

## 2026 Half Year Result.

17 February 2026

# Judo delivers 53% PBT growth versus pcg, reconfirms FY26 PBT guidance at \$180m – \$190m

**Judo Capital Holdings Limited (ASX:JDO)** ("Judo Bank", "Judo" or "Bank") today reported its financial and operating performance for the half year ended 31 December 2025.

- Statutory net profit after tax (NPAT) of \$59.9m, up 32% on the prior half and 46% versus the previous corresponding period (pcg)
- Profit before tax (PBT) of \$86.5m, up 26% on the prior half and 53% versus the pcg
- Continued above-system growth<sup>1</sup> with gross loans and advances (GLA) of \$13.4bn, up 7% over the half and 15% year on year, driven by Judo's differentiated customer value proposition and improved productivity
- FY26 GLA guidance updated to \$14.4bn – \$14.7bn (from \$14.2bn – \$14.7bn) due to positive outlook for 2H26
- Net interest margin (NIM) of 3.03%, broadly stable over the half
- 2H26 NIM guidance upgraded to ~3.15% (from ~3.1%) reflecting improved cost of new term deposits
- Strong operating leverage emerging, with cost-to-income (CTI) ratio improving 890bps vs pcg, and expected to improve in 2H26
- Asset quality performing in line with FY26 guidance
- Common Equity Tier 1 (CET1) ratio remains strong at 12.6%, supporting continued growth without the need for additional core equity
- FY26 guidance reaffirmed, with PBT expected to be \$180m – \$190m

Financial Highlights	1H26 Result	2H25 Result	1H25 Result	HoH (%)	PcP (%)
Statutory NPAT (\$m)	\$59.9	\$45.5	\$40.9	32%	46%
PBT (\$m)	\$86.5	\$68.9	\$56.7	26%	53%
GLA (\$bn)	\$13.4	\$12.5	\$11.6	7%	15%
Deposits (\$bn)	\$10.9	\$9.9	\$9.0	10%	21%
NIM (%)	3.03%	3.04%	2.81%	(1bp)	22bps
CTI ratio (%)	48.5%	47.9%	57.4%	60bps	(890bps)
CET1 ratio (%)	12.6%	13.1%	13.8%	(50bps)	(120bps)
Earnings per share (basic) (cents)	5.4	4.1	3.7	32%	46%
ROE (% , annualised)	6.9%	5.5%	5.1%	140bps	180bps

<sup>1</sup> Reflects Judo's GLA growth YTD in FY26 as a multiple of system, per APRA ADI statistics.

## 1H26 result overview

Judo delivered profit before tax of \$86.5m up 26% over the half and up 53% versus pcp. The result was supported by continued scaling of the loan book, a stable NIM and a lower cost of risk.

Judo's lending book grew 7% over the half to \$13.4bn, and 15% versus pcp. Continued above-system growth<sup>2</sup> was driven by Judo's differentiated customer-led value proposition and improved productivity. Strong growth was achieved across all regions and continued progress was made in warehouse lending.

Supported by 167 relationship bankers, Judo achieved a record month for gross originations in December 2025. Judo continues to hold a sector leading Net Promoter Score (NPS) at +52 for its lending proposition.

The Bank's award-winning deposit franchise reached \$10.9bn in December, with total balances growing by \$1.0bn. In October 2025, Judo expanded its deposit offering with the launch of an intermediated at-call savings account and is on track to launch a direct online at-call savings account this year.

Judo continued to optimise its wholesale funding program to support growth in the loan book and provide funding flexibility and diversification.

The Bank's ratio of customers that are 90 days past due and impaired increased modestly, driven by a small number of exposures across a range of sectors.

Capital remained strong with a CET1 ratio of 12.6%, and a Total Capital ratio of 16.9%. The Bank successfully completed a \$150m Tier 2 capital issue in October 2025, at improved pricing, reflecting Judo's strong issuer track record and improving access to capital markets.

With multiple growth levers, a modern best in breed technology platform and a strong focus on productivity, Judo is demonstrating increasing operating leverage and continued progress toward its at-scale ROE target.

