried at amortised cost include:

- for cash and cash equivalents – the carrying value is considered a reasonable approximation of fair value due to their short-term in nature and availability on demand;
- for investments – the fair values are based on quoted closing market prices at balance date;
- for loans and advances – for variable loans with no contractual repricing tenor, the carrying value (net of impairment provisions and capitalised transaction costs) is considered a reasonable approximation of fair value. For fixed rate loans, fair value is determined using discounted cash flow analysis;
- for deposits – without fixed terms, the carrying value (net of capitalised transaction costs) is considered a reasonable approximation of fair value. For fixed term deposits, discounted cash flow analysis is applied; and
- for borrowings – for borrowings priced on a variable rate with no contractual repricing tenor, the carrying value (net of capitalised transaction costs) is considered a reasonable approximation of fair value.

CAPITAL MANAGEMENT

17. Share capital

(a) Share capital

	2025 Shares	2025 $M	2024 Shares	2024 $M
Issued capital				
Ordinary Shares paid in full	1,117,685,772	1,552.1	1,109,300,833	1,537.9
Equity raising costs	–	(15.8)	–	(15.8)
Total share capital	**1,117,685,772**	**1,536.3**	**1,109,300,833**	**1,522.1**

(i) Ordinary Shares

	2025		2024	
	Number of shares (millions)	Total $M	Number of shares (millions)	Total $M
Balance at beginning of year	1,109.3	1,537.9	1,105.5	1,534.1
Employee share scheme issues	8.4	14.2	3.8	3.8
Balance at end of year	**1,117.7**	**1,552.1**	**1,109.3**	**1,537.9**

Nature of issued capital

As at 30 June 2025, the Company has one class of capital on issue:

- Ordinary Shares – which have been issued to third party investors and which qualify for treatment as Common Equity Tier 1 regulatory capital under Prudential Standard APS 111 *Capital Adequacy: Measurement of Capital*. Ordinary Shares are fully paid and entitle the holder to one vote at a shareholder meeting and to participate in dividends.

Dividends paid

All dividends on Ordinary Shares are declared and paid at the sole discretion of the Company's Directors.

No dividends were declared or paid during the financial year ended 30 June 2025 (2024: nil).

Capital adequacy

The Group maintains a strong capital position to meet regulatory capital requirements, safeguard the interest of depositors and creditors, and deliver sustainable returns to shareholders. Shareholder's equity includes issued ordinary shares, retained earnings and reserves.

Regulatory capital is classified into the following tiers:

- CET1 primarily consists of shareholder's equity, net of regulatory adjustments such as deferred tax assets, capitalised costs of internally generated software and other prescribed deductions.
- AT1 Capital is high quality capital instruments that provide a permanent and unrestricted commitment of funds, are available to absorb losses, rank behind depositors and senior creditors and allow for fully discretionary capital distributions.
- Tier 1 capital is the aggregate of CET1 and AT1 Capital., representing the highest capital available to absorb losses.
- Tier 2 Capital comprises hybrid and subordinated debt instruments that do not meet the criteria for AT1 Capital but still contribute to the Group's loss-absorbing capacity.
- Total Capital is the aggregate of Tier 1 and Tier 2 Capital.

Capital adequacy is measured using risk-based capital ratios, which express the Group's regulatory capital CET1, AT1, Tier 2 and Total Capital as a percentage of total RWAs. RWAs represent an allocation of risks across the Group's assets and other off balance sheet exposures based on their risk profile. The Group actively monitors its capital position to ensure ongoing compliance with both APRA's minimum capital adequacy requirements and the Board approved capital targets.

Throughout the financial year, the Group maintained capital ratios in compliance of both APRA prudential requirements and internal Board thresholds. In accordance with APRA prudential standards, the Group is required to inform APRA immediately of any actual or potential breach of its minimum capital adequacy requirements, including details of remedial action taken or planned.

Capital management

The Group's capital management strategy is built around three key objectives; adequacy, efficiency and flexibility.

- The capital adequacy objective aims to maintain capital levels in excess of both internal risk based assessments and regulatory minimum requirements. This ensures the capital base remains aligned with the Group's balance sheet risk appetite and supports ongoing financial resilience.
- The efficiency objective aims to maximise shareholder value. The Group seeks to minimise surplus capital while ensuring sufficient buffers are maintained to support growth and absorb potential shocks.
- The flexibility objective ensures the Group maintains the ability to adjust its capital structure in response to changes in the operating environment, including shifts in RWA profiles and evolving prudential capital ratio requirements.

Loan capital

As at 30 June 2025, the Group has issued $75m in AT1 Capital securities in the form of subordinated capital notes that qualify as AT1 Capital under the Basel III framework, as implemented by APRA. These notes are perpetual in nature and include features such as subordination and non-viability conversion triggers.

In addition, the Group has issued $240m in Tier 2 Capital securities issued in the form of subordinated notes that qualify as Tier 2 Capital of the Group under the Basel III framework. These notes have a fixed maturity and include subordination and non-viability conversation features.

18. Retained earnings and reserves

(a) Retained earnings

	2025 $M	2024 $M
Retained earnings/(accumulated losses) at beginning of period	62.0	(7.9)
Net profit	86.4	69.9
	148.4	**62.0**

(b) Reserves

	2025 $M	2024 $M
Cash flow hedges	23.8	(0.1)
FVOCI reserve	0.4	0.3
Share-based payments	(22.3)	(19.0)
	1.9	**(18.8)**

Cash flow hedge reserve

The cash flow hedge reserve reflects the gains or losses, net of tax, arising from the change in fair value of the effective portion of designated cash flow hedging instruments. These movements are recognised in other comprehensive income and are expected to reverse over the life of the hedging instrument, resulting in a net impact of nil upon maturity.

