Appendix 4E – Preliminary Final Report

Results for announcement to the market

Reporting period				
Reporting period – twelve months ended:				30 June 2026
Previous corresponding period – twelve months ended:				30 June 2025
Results for announcement to the market	**Direction**	**%**		**$m**
Statutory Operating Income from Ordinary Activities	up	24%	to	522
Statutory Profit from Ordinary Activities attributable to Shareholders	up	29%	to	111
Statutory Profit attributable to Shareholders	up	29%	to	111
Dividends				
The Group does not propose to pay interim or final dividends for the reporting period ended 30 June 2026.				

Net tangible assets per ordinary share	**Jun-26**	**Jun-25**
Net tangible assets per share	$1.53	$1.45
Number of ordinary shares	**Jun-26**	**Jun-25**
Average number of ordinary shares	1,120,334,019	1,115,401,161
Number of ordinary shares (end of period)	1,121,284,400	1,117,685,772

This annual report is based on accounts which have been audited.

Appendix 4E Cross Reference Index

Boldly backing business.

Annual Report 2026

Judo Capital Holdings Limited
ABN 71 612 862 727

judobank

Contents

We acknowledge the Traditional Owners and Custodians of the lands on which we live, work and gather throughout Australia, and recognise their continuing connection to lands, waters and communities. We pay our respects to all our First Nations peoples, to their cultures and their Elders, past and present.

Judo Bank is Australia's only bank built for Small and Medium Enterprises (SMEs).

Cath Antaw | George Darby Hotel

Reporting Suite

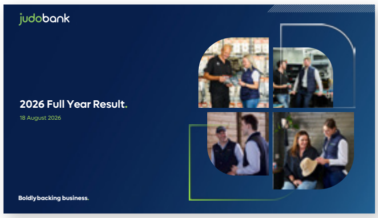
About this Report

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, FY26 operating and financial review, sustainability report, audited financial statements and other statutory disclosures. Unless otherwise stated, the Report encompasses all Judo Bank activities for the financial year starting 1 July 2025 and ending 30 June 2026 (**FY26**) and comparatives are for the financial year ending 30 June 2025 (**FY25**). All monetary values in this document are presented in Australian dollars, which is Judo Bank's functional currency.

Welcome to our FY26 Annual Report

Other documents in our 2026 reporting suite

Judo Bank produces a range of reports designed to meet the evolving expectations of diverse stakeholder groups. Our 2026 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 within 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 2026 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 18 August 2026. 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 18 to 19 under our approach to risk management.


Boldly backing business
across Australia.

To be Australia's most trusted SME business bank.

Simon Benjamin | Napier Quarter

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 aspirations

- 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

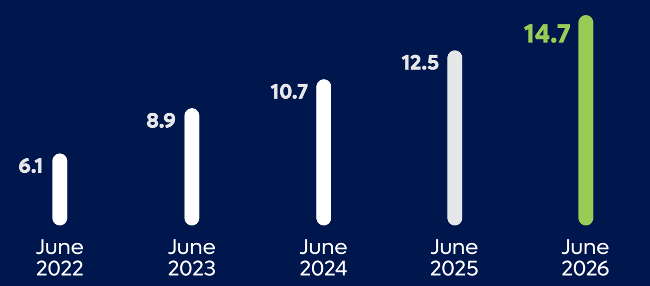
Trust

FY26 Highlights

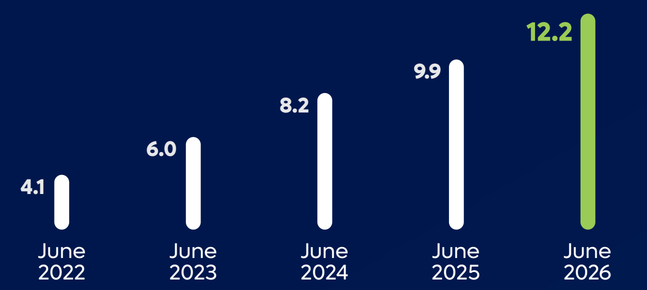
Financials

Profit before tax (PBT)	Loan book	Deposits
$168.1m	$14.7bn	$12.2bn
PBT growth	**GLA growth**	**Net interest margin (NIM)**
34%	18%	3.13%
Cost-to-income (CTI) ratio	**ROE**	**Common Equity Tier 1 (CET1)**
45.3%	6.4%	12.4%

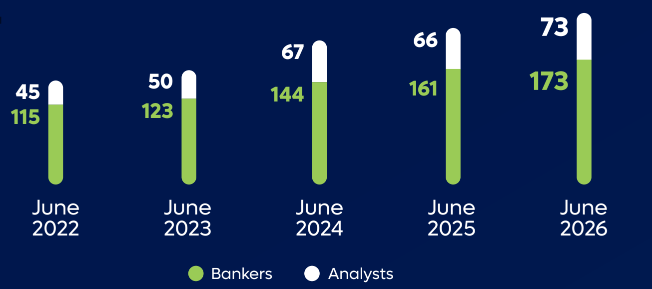
Loan book ($bn)



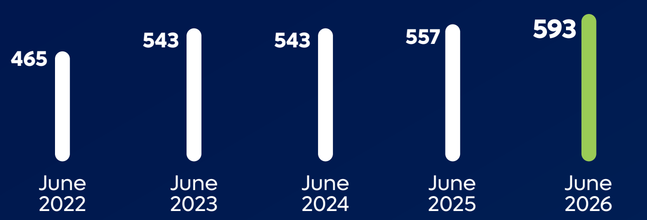
Deposits ($bn)



Bankers and analysts

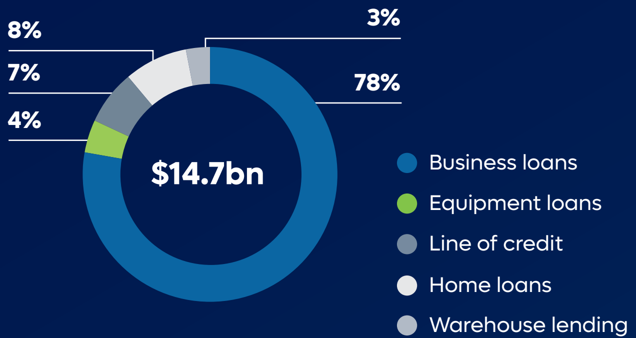


Employees

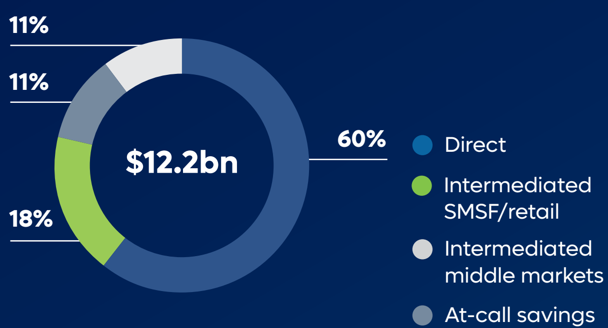


Our products

Lending



Deposits



32 locations

throughout Australia

Customers

4,822

SME lending customers

+58[1]

Lending net promoter score (NPS)

63,101

Deposit customers

+66[2]

Deposit NPS

1. Across FY26, measuring Judo's overall lending NPS including onboarding, relationship and exit scores.
2. Across FY26, measuring Judo's overall deposit NPS including origination, maturity and rollover scores.

Awards

Financial Review BOSS Best Places to Work — In partnership with bendelta

Best Workplaces — Great Place To Work. Australia 2025

The Banker Top 10 Australian Banks 2026 — Judo Bank

Money Magazine Awards 2026

Winner Finder Awards 2026 — Term deposit (12 months)

2026 Awards Winner — Product Review — Top Rated Banks

mozo Experts Choice 2025 — Term Deposit

Judo timeline

2018	2019	2020	2021	2022	2023	2024	2025	2026+
Pre-ADI launch	Full banking licence	Scaling during COVID-19	Initial public offering	Achieved profitability	Entered agri banking	Repaid the Term Funding Facility (**TFF**)	Strategic replatforming completed	Delivering operating leverage

Chair's Review

We entered an industry dominated by established incumbents, with a clear and differentiated proposition, unapologetically going back to the craft of SME banking.

David Hornery
Chair

On behalf of the Board, I welcome you to Judo's 2026 Annual Report.

As you move through the report, you will see that we have made substantial progress on many fronts this year.

When we listed on the ASX in 2021 we entered an industry dominated by established incumbents, with a clear and differentiated proposition, unapologetically going back to the craft of SME banking the way it used to be done. Almost five years on, we've increased profit before tax from $16m to $168m[1], with a team of almost 600 employees in 32 locations across the country, approaching $15bn in lending to the Australian SME community, a solid investment grade credit rating, multi-award winning deposit products, and high customer satisfaction. We have established a clear position in the financial landscape – one that provides genuine choice for Australian SMEs.

We are proud of the business we have built over those years. While our confidence in and commitment to delivering a dedicated relationship banking proposition to Australia's SME community is as strong as ever, we are also absolutely not complacent. We acknowledge that not all outcomes have met the expectations of the market this year. An increase in specific provisions late in the year was a very disappointing result, particularly for our shareholders, many of whom continue as long-term supporters of Judo.