## CEO commentary

"Today's result demonstrates that Judo continues to successfully execute against its clear and simple strategy. We are on track to achieving our existing FY26 guidance for significant profit growth, and realising the operating leverage inherent in our business model.

2026 is a significant milestone for Judo, marking our 10<sup>th</sup> year as Australia's first specialist SME business bank. Over this time, not only have we validated the strong demand for a differentiated, relationship-based approach to SME lending, we have demonstrated the agility of our model and our team's ability to successfully execute our strategy.

Following major investment in Judo's systems and people, we have built the bank we dreamed of and are now scaling our business and progressing towards our goal of delivering a sector-leading return on equity.

A strong SME lending franchise, combined with our ability to stay nimble in a competitive market, has seen our lending book continue to grow above system. This momentum is being further supported by emerging productivity gains and banker enablement initiatives as we continue to expand into regional and agribusiness lending.

At the same time, we are expanding our product suite and optimising funding, capital and costs.

We are excited to soon be launching a second deposit product, which will increase customer choice, reduce reliance on term deposits and lower our overall funding costs.

I'm very proud of the culture we have built at Judo, which we see as a clear marker of competitive advantage. With a highly empowered team, sector-leading NPS and a growing cohort of what I believe to be the industry's best bankers, we are well on our way to achieving our at-scale ROE in the low-to-mid teens.

Ten years ago, we set out to purposely build a bank that values deep relationships, smarter judgement and faster decision making. Our passion to support SMEs continues to guide everything we do, and I'm very confident about the strength of our business as we move into the second half of the year and beyond."

**Chris Bayliss, CEO and Managing Director, Judo Bank**

<sup>2</sup> Reflects Judo's GLA growth YTD in FY26 as a multiple of system, per APRA ADI statistics.

## Economic outlook and FY26 guidance

The Australian economy has good momentum, underpinned by a strong rebound in consumer activity. Business conditions have improved steadily, and stronger consumer demand has helped businesses recover some of the margin losses they experienced over the years following the pandemic. Demand for business credit remains solid, with growth stable at around 9%<sup>3</sup>.

Looking ahead, further improvement in SME trading conditions is expected to be gradual, with the pace of economic growth constrained by capacity shortfalls, including skilled labour shortages. These constraints continue to incentivise SMEs to invest in productivity, automation and technology. Cost of living pressures, driven by rising inflation and tightening in monetary policy, may moderate consumer demand despite strong household income fundamentals. While global conflicts and trade uncertainty continue to pose a risk, Australian consumer and business sentiment has to date demonstrated resilience to geopolitical instability.

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

<b>GLA</b>	Strong lending growth to continue, supported by investments in growth initiatives, productivity and ongoing penetration into regional and agribusiness lending	\$14.4bn – \$14.7bn	\$15bn - \$20bn
<b>NIM</b>	FY26 NIM expected to be at the upper end of 3.00% – 3.10% 2H26 NIM of ~3.15%, benefitting from improved funding costs	Upper end of 3.00% – 3.10%	>3%
<b>CTI</b>	CTI to improve in 2H26 versus 1H26, demonstrating operating leverage	<50%	Approaching 30%
<b>COR</b>	Continued growth and seasoning of the portfolio and assuming continuation of current macroeconomic conditions	60bps – 65bps of average GLA	50bps of average GLA
<b>PBT / ROE</b>	Continue to demonstrate operating leverage; PBT benefitting from investment in productivity, product enhancements and balance sheet optimisation	\$180m – \$190m	Low to mid-teens ROE

## Investor conference call

Chief Executive Officer, Chris Bayliss, and Chief Financial Officer, Andrew Leslie, will host a live investor webcast at 10.00am AEDT on 17 February 2026, to present Judo Bank's 2026 Half Year Result.

Details are available on the website <https://www.judo.bank/investor-centre/reports-results/half-year-result-2026/> or via the ASX.

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**Authorised for release by the Judo Board.**

<sup>3</sup> Seasonally adjusted. Source: RBA Statistical Tables D2.

<sup>4</sup> At-scale COR is a proxy for annualised write-offs / average GLA and assumes a steady-state lending portfolio including AASB 9 provision staging.