For the year ended 30 June 2025 an unrealised gain of $23.9m (2024: $7.1m) was recognised in other comprehensive income. A reconciliation of movements in the cash flow hedge reserve is provided in the table below:

	2025 $M	2024 $M
Balance at beginning of the year	(0.1)	(7.2)
Net hedging gains recognised through other comprehensive income	34.3	10.1
Tax effect on hedging recognised through other comprehensive income	(10.4)	(3.0)
Balance at end of the year	**23.8**	**(0.1)**

FVOCI reserve

The FVOCI reserve comprises cumulative gains or losses, net of tax, arising from the change in the fair value of investments classified as FVOCI. When an investment is derecognised, the cumulative amount previously recognised in the reserve is transferred to profit or loss.

Share-based payments reserve

The share-based payments reserve represents the cumulative fair value of equity settled options and rights granted to employees under the Group's various share-based payment plans. Amounts are recognised over the relevant vesting periods in accordance with AASB 2 *Share-based payments*.

Further details of each share-based payment plan are disclosed within Note 26.

OTHER ASSETS AND LIABILITIES

19. Property, plant and equipment

	Furniture, fittings and equipment $M	Leasehold improvements $M	Total $M
At 1 July 2023			
Cost or fair value	0.4	9.1	9.5
Accumulated depreciation	(0.2)	(1.5)	(1.7)
Net book value	0.2	7.6	7.8
Year ended 30 June 2024			
Additions	0.1	2.3	2.4
Depreciation charge	(0.1)	(1.5)	(1.6)
Closing net book value	0.2	8.4	8.6
At 30 June 2024			
Cost or fair value	0.5	11.4	11.9
Accumulated depreciation	(0.3)	(3.0)	(3.3)
Net book value	0.2	8.4	8.6
Year ended 30 June 2025			
Additions	–	–	–
Depreciation charge	(0.2)	(1.4)	(1.6)
Closing net book value	–	7.0	7.0
At 30 June 2025			
Cost	0.5	11.4	11.9
Accumulated depreciation	(0.5)	(4.4)	(4.9)
Net book value	–	7.0	7.0

20. Intangible assets

Internally generated software	Work in progress $M	In use $M	Total $M
At 1 July 2023			
Cost	13.0	34.3	47.3
Accumulated amortisation	–	(9.0)	(9.0)
Net book amount	13.0	25.3	38.3
Year ended 30 June 2024			
Additions	22.9	–	22.9
Transfer to In Use	(13.8)	13.8	–
Amortisation charge	–	(12.1)	(12.1)
Impairment	(0.8)	–	(0.8)
Closing book amount	21.3	27.0	48.3
At 30 June 2024			
Cost	21.3	38.3	59.6
Accumulated amortisation	–	(11.3)	(11.3)
Net book amount	21.3	27.0	48.3
Year ended 30 June 2025			
Additions	11.1	–	11.1
Transfer to In Use	(29.5)	29.5	–
Amortisation charge	–	(11.7)	(11.7)
Impairment	–	–	–
Closing book amount	2.9	44.8	47.7
At 30 June 2025			
Cost	2.9	67.6	70.5
Accumulated amortisation	–	(22.8)	(22.8)
Net book amount	2.9	44.8	47.7

Internally generated software includes development costs incurred in building software that supports the Group's core banking and treasury operations, customer experience, data and risk management functions. Under SaaS arrangements, configuration and customisation costs are capitalised where the Group has control of the underlying software in accordance with AASB 138 *Intangible Assets*. Where control cannot be established, such costs are either recognised as a prepaid service and amortised over the term of the contract or expensed directly to the profit or loss as incurred.

Impairment assessment of intangible assets

The Group performs an annual assessment of indicators of impairment for intangible assets, including:

- Internally generated software (work in progress); and
- Internally generated software in use, where indicators of impairment is identified.

No indicators of impairment and no impairment losses were recognised in relation to intangible assets.

21. Other assets

	2025 $M	2024 $M
Accrued interest receivable	13.1	20.5
Prepayments – SaaS licensing and development	23.3	23.8
Prepayments – Other	2.8	2.9
Other receivables	2.6	2.1
Right-of-use assets	10.3	12.8
	52.1	**62.1**

22. Provisions

	2025 $M	2024 $M
Employee entitlements	22.6	22.8
Make good provision	1.6	1.6
Trail commission	62.8	54.4
Other provisions	0.1	2.1
	87.1	**80.9**
Current	38.9	39.3
Non-current	48.2	41.6

(a) Movements in provisions

	2025 $M	2024 $M
Make good		
Opening balance	1.6	1.4
Additional provision recognised	–	0.4
Amounts utilised during the year	–	(0.1)
Unused amounts reversed	–	(0.1)
Closing balance	**1.6**	**1.6**
Trail commission		
Opening balance	54.4	47.4
Additional provision recognised	28.0	23.8
Amounts utilised during the year	(19.6)	(16.8)
Closing balance	**62.8**	**54.4**
Other provisions		
Opening balance	2.1	1.0
Additional provision recognised	–	3.4
Amounts utilised during the year	(2.0)	(2.3)
Closing balance	**0.1**	**2.1**

(b) Information about individual provisions

Employee entitlements

The provision for employee entitlements includes the Group's liabilities for long service leave and annual leave, and short-term cash incentive obligations issued under the Group's incentive plans.

These liabilities are recognised based on the expected future payments required to settle the obligations, taking into account employee service to date and expected future salary levels.

Make good provision

The Group is required to restore the leased premises to their original condition at the end of the lease terms. A provision is recognised for the present value of the estimated cost to remove leasehold improvements and restore the premises, in accordance with the lease agreement. These costs are capitalised as part of the leasehold improvements and depreciated over the shorter of the lease term and the useful life of the assets.