The market's feedback is very important, and we have and will continue to listen carefully. We acknowledge the need to break down and answer the questions the market is asking. That work is underway.

Our customers

Australian SMEs employ seven out of ten people in the private sector and are the foundation of our business community, a key contributor to the country's productivity and economic growth, and a cornerstone of our country's capacity to innovate.

One of the great privileges of being part of Judo, be that at the Board or executive level, is the chance to spend time listening to our SME customers, both in the cities and across our growing footprint into regional and rural Australia.

There are a range of themes that have emerged from those conversations over the past year, many that span industry sectors. Continuing challenges around access to labour, and the 'crowding out' effect of growth in the public sector. Supply chain challenges, both as to certainty of supply, and input costs. The continuing impact of 'red tape' across three layers of government in navigating growth. The impact of higher financing costs in a rising rate environment, and the uncertainty that inflationary challenges can foster in the broader economy. Having said that, one thing that remains clear is the remarkable resilience, pragmatism and adaptability of SMEs to changing business conditions. Our bankers see that every day, working closely with our customers, an approach that is highly valued, and that you can see in our NPS scores, which remain industry leading.

SME lending customers

4,822

Deposit customers

63,101

Our strategy

In FY26, we have continued to prioritise deepening and strengthening our customer capability, and further reinforcing our operational resilience and risk management capability. We have also focussed on diversifying and further reducing our cost of funding base, including the delivery of two new savings products in record time, which have had strong customer adoption. All essential underpinnings of long-term growth.

1. Profit before tax on a pro-forma basis.

Environmental, Social and Governance (**ESG**) considerations have also been a focus of the Board this year, and you will see substantially increased detail and analysis in the Sustainability Report section.

As we look to the year ahead, we will remain focused on delivering the commitments we have made to the market through disciplined execution. We will continue to invest in AI in ways that help our bankers to spend more time with customers, improve customer outcomes and strengthen organisational capability. Against a backdrop of increasing competition, we are confident that our team, culture and customer focus will position us well to continue to deliver strong operating leverage.

Our team

Our culture is a defining strength and a key source of competitive advantage, supported by an employee value proposition that enables us to attract and retain high-calibre talent.

Throughout the year, the Board continues to see evidence of a culture that encourages customer focus, innovation, and accountability, with clearly articulated expectations of our people, and transparency of outcomes linked to performance.

The Board spends time thinking deeply about our people, ensuring we continue to nurture who we believe are the industry's best, and making Judo a great place to work. Entrepreneurial spirit and an ownership mindset are wound into the 'fabric' of Judo. For the fourth year in a row, Judo was once again named an AFR BOSS Best Place to Work.

On behalf of the Board, I want to thank the entire Judo team, for their resilience and commitment this year.

Strengthening governance

As we look ahead, continuing to build on the skills and experience we have around the Board remains an important priority. We were delighted this year to welcome David Stephen onto the board. David has extensive banking experience both domestically and internationally, having served as Chief Risk Officer for ANZ, WBC and RBS. David's appointment to the Board and to the Risk Committee of the Board reflects our commitment to continuing to build a depth of capability and 'seasoned' real world expertise.

As a Board, we look to the future confidently, and firm in our commitment to ensuring Judo remains well-governed, well-capitalised and customer-focused, capable of creating sustainable long-term value. I would like to thank our investors for their ongoing support.

I would also like to acknowledge the contribution of my fellow Directors and the Judo executive team for their stewardship and leadership throughout the year.

On behalf of the Board, I trust you enjoy reviewing the Annual Report.

Chief Executive Officer's Review

I'm very proud of the bank we have today that is trusted by so many SME businesses across the country while also growing in profitability.

Chris Bayliss
Managing Director &
Chief Executive Officer

Judo's journey over the past decade has been defined by disciplined growth, alongside a clear purpose to serve more Australian SMEs. I'm very proud of the bank we have today that is trusted by so many SME businesses across the country while also growing in profitability.

We have made meaningful progress against our strategic objectives in FY26, however we have also faced challenges. We were disappointed that we had to increase specific provisions late in the year, and as a result did not deliver on our original commitments to the market for FY26.

Judo's culture is one of accountability. We take responsibility for these outcomes and are addressing them through a rigorous and considered process. The willingness of our team to act decisively is embedded in our culture of ownership. We are not complacent and we will continue to focus on delivering our long-term strategic goals with discipline.

Importantly, these outcomes do not change our confidence in the core strengths of the Judo model. Our origination and relationship management processes, experienced bankers, disciplined credit framework and deep understanding of SMEs continue to underpin the strong outlook we have for our Bank.

Financial performance

Judo delivered FY26 profit before tax of $168m, up 34% from FY25, reflecting continued growth in the loan book, strong NIM performance and the delivery of operating leverage.

Our lending book increased to $14.7bn, representing 18% growth, supported by robust demand from SME customers nationwide and the ongoing diversification of our portfolio, particularly our growth in regional and agribusiness.

Our award-winning deposit franchise remained a significant strength, closing the year up 24% at $12.2bn. During FY26, we launched two new at-call savings products that were well received, reflecting the confidence customers have in Judo. Our wholesale funding program continues to mature and provide diversification and flexibility. Our successful term securitisation transaction is highly ROE accretive and the ability to access this market represents a major strategic milestone for the business.

Importantly, we also began to realise the benefits of the substantial investments we've made in people and systems in recent years. As anticipated, operating leverage improved during FY26, demonstrating the scalability of our platform.

Judo remains well capitalised, underpinned by a sound balance sheet that positions the business for future growth while maintaining a disciplined approach to risk.

Loan book

$14.7bn

Deposits

$12.2bn

Supporting our customers

Australian SMEs continue to operate in a dynamic and challenging environment. We remain committed to providing SMEs with direct access to experienced bankers who take the time to understand their businesses and can make informed lending decisions quickly.

Throughout FY26, we further refined our operating model for bankers, including introducing more specialised roles within each banker team, to ensure we can maintain quality of service to our customers whilst continuing to scale the bank.

Empowerment remains central to Judo's culture. Our bankers are trusted to apply their experience, judgement and sector expertise to make informed decisions, supported by clear accountability and strong risk disciplines. This combination of empowerment and accountability continues to attract both customers and talented bankers to our team.

The trust our customers place in us is reflected in our continued growth and industry leading Net Promoter Score. We remain committed to delivering our customer promise of smarter judgement, faster decisions and stronger relationships.

Focus for FY27

We believe the long-term opportunity for Judo remains significant. Australia's SME sector continues to be underserved, and over the past decade our growth has demonstrated that SMEs value access to experienced decision-makers, tailored solutions and genuine relationships.

In FY27, we will continue growing our core SME lending franchise, enabling our bankers, and driving margins with further enhancements to our deposit offering. We will also invest in productivity and innovation, and continuing to drive operating leverage.

These investments will enable Judo to continue scaling while maintaining quality of service and disciplined risk and capital management.

With increasing scale and an expanding national presence, we are well positioned to capture the opportunities ahead. Our focus is to execute with discipline, accelerate sustainable growth, deliver further operating leverage and remain on track to achieve a low to mid-teens ROE.

Conclusion

I would like to thank our customers for their continued trust in Judo. I also acknowledge and thank the Judo team, together with my executive team, for their commitment to our purpose and the long-term vision we have for Judo. I am immensely proud of what we have accomplished together, for our customers.

As we look to the new year, we remain focused on disciplined management while looking toward the significant opportunities ahead for our Bank as we continue to execute on our vision to build a world-class SME business bank.

Meet the Judo Executive Leadership Team

Judo's executive team is deeply experienced in commercial banking across Australia and global markets.

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 region, the United Kingdom and Europe. Chris' 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 over 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 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 (CCO)

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 (CPCO)

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 (CLCO) and Company Secretary

Yien is an accomplished legal and governance professional with over 25 years' experience across banking, property and commercial law. She joined Judo in 2019 and now leads the Legal, Governance, Internal Audit, Procurement, First Line Risk, 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.

"When Judo came along, they visited me in Mildura, saw what I did and shared my vision. They enabled me to build what we've created today."

Nick Diamantopoulos
Australian Garlic

Lending

Judo's SME lending franchise continued to grow in FY26 with our national lending network expanding to 32 locations, supporting 4,822 customers.

Judo's customer value proposition (**CVP**) is purpose built to support SMEs. The model focuses on three core elements: smarter judgement, faster decisions and stronger relationships. This approach continues to resonate with SME customers, with our lending NPS remaining consistently above industry averages since inception, with a score of +58 in FY26.

Experienced bankers are at the centre of Judo's model. They are empowered to apply commercial judgement and build long-term customer relationships. During FY26, each banker managed an average portfolio of 28 customers, well below industry norms.

FY26 saw a strong focus on banker enablement across the business. Leveraging investments in technology, data and process re-engineering, workflows are being simplified across core activities such as loan modifications, and margin changes. Data capabilities and early Artificial Intelligence (**AI**) applications are also improving banker workflows.

These initiatives are contributing to improved productivity. Gross originations per banker increased from $2.6m per month in FY25 to $2.7m per month in FY26, while assets per banker also increased over the same period. Together with Judo's low customer-to-banker ratio, this is creating additional capacity for bankers to support customers.

Supporting customer growth remains central to Judo's relationship-led banking model. The average customer loan size is approximately $3.0m, and 94% of customers have exposures below $10.0m. As customers expand, Judo is able to grow alongside them, providing increased lending capacity backed by specialist credit expertise and a disciplined risk framework.

Judo also continues to strengthen its broker proposition, recognising the importance of commercial brokers as a key distribution channel in SME lending. The Broker Black Belt program, launched in early FY26, supports Judo's leading broker partners and has delivered strong outcomes.

Judo's judgement-based lending

The 4Cs of lending

Judo's 4Cs framework recognises that every SME is different. Our approach places a strong emphasis on business forward prospects and underlying lending rationale, rather than relying solely on historical financial performance or security. The 4Cs assess Character, Capacity, Capital and Collateral, in that order, providing a structure for judgement-based lending decisions.

Bankers and credit executives work together to tailor loan structures to individual customer circumstances within defined risk settings. This ensures lending solutions are both appropriate for the customer and consistent with Judo's risk appetite.

Ongoing relationships enable Judo to support customers' evolving funding needs and identify potential risks. The inherent complexity of SME lending requires a considered, customer-specific approach, often involving time and close engagement to achieve the right outcome. Judo's credit executives work with customers, bankers and brokers through these processes to deliver appropriate and sustainable outcomes in each circumstance. The Bank maintains risk appetite settings across sectors and geographies to manage concentration risk across the portfolio. Our objective is to build a portfolio that broadly reflects the composition of the SME economy.

Judo's CVP

- **Smarter Judgement**
- **Faster Decisions**
- **Stronger Relationships**

+58
Lending NPS

$3.0m
Average loan size

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. 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 FY26 as Judo progressed towards its target long-term funding stack through enhanced capacity and flexibility. Deposit balances were $12.2bn representing 71% of total funding as at June 2026, up from 68% in June 2025.

Deposits

Judo expanded its deposit offering during FY26 with the launch of two new at-call savings products. The Intermediated Savings Account (**ISA**) was introduced in October 2025, followed by the Direct Online Savings Account (**DOSA**) in February 2026. These launches mark an important step in broadening Judo's deposit funding mix. At-call savings balances reached $1.4bn by the end of June 2026, reflecting strong customer support and growing recognition of the Judo deposit brand in the market.

This complements Judo's established term deposit franchise, which continues to provide a stable and diversified funding base. The franchise is supported by competitive pricing, strong brand recognition and a range of offerings, including Direct Self Managed Super Fund (**SMSF**) and Direct Business term deposits. More than 70% of deposits are sourced through direct channels, supported by consistently strong customer advocacy, with an NPS above the sector average and recognition through multiple industry awards. These strengths underpinned a retail rollover rate of 73% in FY26.

Wholesale funding

Judo has established access to wholesale funding channels commonly utilised by more 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 FY26, Judo completed a $150m Tier 2 subordinated notes issuance, achieving a pricing improvement of 120 basis points (**bps**) compared with the previous Tier 2 issuance in October 2024.

In addition, the Bank completed a $750m capital-relief securitisation in June 2026. The notes priced at a weighted average margin of 171bps over one-month Bank Bill Swap Rate (**BBSW**), representing a 102bps improvement on Judo's inaugural transaction in September 2023.

Judo has also continued to optimise its warehouse funding program throughout FY26.

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 16.6% as at 30 June 2026, well above Board-approved limits.

Liquid assets include Australian Commonwealth Government Securities, semi-government securities, ADI debt securities, and cash equivalents.

Launched two new savings products – Intermediated Savings Account and Direct Online Savings Account

$750m

capital-relief securitisation transaction completed in June 2026

Risk Management Framework

Judo's approach to risk management is disciplined, forward looking and embedded across the organisation. Risk management is underpinned by our core values of accountability, performance, teamwork and trust, and supported by a strong risk culture where every team member plays a role in identifying, managing and escalating risk.

Judo's Risk Management Framework (**RMF**) provides the foundation for the effective management of risk across the Bank. Aligned with the Bank's strategic and financial objectives, the RMF incorporates Judo's Risk Management Strategy (**RMS**) and risk appetite settings for its material risks.

The RMS sets out the policies, frameworks, processes and systems used to identify, assess, monitor, manage and report on material risks, supporting prudent decision-making and the long-term resilience of the Bank.

In FY26, we have worked to improve and reinforce risk management at Judo through:

- Demonstrating ongoing compliance with APRA's CPS 230 since implementation
- Further entrenching credit risk management through continued enhancements to underwriting practices, portfolio monitoring and governance frameworks
- Continuing to strengthen funding and liquidity risk management through diversification of funding sources and products
- Enhancing technology resilience through continued investment in technology risk management, monitoring and control capabilities
- Enhancing information security capabilities and strengthening cyber practices across the organisation

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

1

First line 'The Business'

'The Business' owns its risks and compliance obligations, and is responsible for identifying, assessing, managing and monitoring risk within appetite.

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'

Provides independent assurance over the design and operating effectiveness 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
Artificial Intelligence (AI) risk	The risk that the use of AI results in unintended, inappropriate or unreliable outcomes due to limitations in data, models, governance, transparency, human oversight or control.	Judo is taking a measured and controlled approach to the adoption of AI, balancing innovation opportunities with appropriate governance and risk oversight. AI risk management includes risk assessments, data governance requirements, testing and monitoring of AI assets, human oversight, supplier due diligence and staff education. AI risk is governed through Judo's Artificial Intelligence Risk Policy and broader RMF, supported by ongoing enhancement of AI governance practices and controls.
Balance sheet and liquidity risk	Balance sheet and liquidity risk comprises liquidity risk, funding risk, capital risk, non-traded market risk, including Interest Rate Risk in the Banking Book (**IRRBB**), and counterparty credit risk.	Judo manages balance sheet and liquidity risk through active capital, funding, liquidity and interest rate risk management. This includes regular monitoring of capital and liquidity positions, stress testing, scenario analysis and contingency planning to support prudent growth and resilience under a range of operating conditions. Oversight is provided through the Balance Sheet Management Forum and Asset and Liability Committee, supported by Judo's Capital Management Policy, Funding and Liquidity Risk Management Policy, IRRBB Policy, RAS and the Internal Capital Adequacy Assessment Process.
Credit risk	The risk of loss arising from a customer or counterparty failing to meet their obligations in accordance with agreed terms.	Judo manages credit risk through its relationship-led banking model, supported by disciplined credit assessment, regular customer engagement, portfolio monitoring, prudent portfolio settings and the identification and management of emerging customer stress. Credit risk is governed through Judo's Credit Risk Management Framework, Credit Policy, Lending Guidelines and Lending Authority Framework, and is supported by concentration limits, risk appetite settings and key credit risk metrics, including probability of default and loss given default. Oversight is provided through regular reporting to management and the Board.
Cybersecurity risk	The risk of unauthorised access to, attack on, or disruption of Judo's systems, information or data, which may affect confidentiality, integrity or availability and result in customer, financial, regulatory or reputational impact.	Judo manages cybersecurity risk through a combination of preventative, detective and responsive controls designed to protect its systems, information and data. Security controls are continuously monitored and regularly assessed against industry-recognised frameworks, supported by threat intelligence, vulnerability management, incident response capabilities and ongoing investment in security architecture. Cybersecurity risk is governed through Judo's Information Security Risk Management Policy, Operational Risk Framework and related standards, with oversight provided through regular monitoring, testing and assurance activities.
Data risk	The risk that data is inaccurate, incomplete, unavailable, poorly governed, misused, altered inappropriately or not protected across its lifecycle, resulting in customer harm, regulatory non-compliance, operational disruption, financial loss or reputational damage.	Judo manages data risk through governance, controls and assurance processes designed to support the accuracy, integrity, availability and appropriate use of data across its lifecycle. This includes data ownership and stewardship, critical data element management, data quality monitoring, information asset management, access controls and ongoing issue management. Data risk is governed through Judo's Enterprise Data Risk Management Framework and related policies and standards, with oversight provided through established data governance forums.
Financial crime risk	The risk that Judo is exposed to, or fails to prevent, detect or respond to, financial crime, including money laundering, terrorism financing, sanctions breaches, bribery, corruption and fraud.	Judo manages financial crime risk through a range of controls designed to prevent, detect and respond to money laundering, terrorism financing, sanctions breaches, bribery, corruption and fraud. This includes customer due diligence, know your customer processes, transaction monitoring, investigations, incident reporting and ongoing compliance monitoring. Financial crime risk is managed within Judo's operational risk and compliance frameworks and is supported by policies, controls, assurance activities and staff training programs.
Operational risk	The risk of loss arising from inadequate or failed internal processes, people or systems, or from external events. Operational risk is present across Judo's business activities, systems and the way those activities are performed.	Operational risk is managed through a comprehensive framework of policies, controls and governance processes that support the effective management of internal processes, people, systems and third-party providers. This includes risk and control assessments, incident and breach management, business continuity planning, risk appetite monitoring, and ongoing assurance and testing of the control environment. Operational risk is governed through Judo's Operational Risk Framework and supporting risk management practices.
Regulatory and compliance risk	The risk of damaging Judo's relationship with regulators and the risk of failing to identify, monitor or respond to changes in the regulatory environment. Compliance risk includes the risk of failing to comply with applicable laws, regulations, prudential standards, industry codes or internal policies.	Judo manages regulatory and compliance risk through a structured compliance management framework designed to identify, assess and respond to regulatory obligations and changes in the external regulatory environment. This includes compliance monitoring, regulatory change assessments, obligations management, incident and breach reporting, and ongoing engagement with regulators. Regulatory and compliance risk is supported by Judo's RMS, compliance frameworks and risk appetite settings, with regulatory requirements embedded across relevant business processes, policies and frameworks.
Technology risk	The risk that Judo's technology products, services, systems or Information Technology (**IT**) assets do not operate reliably, securely or effectively, resulting in service disruption, operational impact, regulatory impact or reputational harm.	Judo manages technology risk through its Technology Risk Management Policy and related policies and standards. This includes technology design and architecture governance, capacity and availability management, IT asset and configuration management, change and release controls, monitoring, incident management, business continuity, disaster recovery and supplier-related controls.