Trail commission

The Group recognises a provision for trail commissions payable to brokers, which arises from the inception of underlying loan contracts. The provision is based on assumptions regarding the behavioural life and amortisation profile of the underlying loans. Associated costs are capitalised as part of the loans and advances balance, and amortised through the profit or loss using the EIR method.

Other provisions

Other provisions relate to estimated costs arising from the early termination of IT licence contracts prior to their contracted end dates. As these obligations are expected to be settled within 12 months after the reporting period, the liability has not been discounted.

23. Other liabilities

	2025 $M	2024 $M
Accrued interest payable	184.3	156.8
Trade creditors and accruals	12.8	15.9
Lease liabilities	10.6	12.5
	207.7	**185.2**

OTHER DISCLOSURES

24. Cash flow information

Reconciliation of profit after income tax to net cash inflow from operating activities

	Notes	2025 $M	2024 $M
Profit for the period		**86.4**	**69.9**
Adjustments for:			
Depreciation, amortisation and impairment of fixed assets	5	15.5	17.4
Charges for impairment on financial assets held at amortised cost		75.5	70.1
Performance-based compensation		8.2	10.2
Accrued interest income		9.7	(4.4)
Accrued interest expense		33.9	64.2
Changes in operating assets and liabilities:			
Increase in loans and advances		(1,790.3)	(1,839.4)
(Increase)/decrease in prepayments and other receivables		0.1	(16.5)
Increase/(decrease) in income taxes payable		5.5	(21.1)
Decrease in deferred tax assets through profit or loss		(1.9)	(6.9)
Increase in customer deposits		1,652.7	2,272.1
(Decrease)/increase in trade creditors and accruals		(3.2)	3.5
Decrease in derivatives		38.4	11.4
Increase in provisions		6.1	11.4
Net cash inflow from operating activities		**136.6**	**641.9**

25. Leases

(a) The Group's leasing activities and their accounting treatment

The Group leases office premises across Australia under agreements with terms ranging from six months to seven years, some of which include extension options. At lease commencement, the Group recognises a lease liability equal to the present value of future lease payments over the lease term, discounted using the Group's incremental borrowing rate, being the rate the Group would incur to borrow the funds necessary to acquire an asset of similar value to the associated ROU asset. The lease liability is subsequently reduced as the lease payments are made with interest expense recognised in the profit or loss over the lease term.

A corresponding ROU asset is recognised, representing the Group's right to use the leased asset. This asset is initially measured at the amount of lease liability, adjusted for any lease incentives received and estimated make good obligations required under the lease terms.

ROU assets are depreciated on a straight-line basis over the shorter of the asset's useful life and lease term, with depreciation recognised in the profit or loss.

(b) Amounts recognised in the statement of financial position

	2025 $M	2024 $M
Right-of-use assets		
Property leases – buildings	15.6	16.3
Accumulated depreciation	(5.3)	(3.5)
	10.3	12.8
Lease liabilities		
Property leases – buildings	10.6	12.5
Provisions		
Make good provision	1.6	1.6

(c) Amounts recognised in the statement of profit or loss

	2025 $M	2024 $M
Depreciation expense on right-of-use assets	2.2	2.7
Interest expense on lease liabilities	0.7	0.8
	2.9	3.5
Expense relating to lease payments made for leases of low value assets (for which a lease asset and a lease liability has not been recognised)	3.8	3.5
Total expenses in relation to leases	**6.7**	**7.0**

(d) Amounts recognised in the statement of cash flows

	2025 $M	2024 $M
Total cash outflow in relation to leases	6.5	6.4

26. Share-based payment plans

The Group provides share-based payment benefits to employees through incentive plans under which employees render services in exchange for options or rights over shares in the Company.

A summary of each share-based payment plan is provided below. For further details on these plans, refer to the Remuneration Report.

(i) Long Term Incentive Plan

Under the Group's Long Term Incentive Plan (**LTIP**), options granted generally vested upon the occurrence of the Group's IPO completed on 1 November 2021.

For instruments with vesting periods extending beyond 1 November 2021, the associated expense recognised in the current profit or loss was $0.0m (2024: $0.1m), with a corresponding increase to the Share-based payments reserve.

(ii) Judo Grows

Judo Grows is an annual incentive program designed for the Group's broader employee and executive base. Under the program, participants may be granted Deferred Share Rights and/or cash awards, subject to the achievement of annual performance metrics, service conditions and compliance with the Group's risk, values and conduct gateway.

Deferred Share Rights granted to Executive Committee members during the 2025 financial year are scheduled to vest on or around the second anniversary of the grant date. For all other employees, vesting is scheduled on or around the first anniversary of the grant date. Vesting is contingent on the continued service condition (subject to the good leaver provisions) and satisfaction of the Group's risk, values and conduct requirements. Deferred Share Rights are automatically exercised on vesting. Cash awards vest following the end of the performance period.

During the 2025 financial year, a total of 1,020,669 Deferred Share Rights were granted in relation to the 2024 financial year program, with a total fair value at grant date of $1.8m and a weighted average fair value per instrument of $1.78. A total expense of $2.6m (2024: $5.2m) was recognised through the profit or loss in relation to the accrual of Deferred Share Rights, with a corresponding increase to the Share-based payments reserve.

(iii) Judo Grows+

Judo Grows+ is a long-term incentive program designed for the Executive Committee and senior leaders. From the 2025 financial year, participants are granted Performance Rights with vesting subject to the Group's relative Total Shareholder Return (**rTSR**) over a four-year performance period, measured against a defined peer group. Performance Rights are automatically exercised on vesting.