People and culture

A workplace that attracts and develops top talent

The people who join Judo's team are motivated by the opportunity to redefine what it means to serve Australian SMEs.

Our bankers bring deep industry experience, averaging more than 11 years, and we empower them to do what they do best – the craft of relationship-led SME banking.

Judo is committed to providing a safe and healthy environment for all our team members. We recognise that strong employee engagement underpins improved customer outcomes and in turn, business performance.

Weekly results via **JEDI**, an industry-first engagement tracking tool, which provides real-time insight into the wellbeing, commitment and energy of our team, means we have our finger on the pulse of how our people are feeling, and can make changes and take action quickly to keep engagement high. We are proud of the high engagement across the business.

In FY26, we enhanced our parental leave and inclusion benefits by providing equal parental leave access for all parents, introducing Fertility Leave, and launching a Gender Affirmation Policy. These enhancements build on existing benefits, including two weeks additional leave, educational assistance, paid superannuation on unpaid parental leave, paid foster care leave, and the **Flex@Judo** flexible work policy.

This year, we also strengthened our approach to psychological safety at work, recognising it as a core component of our health and safety framework. All Directors, executives and People Leaders have completed Judo's **Respect@Work** training, with expectations embedded in our refreshed Leadership Framework.

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JEDI Employee Engagement[1]

1. 12-month rolling average of JEDI (Judo Employee Delight Index) to Jun-26.

Bank on Her™: accelerating the next generation of female leaders

In FY26, we launched **Bank on Her™**, a bespoke development program to accelerate future female leaders at Judo. Our program combines workshops, coaching, mentoring and storytelling alongside Generation Women Australia, creating clear, meaningful leadership pathways for the talented women at Judo.

In FY26, Judo was again recognised as an **AFR BOSS Best Place to Work** for the fourth year in a row. This year, we also received Bendelta's "Generating" Award which is a reflection of our continued investment in our people and culture.

FINANCIAL REVIEW BOSS
BEST PLACES TO WORK
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Why the top bankers thrive with Judo

Backing the best bankers

Judo differentiates itself by hiring bankers for judgement, credit and lending capability. Our rigorous recruitment process, including a three-hour credit exam, seeks to ensure alignment between bankers and credit teams, leading to better customer outcomes.

At Judo, we believe that a strong risk culture is built on clear expectations, shared accountability and fair, consistent responses when standards are not met. Everyone at Judo is a risk manager, and we have a clear consequence management policy which applies to all team members and addresses conduct, performance and risk management behaviours that fall short of our Values, the Judo Code, our RMF and our regulatory obligations.

The Bank invests heavily in talent development, career progression and retention through structured programs. The **Judo Belt Scheme** is a merit-based progression framework that rewards credit excellence with increased lending authority and incentive opportunities, empowering bankers to make confident decisions for our customers. The **J Factor** program develops our high-potential analysts into Judo bankers, creating a steady pipeline of internal talent.

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 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**, is an employee-led initiative to inform, celebrate and promote diversity in all its forms across the organisation. 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

Our measurable targets for gender diversity by the end of FY26 were:

- 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 (**ELT**)) and the Board.

As at 30 June 2026:

- women held 29% of Board positions (-9% from FY25);
- women held 57% of ELT positions (no change from FY25);
- women held 41% of senior leadership roles[2] including the ELT (no change from FY25); and
- women accounted for 39% of Judo's entire workforce (+1% from FY25).

Moving forward, our measurable targets for gender diversity remain as set out above on an ongoing basis.

Giving back to our communities

In FY26, we continued our commitment to community impact by providing employees with a dedicated volunteering day. Among many other organisations, our team supported Our Village, helping sort and distribute essential baby goods to families in need, and Joe's Market Garden, assisting with the harvesting and distribution of fresh produce for local communities. These initiatives strengthened colleague connections and reinforced our shared purpose of giving back together.

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 ELT members who are in General Manager/Managing Director positions.

Our technology

Technology enablement in FY26

Delivering our CVP – Smarter, Faster, Stronger

- Focusing on freeing up banker capacity
- Simplifying and streamlining core banker workflows
- Faster processing across loan modifications, margin changes, annual reviews and variations
- Stronger use of technology, data, AI and process reengineering across the Bank
- Ongoing productivity program that compounds as Judo scales

Executing at pace

- Launched two new savings products, marking our first deposit product launch in seven years
- In-house deposit product development with nine months' lifecycle to launch
- Enabled by modern, cloud-native architecture

Technology that puts relationships first

Judo's technology strategy is designed to strengthen the relationships at the heart of our business. Our investments focus on giving our bankers more time, better tools and greater insight to deliver personalised, efficient and impactful service to our customers.

A simpler 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 – truly understand our customers' needs and then understand what is stopping our bankers from spending more time with their customers and eliminate, streamline or automate those processes.

Smarter, Faster, Stronger: unlocking banker capacity

In FY26, we have focused on using our existing technology and data foundations, including AI, process reengineering and people capability, to simplify the processes that consume banker time. We have already seen tangible benefits with core workflows such as loan modifications, margin changes, annual reviews and variations becoming faster and more efficient.

These improvements are translating into stronger productivity that will compound over time as scale increases.

Strengthening relationships through AI

We are selectively applying generative and agentic AI to the business challenges that matter most. Our focus is on simplifying processes, enhancing insights and improving the speed, quality and consistency of decision-making across the organisation.

Our approach is to use AI to enhance, not replace, banker judgement. Combined with our data platform and relationship-led model, we are looking at ways AI can provide deeper insights and more effective tools – solutions that will allow our bankers to spend more time with customers and deliver better outcomes for them.

A deeper customer experience

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

Culture	Ownership	Quality
> AI enabled customer insights > Process optimisation > Data risk management	> Clear accountability > Strong controls > Trusted data	> Accurate, reliable data enabling better decisions

Launching new products at pace

In FY26, we launched two new Judo savings products, our first deposit product launch in seven years. Delivered in just nine months and built by our in-house technology team, the launch demonstrates the strength of our modern platform and ability to design, build and launch products at pace. It's a clear example of how our technology strategy and talent enable meaningful improvements in both banker and customer experience, and deliver change quickly while maintaining operational resilience.

Sustainability Highlights

At Judo, sustainability is aligned to our core purpose of supporting Australian SMEs. Our relationship-led, judgement-based model enables us to deliver better outcomes for customers while managing risk and supporting long-term resilience. Rather than operating through standalone sustainability initiatives, our approach is embedded within how we lend, how we manage risk and how we run the Bank.

This Report includes our first Sustainability Report, prepared in accordance with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures (**AASB S2**). This represents an important step in strengthening the way we identify, assess and disclose climate-related risks.

Supporting our customers

Support SME customers through relationship-led banking, tailored lending decisions and long-term engagement.

Customer outcomes are supported through our CVP and reflected in hardship and vulnerable customer frameworks.

We continue to build our understanding of how climate risks may impact SME customers.

Inclusion, equity and diversity

Attract, celebrate and keep diverse talent.

Nurture an inclusive culture where everyone belongs.

Become the most trusted employer in Australian banking.

Climate risks

Identification, assessment, prioritisation and monitoring of climate-related risks.

Improvement of governance, measurement and disclosure to support mandatory climate reporting in alignment with AASB S2.

Financial inclusion

Support Australian SMEs by improving access to funding for underserved segments.

Deliver financial inclusion through our relationship-led banking model and tailored lending approach.

Corporate governance

Strong governance underpins risk management, performance and long-term value.

Our governance framework supports accountability, oversight and stakeholder confidence.

Underpinned by Judo Values of *Accountability, Performance, Teamwork* and *Trust.*

Read more

Detailed climate-related disclosures in alignment with AASB S2, are set out in the Sustainability Report (pages 79-107).

Sustainability material topics

Judo's material environmental, social and governance (**ESG**) topics for FY26 were refreshed based on a desktop review.

This assessment considered a range of internal and external inputs, including peer reporting, regulatory guidance and Judo's internal policies and framework.

The outcome of the review was reported to the Executive Committee (**ExCo**) in April 2026.

The refreshed material topics will inform Judo's strategic priorities over future reporting periods.

Judo's top four material ESG topics for FY26 are:

Customers	Aligned to our purpose, supporting SME customers to experience greater financial inclusion and the development and economic viability of our customer base, both now and into the future. We consider this material topic has clear social and governance 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 social (e.g. employee retention) and governance dimensions.
Governance, conduct and ethics	Maintaining strong corporate governance underpins Judo's ability to build trust and deliver long-term value. The Board sets strategy, financial objectives and the RMS, with the ELT embedding these in day-to-day operations. The Judo Code of Conduct and the Whistleblower Policy reinforce ethical behaviour, accountability and safe reporting. We consider this material topic has clear 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 – are considered a key 'organisational readiness' topic. Cyber and data security have clear social (e.g. customer and supplier safety) and governance (e.g. integrity of data for reporting purposes) 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.

Judo supports financial inclusion and social utility through responsible lending practices, the prohibition of predatory lending practices, and supporting the development and economic viability of our customers into the future.

Our product design and lifecycle management processes reflect our drive to improve customer financial wellbeing and resilience, and we aim to conduct our business responsibly and transparently by means of our engaged, diverse, inclusive and accountable workforce.

Our bankers seek to deeply understand each customer in their portfolio and to make tailored, judgement-based lending decisions to support their customers' businesses.

Employees

Refer to the People and Culture section on pages 20–21.

Governance, conduct and ethics

Judo believes that strong corporate governance practices will preserve and strengthen stakeholder confidence and long-term value. Judo's Board is responsible for setting and overseeing the organisation's strategic direction, financial objectives, and RMS. The ExCo supports this by operationalising the Board's direction and ensuring effective day-to-day implementation across the organisation.

The Judo Code sets out our expectations regarding how we work together – from making decisions, to addressing problems, to how we conduct ourselves. It applies to everyone at Judo – Directors, leaders, team members and temporary employees.

Our Whistleblower Policy sets out our commitment to fostering an environment of honest and ethical behaviour, where individuals feel safe and confident to report known, or suspected, business misconduct or wrongdoing without fear of reprisal or detrimental treatment. Our independent whistleblower service, STOPline, is the preferred method of disclosure to support the anonymity and protection of whistleblowers.

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' 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.

Digital and cyber risks are managed under our Information Security Framework which provides a single view of the totality of Information Security policies and standards in place at Judo.

Corporate Governance

Our approach to corporate governance

Judo's Board of Directors and ExCo work together to seek 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) setting the business strategy and the financial objectives of Judo, and monitoring their implementation;

(b) approving Judo's annual budget and financial statements and monitoring financial performance against forecast and prior period performance;

(c) overseeing the capital management of Judo including approval of the Internal Capital Adequacy Assessment Process;

(d) overseeing the operational and financial performance of Judo;

(e) approving, with the guidance of the Board Risk Committee, Judo's Risk Management Strategy (**RMS**) and Risk Appetite Statement (**RAS**);

(f) forming a view of Judo's risk culture and the extent to which the risk culture supports the ability of Judo to operate consistently within Judo's RAS;

(g) overseeing, with the guidance of the BRC, the management of material risks consistent with the strategic objectives, RAS and Board- approved policies, that Judo's operational structure facilitates effective risk management, risk policies and procedures are developed that are consistent with the RMS and RAS, and sufficient resources are dedicated to risk management; and

(h) considering the social and environmental impact of Judo's activities and approving Judo's ESG related policies and annual Sustainability Report.

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 FY26

Key focus areas and priorities for the Board throughout FY26 included:

- Board succession planning, including appointment of a new director, David Stephen.
- Use of emerging technologies such as AI and the associated risks and opportunities.
- Credit and portfolio performance review including impacts of instability in the external economic environment on SME businesses against Judo's risk appetite and forward-looking indicators.
- Ongoing communication and strategic engagement with the investment community.

Board Committees

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

	Audit Committee (BAC)	Risk Committee (BRC)	People, Culture & Remuneration Committee (PCRC)	Nominations Committee (NOMCO)
Purpose	Advises the Board on the effectiveness of Judo's accounting taxation, 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, culture and people-related strategies, and the health and safety of all employees.	Advises the Board on director appointments, re-election, removal and nominations, succession planning, and maintenance of the skills matrix, as well as annual independence reviews, director induction and development, and performance evaluations.
Chair	Manda Trautwein	Peter Hodgson	Jennifer Douglas	David Hornery
Members	David Hornery Peter Hodgson Mette Schepers (until 21 October 2025)	David Hornery Mette Schepers (until 21 October 2025) Brad Cooper David Stephen (from 24 March 2026)	David Hornery Peter Hodgson (until 13 August 2025) Malcolm McHutchison Brad Cooper (from 14 August 2025)	Jennifer Douglas Peter Hodgson
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 2026, Judo's Board comprised seven Non-Executive Directors and one Executive Director, the CEO and MD, Chris Bayliss.

Peter Hodgson and Manda Trautwein were re-elected, and Brad Cooper was elected, as Directors at the 2025 Annual General Meeting (**AGM**).

During FY26, other changes were made to the composition of the Board as follows:

- Mette Schepers retired from the Board at the conclusion of the 2025 AGM on 21 October 2025. Mette had served on the Board since April 2019 and was a member of the BRC and BAC.
- David Stephen was appointed as an Independent Non-Executive Director effective 24 March 2026 and is also a member of the BRC.

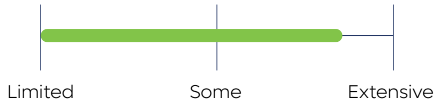
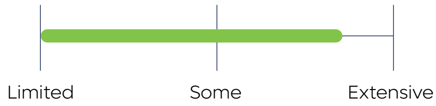
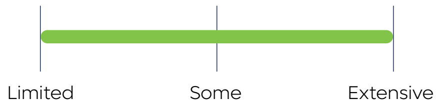
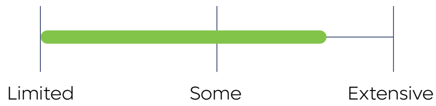
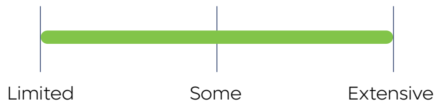
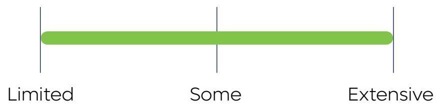
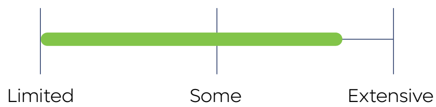
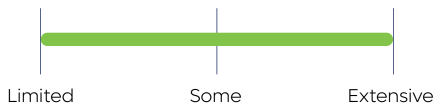
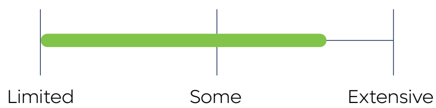
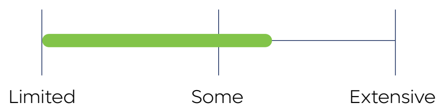
The above changes to Board and Board Committee composition were supported by the NOMCO and approved by the Board. Further details on Judo's Directors are provided on pages 50 to 53.

Board performance, skills, and experience

The Board has a formal Assessment Framework that outlines the requirements for assessing its performance, skills and fitness and propriety to hold the role of a Director. A Board and Board Committee performance assessment and skills self-assessment are completed annually. Board assessments may also be completed as a self-assessment or externally facilitated from time to time as determined by the Chair. An independent assessment was completed in FY26.

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 2026

Skills and experience	Description	Collective experience
Financial services experience	Senior leadership experience in banking or financial services, including a strong understanding of the economic drivers and the regulatory environment relevant to Judo and its SME customers.	
SME business experience	Experience working in, or acting in, an advisory role to the SME business sector, understanding the key issues and challenges facing these sectors, and the ability to advocate for SME customer outcomes.	
Customer Relationships	Experience in customer-centric culture and developing and delivering enhanced customer outcomes, customer experiences, and sustainable relationship management aligned to Judo's value proposition.	
Risk Culture	Experience in assessing and managing financial and non-financial risks including the establishment, development and oversight of risk management frameworks and risk culture to support effective risk ownership across the organisation.	
Business strategy	Experience in setting and overseeing strategic direction and performance outcomes, including organic and inorganic growth initiatives, and leading and/or overseeing scaling businesses.	
Financial performance	Strong financial literacy, including understanding of financial statements, capital management and liquidity strategies and key drivers of financial performance and controls.	
Technology and data	Experience in overseeing technology and data strategy, including digital transformation, cybersecurity, and technology risk management.	
People and Organisational Culture	Experience in overseeing people and culture, including talent management, succession planning, remuneration frameworks and organisational culture, with a focus on inclusion, equity and diversity.	
Ownership mindset	Demonstrates an ownership mindset, including independent judgement, constructive challenge and a focus on accountability and efficient decision-making.	
Environment and social	Understanding of environmental and social risks and opportunities and their implications for Judo's strategy, customers, and long-term sustainability.	