Prior to the 2025 financial year, participants were granted Premium Priced Options, with an exercise price set at a 30% premium to the 10-day volume weighted average share price following the annual results announcement, or equivalent Share Appreciation Options. Participants may request cashless settlement of vested options; however, the Group retains discretion to require a cash exercise instead.

Vesting of all Judo Grows+ awards is subject to the satisfaction of the service condition (subject to the good leaver provisions) and compliance with the Group's risk, values and conduct requirements.

During the 2025 financial year, a total of 5,318,928 Performance Rights were granted under the Judo Grows+ program. The rights had a total fair value at grant date of $7.2m and a weighted average fair value per instrument of $1.35. The Performance Rights are scheduled to vest between late August and mid-September 2028 (subject to Board approval of the vesting date). The fair value of these rights is amortised over the vesting period except where good leaver provisions apply.

For the year ended 30 June 2025, a total expense of $4.8m (2024: $5.9m) was recognised in relation to Judo Grows+ awards, with a corresponding increase to the Share-based payments reserve.

(iv) IPO Top-Up Award

Awards under the IPO Top-Up Award are held by one Executive Committee member. These awards are scheduled to vest on the fifth anniversary of the grant date, subject to the participant remaining employed by the Group at that time and meeting the Group's risk, values and conduct requirements. The participant may request a cashless exercise of vested options, however the Group retains the discretion to require a cash exercise instead.

As at 30 June 2025, the plan comprises of 1,712,328 Premium Priced Options with a fair value at grant date of $0.6m and 714,285 Deferred Share Rights with a fair value at grant date of $1.5m, both granted on 22 October 2021.

The fair value of these awards is amortised over the vesting period. For the year ended 30 June 2025 an expense of $0.4m (2024: $1.3m write back) was recognised, with a corresponding increase to the Share-based payments reserve.

(v) Other grants

In addition to the Group's primary incentive programs, Deferred Share Rights (and, in prior years, Premium Priced Options) have also been granted to senior leaders and other select employees. Vesting of the Deferred Share Rights is generally scheduled for the second anniversary of the grant date and is contingent on satisfaction of the service condition (subject to good leaver provisions) and compliance with the Group's risk, values and conduct requirements. During the year ended 30 June 2025, a total of 502,403 Deferred Share Rights were granted with a total fair value at grant date of $0.9m and a weighted average fair value per instrument of $1.77.

The fair value of these awards is amortised over the applicable vesting period, subject to good leaver provisions. For the year ended 30 June 2025, an expense of $0.3m (2024: $0.3m) was recognised in the profit or loss, with a corresponding increase to the Share-based payments reserve.

(vi) Summary of details under the various plans

The following table presents the number and movements of share-based payments during the year, as well as the associated weighted average exercise price (**WAEP**). All Deferred Share Rights and Performance Rights have an exercise price of nil.

	2025 No.	2025 WAEP($)	2024 No.	2024 WAEP($)
Deferred Share Rights				
Outstanding at beginning of the year	13,632,833	–	7,237,823	–
Granted	1,523,072	–	10,729,670	–
Forfeited	(1,941,135)	–	(568,624)	–
Exercised	(7,988,303)	–	(3,766,036)	–
Outstanding at year end	**5,226,467**	**–**	**13,632,833**	**–**
Exercisable at year end	**–**	**–**	**–**	**–**

	2025 No.	2025 WAEP($)	2024 No.	2024 WAEP($)
Performance Rights				
Outstanding at beginning of the year	–	–	–	–
Granted	5,318,928	–	–	–
Forfeited	(173,381)	–	–	–
Exercised	–	–	–	–
Outstanding at year end	**5,145,547**	**–**	**–**	**–**
Exercisable at year end	**–**	**–**	**–**	**–**

	2025 No.	2025 WAEP($)	2024 No.	2024 WAEP($)
Options				
Outstanding at beginning of the year	110,540,108	1.65	69,686,707	1.92
Granted	–	–	45,184,297	1.24
Forfeited	(11,889,555)	1.95	(4,330,896)	1.69
Exercised	(1,411,324)	1.41	–	–
Outstanding at year end	**97,239,229**	**1.62**	**110,540,108**	**1.65**
Exercisable at year end	**10,137,736**	**1.48**	**10,974,060**	**1.46**

Summary of key components of options	Other Grants	Judo Grows+	IPO Top-Up	LTIP
Exercise price – range ($)	$1.53	$1.25 – $2.73	$2.73	$1.40 – $1.75
Expiry date	5 October 2032	22 October 2031 – 5 October 2033	22 October 2031	20 December 2029 – 29 July 2031
Weighted average remaining life (years)	7.3	7.6	6.3	5.1

(vii) Fair value methodology

The cost of the employee services received in exchange for shares, rights or options granted is recognised in the profit or loss over the vesting period, being the period during which the employee provides the services. The total cost of the award is determined based on the number of equity instruments expected to vest and their fair value at grant date.

Performance Rights granted during the period that are subject to a market-based performance condition, being the rTSR performance of Judo against a defined peer group – the Monte Carlo simulation method has been applied to determine fair value. This approach models the potential future Total Shareholder Return outcomes for Judo and its peer group, and incorporates the probability of meeting the rTSR hurdle into the valuation, in accordance with AASB 2. The following inputs have been used in the valuation models:

	Performance Rights	Performance Rights	Performance Rights
Fair value inputs	20 September 2024	25 October 2024	21 March 2025
Share price	$1.77	$1.88	$1.76
Exercise price	–	–	–
Volatility (%)	45%	45%	40%
Risk-free rate (%)	3.50%	3.91%	3.75%
Effective life (years)	4	4	3.5
Dividend yield (%)	–	–	–

27. Remuneration of auditors

During the financial year, the following fees were paid or payable for services provided by the auditor of the Group, PricewaterhouseCoopers Australia.