Financial Performance

1. FY26 result overview

Metric	FY26	Comparative
Profit before tax (PBT)	$168.1m	FY25: $125.6m
Gross loans and advances (GLA)	$14.7bn	Jun-25: $12.5bn
Deposits	$12.2bn	Jun-25: $9.9bn
Net interest margin (NIM)	3.13%	FY25: 2.93%
Cost to income ratio (CTI)	45.3%	FY25: 52.4%
Earnings per share (EPS)	9.9cps	FY25: 7.7cps
Total provision coverage (GLA %)	1.47%	Jun-25: 1.49%
90+ DPD and impaired assets	2.90%	Jun-25: 2.43%
Return on equity (ROE)	6.4%	Jun-25: 5.3%
Common Equity Tier 1 ratio (CET1)	12.4%	Jun-25: 13.1%

1.1 FY26 result summary

Judo delivered pre-provision profit growth of 42%. GLA grew 18% to $14.7bn, supported by deposit growth of 24% to $12.2bn. The Bank continued to demonstrate operating leverage, with CTI improving to 45.3% from 52.4%. While FY26 earnings were impacted by elevated impairment expenses, the underlying performance of the business remained strong.

PBT increased 34% to $168.1m, driven by continued growth in the loan book, strong NIM performance and the delivery of operating leverage, partly offset by higher impairment expenses.

GLA as at 30 June 2026 was $14.7bn, up 18% over the year, demonstrating continued above system growth[1]. Lending growth reflected the strength of Judo's differentiated CVP, continued recruitment of highly skilled bankers and improving productivity.

Funding continued to strengthen and diversify as Judo made progress towards its at-scale funding mix. Deposits reached $12.2bn and represented 71% of total funding as at 30 June 2026, up from 68% a year earlier. During the year, Judo expanded its deposit offering with the launch of two new at-call savings products, the Intermediated Savings Account (**ISA**) and Direct Online Savings Account (**DOSA**), with at-call savings balances reaching $1.4bn by year end.

Judo continued to optimise its wholesale funding profile during FY26. The Bank completed a $150m Tier 2 issuance at pricing 120bps tighter than its previous transaction and successfully executed a $750m capital-relief securitisation transaction, which priced 102bps tighter than Judo's inaugural transaction in September 2023. These outcomes reflect Judo's growing funding diversification, improving capital markets access and strengthening funding efficiency.

NIM increased to 3.13%, up 20bps from FY25, and improved progressively throughout the year from 3.03% in 1H26 to 3.23% in 2H26. The 2H26 outcome was supported by favourable term deposit margins, improvements in treasury yields and tighter liquidity management, partly offset by lending margins and other cost of funding.

Operating expenses were $236.6m, up 7%. Employee benefits expense was up 9%, primarily due to higher FTE levels as Judo continued to recruit relationship bankers and other roles supporting growth across its lending and deposit franchises. Non-employee expenses increased by 4%, driven by higher deposit marketing expenses, inflationary increases in supplier contracts, and growth-related activity. An increase in intangibles amortisation was offset by a reduction in IT expenses.

CTI improved to 45.3%, compared with 52.4% in FY25, a 710bps improvement, reflecting the continued delivery of operating leverage, with revenue growth significantly outpacing expense growth in FY26.

Impairment expense was $117.7m, up from $75.5m in FY25. The increase reflected higher individually assessed provisions, together with an increase in the Bank's collective provision which was driven by changes to forward-looking macroeconomic assumptions and the overlay for sectors facing increased pressure from the uncertain operating environment. Impairment expense as a percentage of average GLA was 88bps compared to 66bps in FY25.

Expected credit loss (ECL) provisions on loans and advances increased to $216.2m, up from $185.8m. Collective provisions increased by $18.0m to $136.0m, driven by growth and seasoning of the loan book, changes in industry mix, updates to forward-looking macroeconomic scenarios and increased management overlays for sectors facing challenging operating conditions.

Collective provision coverage was 0.93% of GLA as at 30 June 2026, down 2bps. As a percentage of standardised credit Risk Weighted Assets (**RWA**), the collective provision coverage remained broadly stable at 1.11% (30 June 2025: 1.12%).

Total provision coverage was 1.47% of GLA as at 30 June 2026, down 2bps.

90+ days past due (DPD) and impaired assets ratio was 2.90% of GLA, an increase of 47bps from 30 June 2025 due to new impairments.

Capital remained strong, with a CET1 ratio of 12.4% as at 30 June 2026, compared with 13.1% a year earlier. The key driver of the CET1 movement was the growth in lending assets, partly offset by organic capital generation. The capital position benefited from the capital-relief securitisation transaction settled in June 2026.

1. Reflects Judo's multiple of system growth for GLA for FY26, per APRA statistics.

2. Analyst Pack

2.1 Income statement

	Year to			Half Year to		
	Jun-26 $m	**Jun-25 $m**	**YoY %**	**Jun-26 $m**	**Dec-25 $m**	**HoH %**
Interest income	1,179.5	1,059.9	11%	621.0	558.5	11%
Interest expense	(678.9)	(652.6)	4%	(355.9)	(323.0)	10%
Net interest income	**500.6**	**407.3**	**23%**	**265.1**	**235.5**	**13%**
Other operating income	21.8	15.6	40%	11.6	10.2	14%
Net banking income	**522.4**	**422.9**	**24%**	**276.7**	**245.7**	**13%**
Employee benefits expense	(144.4)	(132.8)	9%	(72.6)	(71.8)	1%
Other expenses	(92.2)	(89.0)	4%	(44.9)	(47.3)	(5%)
Total operating expenses	**(236.6)**	**(221.8)**	**7%**	**(117.5)**	**(119.1)**	**(1%)**
Profit before impairment	**285.8**	**201.1**	**42%**	**159.2**	**126.6**	**26%**
Impairment expense	(117.7)	(75.5)	56%	(77.6)	(40.1)	94%
Profit before tax	**168.1**	**125.6**	**34%**	**81.6**	**86.5**	**(6%)**
Tax expense	(57.0)	(39.2)	45%	(30.4)	(26.6)	14%
Profit after tax	**111.1**	**86.4**	**29%**	**51.2**	**59.9**	**(15%)**

2.2 Operating metrics

	Year to			Half Year to		
	Jun-26 $m	**Jun-25 $m**	**YoY %**	**Jun-26 $m**	**Dec-25 $m**	**HoH %**
GLA						
GLA (end of period)	14,672	12,465	18%	14,672	13,394	10%
GLA (average)	13,341	11,499	16%	13,844	12,845	8%
Performance						
Net interest margin (%)	3.13%	2.93%	20bps	3.23%	3.03%	20bps
Cost-to-income ratio (%)	45.3%	52.4%	(710bps)	42.5%	48.5%	(600bps)
Net banking income/average FTEs (annualised)	0.91	0.77	18%	0.96	0.87	10%
ROE (annualised)	6.4%	5.3%	110bps	5.9%	6.9%	(100bps)
Funding						
Total customer deposits (end of period)	12,207	9,881	24%	12,207	10,858	12%
Deposits/total funding and capital (%)	71.3%	68.1%	320bps	71.3%	69.4%	190bps
Capital adequacy						
Total RWA	13,434	11,548	16%	13,434	12,714	6%
Average risk weight on lending (%)[1]	81.9%	79.9%	200bps	81.9%	80.7%	120bps
CET1 ratio (%)	12.4%	13.1%	(70bps)	12.4%	12.6%	(20bps)
Total capital ratio (%)	16.2%	16.5%	(30bps)	16.2%	16.9%	(70bps)
Asset quality						
Impairment expense on average GLA (%) (annualised)	0.88%	0.66%	22bps	1.12%	0.62%	50bps
Write-offs/average GLA (annualised)	0.65%	0.34%	31bps	0.78%	0.52%	26bps
90+ DPD & impaired assets/GLA (%)	2.90%	2.43%	47bps	2.90%	2.66%	24bps
Non-performing loans/GLA (%)	3.43%	3.18%	25bps	3.43%	3.44%	(1bp)
Collective provisions/GLA (%)	0.93%	0.95%	(2bps)	0.93%	0.89%	4bps
Specific provision/GLA (%)[2]	0.55%	0.54%	1bp	0.55%	0.54%	1bp
Total provision/GLA (%)	1.47%	1.49%	(2bps)	1.47%	1.43%	4bps
Operations (end of period)						
Total full-time equivalent employees (FTEs)	593	557	6%	593	566	5%
Number of bankers	173	161	7%	173	167	4%
Earnings per share						
Basic earnings per share (cents)	9.9	7.7	29%	4.6	5.4	(15%)
Weighted average number of shares	1,120,334,019	1,115,401,161	0.4%	1,121,176,430	1,119,505,344	0.1%

1. Average risk weight on lending (%) incorporates the requirements of APS 112 *Capital Adequacy: Standardised Approach to Credit Risk* and includes securitisation credit exposures that are subject to the requirements of APS 120 *Securitisation* (including warehouse lending).
2. Specific provisions include both individually-assessed and collective provisions for impaired assets.

2.3 Net interest income

	Year to			Half Year to		
	Jun-26 $m	Jun-25 $m	YoY %	Jun-26 $m	Dec-25 $m	HoH %
Interest income	1,179.5	1,059.9	11%	621.0	558.5	11%
Interest expense	(678.9)	(652.6)	4%	(355.9)	(323.0)	10%
Net interest income	**500.6**	**407.3**	**23%**	**265.1**	**235.5**	**13%**
Average GLA	13,341	11,499	16%	13,844	12,845	8%
Average trading and investment securities	2,639	2,418	9%	2,701	2,574	5%
Average interest earning assets	**15,980**	**13,917**	**15%**	**16,545**	**15,419**	**7%**
Net interest margin (%)	3.13%	2.93%	20bps	3.23%	3.03%	20bps
Average trading and investment securities/Average GLA	19.8%	21.0%	(120bps)	19.5%	20.0%	(50bps)
Treasury assets margin over 1m-BBSW(%)	0.23%	(0.44%)	67bps	0.32%	0.14%	18bps

Net interest income

Net interest income was $500.6m, up 23% from FY25.

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 $16.0bn, up 15%.

- Average GLA increased to $13.3bn, up 16%, discussed in more detail in Section 2.6.
- Average trading and investment securities were $2.6bn as at 30 June 2026, up 9% from the prior year. Average trading and investment securities as a percentage of average GLA fell to 19.8% in FY26, down from 21.0% in FY25.

Net interest margin

FY26 NIM was 3.13%, up 20bps from 2.93% in FY25.

2H26 NIM was 3.23%, up 20bps from 3.03% in 1H26. The drivers of 2H26 NIM performance are discussed below.

Cost of deposits had a 16bps favourable impact on 2H26 NIM. The average blended cost of deposits in 2H26 fell to 69bps over 1-month BBSW, down from 92bps in 1H26. This reflected a favourable period for term deposit pricing, with higher swap rates resulting in a lower realised margin on term deposits. Term deposit costs also benefited from lower growth required from this channel due to the successful launch of the retail at-call savings product during 2H26.

The average cost of new term deposits originated in 2H26 was 71bps (1H26: 78bps), benefiting from favourable swap rate movements during most of the period. As expected, the cost of new term deposits returned to Judo's through-the-cycle range of 80-90bps over 1-month BBSW in late 2H26.

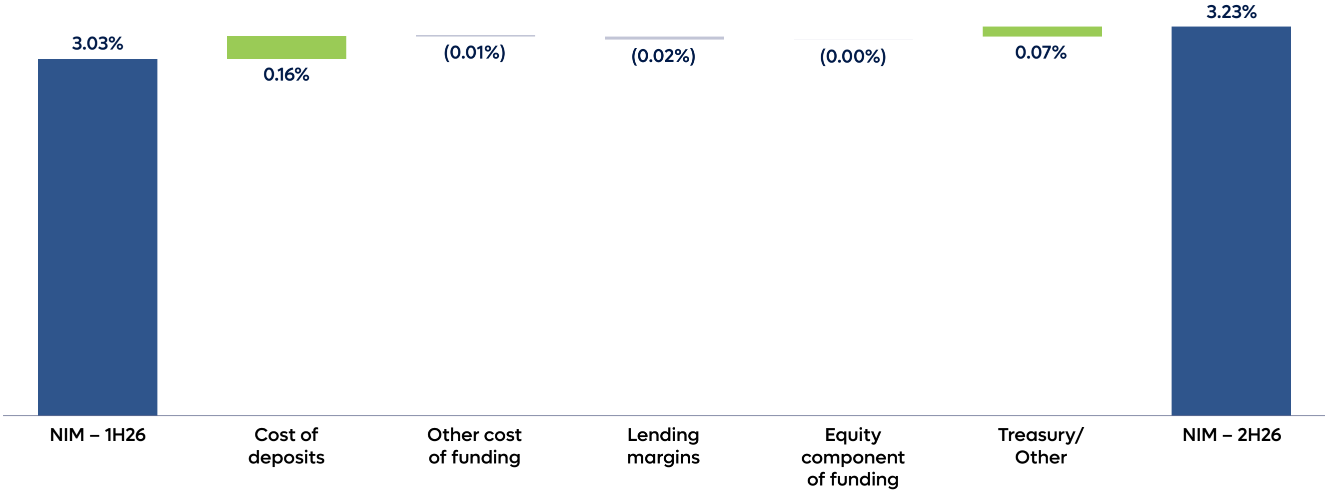
Other cost of funding, including funding mix and the cost of wholesale funding, had a 1bp unfavourable impact on 2H26 NIM. The benefit of favourable warehouse renewals and a higher proportion of funding from deposits was offset by the full-period impact of the $150m Tier 2 issuance completed in 1H26 and the $750m term securitisation settled in June 2026.

Lending margins contributed a 2bps unfavourable impact to NIM in 2H26. Average blended lending margin decreased to 4.2% over 1-month BBSW in 2H26 from 4.3% in 1H26, reflecting competitive pressures and lending mix, including a greater contribution from warehouse lending, a lower-margin but higher-ROE product. The front book lending margin was 4.2% over 1-month BBSW in 2H26 (1H26: 4.3%).

Equity had a neutral impact on NIM in 2H26, with the impact of rising interest rates offset by the investment term of capital policy (**ITOC**). As at 30 June 2026, Judo had an ITOC tenor of three years with $1.5bn of capital hedged (1H26: $1.5bn) out of total equity of $1.7bn. The average rate on the ITOC portfolio at 30 June 2026 was 3.79%.

Treasury/other contributed a 7bps favourable impact to NIM, reflecting benefit from tighter liquidity management and reinvesting maturing fixed-rate bonds at prevailing rates.

NIM movements – December 2025 to June 2026 (%)



2.4 Other operating income

	Year to			Half Year to		
	Jun-26 $m	Jun-25 $m	YoY %	Jun-26 $m	Dec-25 $m	HoH %
Fee income	13.1	9.2	42%	7.0	6.1	15%
Other income	8.7	6.4	36%	4.6	4.1	12%
Total other operating income	**21.8**	**15.6**	**40%**	**11.6**	**10.2**	**14%**

Other operating income increased to $21.8m, up 40% from FY25.

Fee income increased 42% to $13.1m. Fee income comprises charges associated with products including Bank Guarantees, undrawn lines of credit and warehouse lending facilities. The increase in FY26 was supported by growth in customer accounts and higher volumes.

Other income increased 36% to $8.7m, driven primarily by fees associated with deposit and lending products. The uplift reflected growth in Judo's lending and deposit products.

2.5 Operating expenses

	Year to			Half Year to		
	Jun-26 $m	**Jun-25 $m**	**YoY %**	**Jun-26 $m**	**Dec-25 $m**	**HoH %**
Employee benefits expense	144.4	132.8	9%	72.6	71.8	1%
IT expense	32.7	36.2	(10%)	14.4	18.3	(21%)
Marketing expense	8.7	7.1	23%	4.4	4.3	2%
Occupancy and depreciation	8.5	8.0	6%	4.1	4.4	(7%)
Intangibles amortisation	14.8	11.7	26%	7.6	7.2	6%
Other expenses	27.5	26.0	6%	14.4	13.1	10%
Total operating expenses	**236.6**	**221.8**	**7%**	**117.5**	**119.1**	**(1%)**
FTEs	593	557	6%	593	566	5%
Average FTEs	572	548	4%	581	563	3%
Total bankers	173	161	7%	173	167	4%
Cost-to-income ratio (%)	45.3%	52.4%	(710bps)	42.5%	48.5%	(600bps)

Operating expenses were $236.6m, up 7%.

FY26 CTI improved to 45.3%, compared with 52.4% from FY25, a 710bps improvement. 2H26 CTI improved to 42.5% from 48.5% in 1H26, reflecting the continued delivery of operating leverage.

Employee benefits expense was $144.4m, up 9% due to:

- increased FTEs, primarily reflecting continued investment in bankers and other roles supporting the growth of Judo's lending and deposit franchises;
- wage inflation and the increase in the super guarantee charge; and
- lower employee incentive payments in FY25.

Employee benefits expense in 2H26 increased 1% compared with 1H26. Increases in salary, wages and incentive costs, driven by higher FTE levels, were largely offset by lower payroll tax expense related to share-based incentives.

IT expense decreased 10% to $32.7m, due to reduced project activity following the successful completion of the Bank's strategic technology transition in FY25. The previous year also included one-off costs associated with the implementation of Judo's new technology platforms.

Marketing expense increased 23% to $8.7m due to targeted investment to support growth in deposits, including the launch of new at-call accounts.

Occupancy and depreciation expense increased 6% to $8.5m, relating to office relocation and refurbishment activities completed during the period.

Intangibles amortisation increased 26% to $14.8m, reflecting technology and product enhancements brought into service during FY26, including new savings products and lending platform enhancements. The increase also included the full-year amortisation impact of systems brought into use during FY25.

Other expenses were $27.5m, up 6%, reflecting inflationary increases across supplier contracts and activity supporting business growth.