	2025 $'000	2024 $'000
Audit, review and assurance services		
Audit and review services		
Audit and review of the financial report	1,225	1,441
Assurance services		
Other statutory assurance services	220	225
Total remuneration for audit, review and assurance services	**1,445**	**1,666**
Other non-audit services		
Other services	124	523
Total remuneration for audit, review, assurance and other services	**1,569**	**2,189**

Other statutory assurance services relate to engagements required under prudential standards and other legislative or regulatory requirements.

Other non-audit services include accounting and regulatory treatment advice, as well as review and industry benchmarking of equity incentive plans and IT system integration review services in the prior period.

28. Related party transactions

(a) Controlled entities

The Company undertakes transactions with controlled entities in the normal course of business. These transactions are eliminated on consolidation. Funding is provided through intercompany loans that are interest free, have no fixed repayment terms, and are repayable on demand.

Details of interests in controlled entities are included in Note 29.

The table below presents the aggregate amounts receivable by the Company from its controlled entities as at year end:

	2025 $'000	2024 $'000
Balance at beginning of the year	11,527	27,997
Net outflows/(inflows)	7,839	(16,470)
Balance at end of the year	**19,366**	**11,527**

The primary drivers of the current year net movement in amounts receivable from controlled entities are the transfer of employee share-based payments costs from the Company to Judo Bank Pty Ltd. This is partially offset by income tax payments made by Judo Bank Pty Ltd on behalf of the Company.

In addition to the aggregate amounts receivable as disclosed above, Judo Bank Pty Ltd has issued $75m of AT1 Capital notes to the Company under terms which mirror those for AT1 Capital notes as disclosed in Note 13.

(b) Key management personnel

The Group's KMP comprise all Non-Executive Directors and Executives who have authority and responsibility for planning, directing and controlling the activities of the Group as defined in section 2 of the Remuneration Report within the Directors' Report, as well as their related parties.

(i) Compensation

KMP remuneration is included within total employee benefits detailed in Note 5. The table below presents the aggregate compensation of KMP:

	2025 $'000	2024 $'000
Short-term benefits	4,528	8,030
Post-employment benefits	260	272
Equity-based payments	2,155	3,539
Other long-term benefits	59	147
Total KMP compensation	**7,002**	**11,988**

Performance rights and shareholdings of KMP are set out in the Remuneration Report.

(ii) Other financial instrument transactions

The Group may, in the ordinary course of business, enter into financial transactions with KMP and their related parties. These transaction may include accepting deposits or granting loans. Related parties of KMP include close family members and entities over which the individual has significant influence or provides KMP services. All such transactions are conducted at arm's length basis under normal commercial terms The table below presents, on an aggregated basis, deposits outstanding between the Group and KMP (including their related parties) as at 30 June 2025:

	2025 $'000	**2024 $'000**
Deposits outstanding at the beginning of the year	2,280	1,725
Deposits outstanding at the end of the year	2,073	2,280
Interest paid or payable	112	147

29. Interests in other entities

(a) Material subsidiaries

The Group's principal subsidiaries as at 30 June 2025 are listed below. Unless otherwise stated, the companies listed have share capital consisting solely of ordinary shares that are held directly by the Group, with the proportion of ownership interests held equal to the voting rights. For trusts, the Group holds all units directly. The country of incorporation or registration for each entity is also its principal place of business.

Name of entity	**Principal place of business**	**Parent entity's interest**	
		2025 %	**2024 %**
Judo Bank Pty Ltd	Australia	100	100
Judo Securitisation Warehouse Trust 2020 – 1	Australia	100	100
Judo Securitisation Trust 2020 – 2	Australia	100	100
Judo Securitisation Trust 1R	Australia	100	100
Judo Securitisation Trust 2022 – 1	Australia	100	100
Judo Securitisation Trust 2023 – 1	Australia	100	100
Judo Securitisation Trust 2023 – 2	Australia	100	100
Judo Capital Markets Trust 2023 – 1	Australia	100	100
Judo Capital Holdings Limited Employee Share Trust	Australia	100	100

(b) Unconsolidated structured entities

The Group provides warehouse facilities to SME focused non-bank financial institutions via third party securitisation vehicles. The table below outlines the carrying value and maximum exposure to loss from the Group's interest in these entities:

	2025 $M	**2024 $M**
Loans and advances	109.4	–
Total carrying value of assets in unconsolidated structured entities	**109.4**	**–**
Commitment/contingencies	59.7	–
Total maximum exposure to loss in unconsolidated structured entities	**169.1**	**–**

Exposure to loss associated with unconsolidated structured entities is managed as part of the Group's Risk Management Framework. The Group's maximum exposure to loss is the total of its on-balance sheet assets and its off-balance sheet exposures including loan commitments and liquidity support. The Group holds the most senior interest within unconsolidated structured entities, which are protected by subordinated interests held by external third-parties that would absorb losses first. Income earned from interests in unconsolidated structured entities comprises interest income and other fees.

The Group did not provide any non-contractual support to unconsolidated structured entities during the year, nor does it have any current intention to provide financial or other support to unconsolidated structured entities.

30. Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity, Judo Capital Holdings Limited, show the following aggregate amounts:

(i) Statement of financial position

	2025 $M	2024 $M
Net assets		
Total assets	1,598.4	1,577.6
Total liabilities	(97.7)	(88.2)
Net assets	**1,500.7**	**1,489.4**
Shareholders' equity		
Issued capital	1,536.3	1,522.1
Reserves		
Share-based payments	(22.3)	(19.0)
Accumulated losses	(13.3)	(13.7)
Total equity	**1,500.7**	**1,489.4**

(ii) Statement of profit or loss and other comprehensive income

	2025 $M	2024 $M
Profit for the year	0.4	0.6

31. Commitments and contingencies

(a) Commitments

	2025 $M	2024 $M
Customer funding commitments	800.3	711.3
Bank guarantees and performance-related contingencies	165.4	135.9
	965.7	**847.2**

In the normal course of business, the Group makes commitments to extend credit to customers. Credit risk associated with these commitments is incorporated into the ECL calculation disclosed in Note 11. The credit risks and related provision for credit impairment are assessed on the same basis as gross loans and advances and apply to both undrawn line of credit facilities and accepted but not settled loans and advances.

(b) Contingent liabilities

From time to time the Group is exposed to contingent risks and liabilities arising from the conduct of its business including claims on income taxes and the amount expected to be paid to tax authorities. Such matters require the exercise of judgement and can be uncertain.

Contingent tax risk

The Group's tax affairs are subject to routine reviews by the Australian Taxation Office and the Revenue Offices of the various Australian States and Territories. The Group continues to cooperate with all notices and requests for information received from relevant tax authorities. The potential outcome and associated costs of these reviews remain uncertain until finalised. As at 30 June 2025, there are no disputes or claims made against the Group by tax authorities.

32. Events occurring after the reporting period

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group or economic entity in subsequent financial years.

33. Entity details

The registered office of the Group is:

Judo Capital Holdings Limited
376-390 Collins Street
Melbourne VIC 3000

Consolidated Entity Disclosure Statement

Judo Capital Holdings Limited as at 30 June 2025

Entity name	Entity type	Body corporates		Tax residency	
		Place incorporated	% of share capital held	Australian or foreign	Foreign jurisdiction
Judo Capital Holdings Limited	Body corporate	Australia	N/A	Australian	N/A
Judo Bank Pty Ltd	Body corporate	Australia	100%	Australian	N/A
Judo Securitisation Warehouse Trust 2020 – 1	Trust	N/A	N/A	Australian	N/A
Judo Securitisation Trust 2020 – 2	Trust	N/A	N/A	Australian	N/A
Judo Securitisation Trust 1R	Trust	N/A	N/A	Australian	N/A
Judo Securitisation Trust 2022 – 1	Trust	N/A	N/A	Australian	N/A
Judo Securitisation Trust 2023 – 1	Trust	N/A	N/A	Australian	N/A
Judo Securitisation Trust 2023 – 2	Trust	N/A	N/A	Australian	N/A
Judo Capital Markets Trust 2023 – 1	Trust	N/A	N/A	Australian	N/A
Judo Capital Holdings Limited Employee Share Trust	Trust	N/A	N/A	Australian	N/A

Directors' Declaration

In the Directors' opinion:

(a) the Consolidated Financial Statements and notes set out on pages 90 to 139 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and

(ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, and

(c) the consolidated entity disclosure statement set out on page 140 is true and correct as at 30 June 2025.

Note 1 confirms that the Consolidated Financial Statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001* for the year ended 30 June 2025.

This declaration is made in accordance with a resolution of the Directors.

David Hornery	**Manda Trautwein**
Chair	Director
19 August 2025	19 August 2025

Independent auditor's report

To the members of Judo Capital Holdings Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Judo Capital Holdings Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a. giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended

b. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated statement of financial position as at 30 June 2025
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of profit or loss and other comprehensive income for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2025
- the directors' declaration.

PricewaterhouseCoopers, ABN 52 780 433 757
2 Riverside Quay, SOUTHBANK VIC 3006,
GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

pwc.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit Scope

- Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events.

- In establishing the overall approach to the group audit, we determined the type of work that needed to be performed by us, as the group auditor.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit Committee.

Key audit matter	How our audit addressed the key audit matter
Provision for expected credit losses (ECL) on loans and advances	
Refer to notes 1(b), 11 and 15(b) AASB 9 Financial Instruments requires the recognition of a provision for expected credit losses (ECL) against the gross carrying value of loans and other receivables, the measurement of which is required to incorporate reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. The Group utilised a collective provision model and performed individual assessments for impaired exposures to estimate the provision for ECL. The Group utilises a model developed by an expert third-party to calculate the collective provision. The model is inherently complex, and judgement is required in determining the appropriate method. The model utilises third-party data as the Group has	Our procedures included developing an understanding of control activities relevant to our audit of the Group's provision for ECL and assessing whether they were appropriately designed and implemented. We tested the operating effectiveness of certain control activities which included, among others: • Review and approval of annual updates to credit risk grades; • Review and approval of macroeconomic scenarios and their associated weights and the Group's total ECL by the Group's Credit Provision Model Governance Forum. In addition to controls testing we, with the assistance of PwC credit risk modelling experts and PwC economics experts, performed the

Key audit matter	How our audit addressed the key audit matter
limited historical loss experience, due to the high proportion of loans originated in recent years. We considered the provision for ECL to be a key audit matter due to the inherent estimation uncertainty in its determination. In particular: • Multiple assumptions are made concerning the inputs to the ECL model, including the estimation and use of forward-looking macroeconomic scenarios (MES) and the application of associated weightings; • Judgement is involved in determining the amount of specifically assessed provisions, including the recoverability of collateral. Continued uncertainty associated with the impact of the current economic outlook has contributed to additional subjectivity and judgement in the measurement of ECL. This includes the impact of these factors on internal credit ratings, forward-looking information including macroeconomic scenarios and their associated weightings.	following substantive procedures, among others: • Assessed the appropriateness of the Group's ECL methodology, and its implementation within the ECL model; • Assessed, with reference to the Group's own assessment, the appropriateness of the data and method applied by the third-party expert and its relevance to the Group's loan portfolio; • Assessed the appropriateness of macroeconomic scenarios considered by the Group, the significant assumptions under each scenario, and the weightings assigned to the scenarios; • Recalculated ECL to assess the accuracy of the modelled outputs for the Group's loan portfolios; • Tested the accuracy of critical data elements used as inputs to the ECL model by agreeing, on a sample basis, to relevant source documentation or systems; • Tested, on a sample basis, the inputs to assigned customer internal credit rating grades used as an input to the ECL models to relevant source documents and reperformed, on a sample basis, the application of customer risk grades with

Key audit matter	How our audit addressed the key audit matter
	reference to the Group's credit rating policy; and • Examined a sample of specific provisions by assessing the appropriateness of assumptions and data used in expected cash flow calculations, including where relevant the valuation of collateral or ability to recover under other credit enhancements. Where applicable, we considered the competency, capabilities, objectivity and nature of the work of third-parties used by the Group to assist in the development of the method and significant assumptions used in determining the provision for ECL. We assessed the reasonableness of the related disclosures in the financial report against the requirements of Australian Accounting Standards.

Operation of financial reporting Information Technology General Controls (ITGCs)

The Group's operations and financial reporting are dependent on its IT systems for the processing and recording of a significant volume of transactions and, in certain instances, automated controls relevant to financial reporting.	For material financial statement balances, we developed an understanding of the IT systems, associated IT application controls and, where relevant, IT dependencies in manual controls that support the generation and recording of these balances.

Key audit matter	How our audit addressed the key audit matter
A key component of IT systems and controls is the Group's Information Technology General Controls (ITGCs) over key financial IT systems including: • Overall IT governance, including policies and procedures; • Access controls over programs and data; • Change management controls; and • IT operation controls (e.g. system monitoring and backups). User access management controls are intended to ensure access to IT systems is appropriately provisioned, monitored and revoked to mitigate the potential for fraud or error through user or administrator level system access. Change management controls support that changes to IT systems and data are appropriately initiated, tested, approved and implemented. In the context of the Group's reliance on IT dependent controls and the extent of our audit effort in testing, we considered the operation of IT general controls over relevant IT systems to be a key audit matter.	Our procedures included assessing whether certain IT general control activities relevant to our audit were appropriately designed and implemented and, for certain controls, were operating effectively throughout the year. We also carried out tests, on a sample basis, of certain IT application controls and IT dependencies in manual controls that were key to our audit testing in order to assess the accuracy of certain system calculations and the generation of certain reports relevant to our audit. Where we identified deficiencies in design or operating effectiveness in ITGCs relevant to our audit, we performed alternative audit procedures, including testing compensating controls, in order to respond to the impact on our overall audit approach.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor’s report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2025.

In our opinion, the remuneration report of Judo Capital Holdings Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

AJ Richardson
Partner
Melbourne
19 August 2025

CJ Heath
Partner
Melbourne
19 August 2025

Other Information

Shareholding details

Twenty largest registered fully paid ordinary shareholders of the Company as at 5 August 2025

	Number of shares	%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	243,980,124	21.83
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	233,632,345	20.90
CITICORP NOMINEES PTY LIMITED	201,073,013	17.99
BNP PARIBAS NOMINEES PTY LTD	73,620,754	6.59
CAMBOOYA PTY LTD	36,532,414	3.27
BNP PARIBAS NOMS PTY LTD	28,623,077	2.56
NATIONAL NOMINEES LIMITED	27,082,392	2.42
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	20,117,812	1.80
SGE PTY LTD	18,146,781	1.62
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	14,354,631	1.28
BNP PARIBAS NOMS PTY LTD	13,899,047	1.24
BNP PARIBAS NOMINEES PTY LTD	11,260,000	1.01
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	10,518,864	0.94
BNP PARIBAS NOMINEES PTY LTD	7,216,498	0.65
TIKEHAU INVESTMENT MANAGEMENT ASIA PTE LTD	6,316,591	0.57
CHRYSTOBEL PTY LTD	5,856,803	0.52
BNP PARIBAS NOMS (NZ) LTD	5,556,519	0.50
ARGO INVESTMENTS LIMITED	5,204,561	0.47
PACIFIC CUSTODIANS PTY LIMITED	4,684,272	0.42
WARBONT NOMINEES PTY LTD	4,331,837	0.39
Total	**972,008,335**	**86.97**

Substantial shareholders

As at 5 August 2025, the organisations listed below are substantial shareholders in the Company, per the meaning within the Corporations Act 2001. The number of shares in which each has an interest as disclosed in substantial shareholder notices given to the Company were:

	Number of shares	%
FIL Limited[1]	83,101,900	7.49
Vanguard Group (The Vanguard Group, Inc. and its controlled entities)	61,059,435	5.46
ECP Asset Management Pty Ltd and EC Pohl & Co Pty Ltd	58,883,989	5.3
UBG Group AG and its related bodies corporate	59,168,949	5.29
Yarra Capital Management Limited[2]	56,971,712	5.10
AMP Limited and its related bodies corporate	56,502,120	5.06

Distribution of fully paid ordinary shareholding as at 5 August 2025:

Range (number)	Number of holders	Number of shares	% of shares
1 to 1,000	2,149	1,263,690	0.11
1,001 to 5,000	2,528	6,898,857	0.62
5,001 to 10,000	1,030	7,890,529	0.71
10,001 to 100,000	1,399	40,028,871	3.58
100,001 and over	195	1,061,603,825	94.98
Total	6,500	1,109,300,833	100%

Voting rights

Ordinary Shares are fully paid and entitle the holder to one vote at a shareholder meeting and to participate in dividends.

Shareholder information

Share registry

C/- MUFG Corporate Markets (AU) Limited
Locked Bag A14
Sydney South NSW 1235

Australia: 1800 754 866
support@cm.mpms.mufg.com

Company details

Judo Bank Pty Ltd
ABN 11 615 995 581

Judo Capital Holdings Limited
ABN 71 612 862 727

13 JUDO (13 58 36)

Level 26, Queen and Collins 376-390 Collins St Melbourne VIC 3000

www.judo.bank

Investor relations

investor@judo.bank

Key shareholder dates

Financial full year end:
30 June 2025

Full year results:
19 August 2025

Annual General Meeting:
21 October 2025

1. Includes FIL Investment Management (Australia) Limited, FIL Investments International, FIL Responsible Entity (Australia) Limited
2. Includes Yarra Capital Management Limited, Yarra Funds Management Limited, Yarra Capital Management Holdings Pty Ltd, Yarra Management Nominees Pty Ltd, AA Australia Finco Pty Ltd, TA SP Australia Topco Pty Ltd, TA Universal Investment Holdings Ltd, Tyndall Equities Australia Pty Ltd

Appendices

Glossary

Term	Meaning
$	Dollar amounts (in Australian dollars or AUD unless stated otherwise)
AASB	Australian Accounting Standards Board
Additional Tier 1 capital (AT1)	As defined by APRA
ADI	Authorised deposit-taking institution
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ASX	ASX Limited (ABN 98 008 624 691)
Awards	The awards made under Judo Grows, Judo Grows+ or IPO Top-up Award, as the context requires
BBSW	Bank Bill Swap Rate
Board or Board of Directors	The Board of Directors of the Company
Board Audit Committee	The sub-committee of the Board that has membership, key responsibilities and duties set out in the Corporate Governance section of this Report
Board Remuneration and Nominations Committee or REMCO	The sub-committee of the Board that has membership, key responsibilities and duties set out in the Corporate Governance section of this Report
Board Risk Committee	The sub-committee of the Board that has membership, key responsibilities and duties set out in the Corporate Governance section of this Report
bps	Basis points (bps) refer to a unit of measure for interest rates and other percentages. One basis point is equal to 1/100th of 1%, or 0.01%, or 0.0001
CEO	Chief Executive Officer
CET1	Common Equity Tier 1 capital
CET1 ratio	Common Equity Tier 1 capital divided by total RWAs
Company	Judo Capital Holdings Limited (ACN 612 862 727)
Corporations Act or Corporations Act 2001	Corporations Act 2001 (Cth)
Cost-to-income ratio or CTI ratio	Total expenses divided by net banking income
CRO	Chief Risk Officer
CTI	Cost-to-income
CVP	Customer value proposition
Deferred Share Right	A Deferred Share Right, being a right to acquire one Share subject to the satisfaction of any vesting conditions outlined in an invitation to a participant
ECL	Expected credit losses
ESG	Environmental, social and governance
Executive Committee	The committee, established by the CEO and MD and made up of the **Executive Leadership Team**, that is responsible for the implementation of Judo's strategic and financial plan and RMF, and for the oversight of all aspects of the business.
Executive KMP	KMP who are part of Judo's executive management team
FTE	Full-time equivalent
FY	Financial year
GHG	Greenhouse gas
GLA	Gross loans and advances
HoH	Half on half
IE&D	Inclusion, equity and diversity
IFRS	International Financial Reporting Standards

Term	Meaning
IPO	Initial public offering
Judo, Judo Bank, JCHL, Judo Group or Group	Judo Capital Holdings Limited (ACN 612 862 727) and its controlled entities including Judo Bank Pty Ltd (ACN 615 995 581), and where the context requires, the business conducted by those entities, unless otherwise stated
Judo Grows	Judo's short-term incentive plan
Judo Grows+	Judo's long-term incentive plan
KMP	Key Management Personnel
Losses ratio	Losses ratio is the write-off expense experienced over a period, divided by the average GLA of the period
LTI	Long term incentive plan
Malus Event	As described in the Remuneration Report in this Report
MLH	Minimum Liquidity Holdings under the Minimum Liquidity Holdings regime where APRA requires Judo to hold a minimum buffer in cash and eligible securities
NM	Not meaningful
NCDs	Negotiable certificates of deposit
Non-Executive Director	A member of the Board who does not form part of the Company's management
NPAT	Net profit after tax
NPS	Net promoter score
Option	An option to acquire Shares subject to satisfaction of any vesting conditions as outlined in an invitation to a participant and, where applicable, payment of the exercise price
PBT	Profit before tax
Premium priced options	An option granted under the Judo Grows+ program or IPO Top-up Award, which carries an exercise price set at a 30% premium to the value of the underlying Shares at the time of the grant
RAS	Risk Appetite Statement
RBA	Reserve Bank of Australia
RMF	Risk Management Framework
RMS	Risk Management Strategy
ROE	Return on equity
RWA	Risk-weighted asset
Share or Ordinary Share	A fully paid ordinary share in the capital of the Company Share Registry
SME	Small and medium enterprise
SME customer	A customer who has a lending product with Judo
SMSF	Self-managed super fund
STI	Short-term incentive
Tenor	The length of time that will be taken by the borrower to repay the loan along with the interest
TFF	RBA's Term Funding Facility
Tier 2 capital	As defined by APRA
Total capital ratio	Total regulatory capital including CET1 Capital, Additional Tier 1 Capital and Tier 2 capital, divided by total RWAs
Total provision coverage ratio	Total impairment provision balance divided by the end-of-period loan book
VWAP	Volume weighted average price
Warehouse Facility	A revolving credit facility extended by a financial institution to a loan originator for the funding of loans
YoY	Year on year

Judo Bank

Judo Bank Pty Ltd
ABN 11 615 995 581

Judo Capital Holdings Limited
ABN 71 612 862 727

Melbourne

Level 26, Queen and Collins
376-390 Collins St
Melbourne VIC 3000

13 JUDO (13 58 36)
www.judo.bank

Investor relations

investor@judo.bank