2.6 Gross loans and advances

GLA by product

	Jun-26 $m	Dec-25 $m	Jun-25 $m	Jun-26 % of GLA	Dec-25 % of GLA	Jun-25 % of GLA
Business loans	11,476	10,436	9,602	78%	78%	77%
Equipment loans	530	586	619	4%	4%	5%
Line of credit	974	949	977	7%	7%	8%
Home loans	1,247	1,171	1,157	8%	9%	9%
Warehouse lending	445	252	109	3%	2%	1%
Gross loans and advances	**14,672**	**13,394**	**12,465**	**100%**	**100%**	**100%**
Allowance for credit losses	(216)	(192)	(186)			
Total loans and advances	**14,456**	**13,202**	**12,279**			

GLA by geography

	Jun-26 $m	Dec-25 $m	Jun-25 $m	Jun-26 % GLA	Dec-25 % GLA	Jun-25 % GLA
NSW	6,162	5,509	5,118	42%	41%	41%
VIC	4,402	3,938	3,759	30%	29%	30%
QLD	2,201	2,071	1,931	15%	15%	15%
WA	1,174	1,197	1,075	8%	9%	9%
Other	733	679	582	5%	6%	5%
Gross loans and advances	**14,672**	**13,394**	**12,465**	**100%**	**100%**	**100%**

GLA by industry

	Jun-26	Dec-25	Jun-25	HoH %	YoY %
Rental, hiring and real estate services	23%	24%	25%	(1%)	(2%)
Property operators (property investment)	*19%*	*20%*	*21%*	*(1%)*	*(2%)*
Other rental, hiring and real estate services	*4%*	*4%*	*4%*	–	–
Accommodation and food services	13%	12%	12%	1%	1%
Agriculture, forestry and fishing	8%	8%	7%	–	1%
Construction	7%	7%	7%	–	–
Financial and insurance services	7%	6%	5%	1%	2%
Health care and social assistance	5%	6%	6%	(1%)	(1%)
Retail trade	5%	6%	5%	(1%)	–
Manufacturing	5%	5%	6%	–	(1%)
Professional, scientific and technical services	4%	4%	4%	–	–
Wholesale trade	3%	4%	4%	(1%)	(1%)
Transport, postal and warehousing	2%	2%	2%	–	–
Residential mortgage	9%	9%	9%	–	–
Other	9%	7%	8%	2%	1%
Gross loans and advances	**100%**	**100%**	**100%**	**NM**	**NM**

Gross loans and advances were $14.7bn, an increase of 18%.

Lending growth reflected the strength of Judo's differentiated, relationship-led CVP, supported by continued investment in experienced bankers, improving productivity and a differentiated commercial broker proposition.

Growth momentum remained strong. Lending to the agriculture sector increased to 8% of GLA (Jun-25: 7%), reflecting deeper penetration in regional markets where Judo's relationship-based model continues to resonate strongly with customers. The warehouse lending portfolio also continued to expand, representing 3% of GLA at 30 June 2026 (Jun-25: 1%).

Attrition, comprising structural principal amortisation, customer repayments and refinances, averaged 24% for the year. Attrition improved in 2H26, supported by strong customer engagement and lower levels of refinancing activity.

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2.7 Funding

	Jun-26 $m	Dec-25 $m	Jun-25 $m	HoH %	YoY %
Customer deposits					
Direct term deposits	7,298	7,371	7,041	(1%)	4%
Intermediated SMSF/retail term deposits	2,238	2,531	2,032	(12%)	10%
Intermediated middle markets term deposits	1,276	907	808	41%	58%
At-call savings	1,395	49	–	large	NM
Total customer deposits	**12,207**	**10,858**	**9,881**	**12%**	**24%**
Wholesale funding					
Warehouse facilities	1,346	1,844	1,707	(27%)	(21%)
Term securitisation debt[1]	889	166	227	large	large
Senior unsecured debt	175	175	350	–	(50%)
Additional Tier 1/Tier 2 subordinated debt	415	465	315	(11%)	32%
Negotiable certificates of deposit (**NCDs**)	411	543	516	(24%)	(20%)
Total wholesale funding	**3,236**	**3,193**	**3,115**	**1%**	**4%**
Total funding[2]	**15,443**	**14,051**	**12,996**	**10%**	**19%**
CET1 capital	1,669	1,599	1,517	4%	10%
Total funding and capital	**17,112**	**15,650**	**14,513**	**9%**	**18%**
Deposits/total funding and capital (%)	71.3%	69.4%	68.1%	190bps	320bps
Customer deposits – average tenor at origination (days)					
Direct term deposits	530	496	495		
Intermediated SMSF/retail term deposits	291	276	291		
Intermediated middle markets term deposits	253	245	264		

1. Term securitisation debt reflects funding associated with Judo's two outstanding capital relief securitisation transactions, the underlying collateral for which are deconsolidated from Judo's RWA calculations.
2. Funding balances are presented gross of any capitalised funding establishment costs.

Funding strategy

Judo's key funding objectives are:

- ensuring certainty of funding sources to support the Bank's growth strategy;
- attaining diversified sources of funding by product, tenor, and channel;
- managing funding risk, including maturity profile and counterparty concentrations; and
- optimising 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 with positive outlook. Judo's outlook was revised to positive during May 2026.

Deposits

Deposits remain at the core of Judo's funding strategy. As an ADI, Judo's deposits are covered by the Australian Government's guarantee on deposits scheme (also known as the Financial Claims Scheme), providing protection of up to $250,000 per account holder.

Judo's at-scale target is to fund 75% of total assets from deposits. The Bank has made progress in FY26, with deposits increasing from 68% of total funding as at 30 June 2025 to 71% in 2026.

As at 30 June 2026, customer deposits were $12.2bn, up 24% over the year.

Judo continued to enhance and diversify its deposit offering during FY26. The Bank entered the at-call savings market in October 2025 with the launch of the wholesale ISA product, followed by the successful launch of the retail DOSA product in February 2026. As at 30 June 2026, at-call savings balances totaled $1.4bn, reflecting strong customer adoption and growing recognition of the Judo deposit brand.

Judo offers term deposits directly and through intermediaries to both retail and wholesale customers. During FY26, the Bank further enhanced product flexibility and customer choice through the introduction of new term deposit tenors on its modern technology platform. This capability supports more targeted and strategic pricing while maintaining a stable rollover rate and attracting new customers.

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. Wholesale funding is expected to represent approximately 15% of total asset funding at-scale. This includes secured wholesale sources such as warehouses and term securitisation, as well as unsecured products including senior unsecured bonds, Tier 2 capital and NCDs.

Judo continued to optimise its wholesale funding profile in FY26 with the total wholesale funding balance increasing only slightly over the period. Changes in the funding mix reflected the maturity of $175m of senior unsecured debt (September 2025) and the redemption of $50m of Tier 2 capital (June 2026), partly offset by the issuance of $150m of Tier 2 capital in October 2025. The Tier 2 issuance was at a margin of 215bps, reflecting a 120bps pricing improvement compared with the prior transaction in October 2024.

In addition, Judo successfully completed a $750m capital-relief securitisation backed by SME business loans, with this settling in June 2026. The notes priced at a weighted average margin of 171bps over 1-month BBSW, representing a 102bps improvement on Judo's inaugural transaction completed in September 2023. Underlying loans collateralising Judo's two capital-relief securitisation transactions are deconsolidated from RWA calculations.

2.8 Asset quality

Impairment on loans, advances and treasury investments

	Year to			Half Year to		
	Jun-26 $m	**Jun-25 $m**	**YoY %**	**Jun-26 $m**	**Dec-25 $m**	**HoH %**
Impairment expense – individually assessed	99.7	70.4	42%	61.2	38.5	59%
Impairment expense – collective	18.0	5.1	large	16.5	1.5	large
Impairment on loans and advances	**117.7**	**75.5**	**56%**	**77.7**	**40.0**	**94%**
Impairment on treasury investments	–	–	–	(0.1)	0.1	(200%)
Impairment on loans, advances and treasury investments	**117.7**	**75.5**	**56%**	**77.6**	**40.1**	**94%**
Impairment expense/average GLA (%)	0.88%	0.66%	22bps	1.12%	0.62%	50bps

Lending provisions and coverage

	Jun-26 $m	**Dec-25 $m**	**Jun-25 $m**	**HoH %**	**YoY %**
Individually-assessed provision	80.2	72.7	67.8	10%	18%
Collective provision	136.0	119.4	118.0	14%	15%
Total provisions	**216.2**	**192.1**	**185.8**	**13%**	**16%**
Specific provision[1]/impaired assets (%)	30.6%	38.5%	36.6%	(7.9pp)	(6.0pp)
Total provisions/impaired assets (%)	82%	102%	100%	(20pp)	(18pp)
Specific provision[1]/GLA (%)	0.55%	0.54%	0.54%	1bp	1bp
Collective provision/GLA (%)	0.93%	0.89%	0.95%	4bps	(2bps)
Collective provision/credit RWA (%)	1.11%	1.03%	1.12%	8bps	(1bp)
Total provisions/GLA (%)	1.47%	1.43%	1.49%	4bps	(2bps)
Total provisions/credit RWA (%)	1.77%	1.66%	1.77%	11bps	0bps

Days Past Due ("DPD") and impaired assets

	Jun-26 $m	**Dec-25 $m**	**Jun-25 $m**	**HoH %**	**YoY %**
30-89 DPD but not impaired	56.6	170.9	129.4	(67%)	(56%)
90+ DPD but not impaired	163.0	167.1	118.1	(2%)	38%
Impaired assets	262.4	189.1	185.1	39%	42%
30+ DPD and impaired assets	**482.0**	**527.1**	**432.6**	**(9%)**	**11%**
30-89 DPD but not impaired/GLA (%)	0.39%	1.28%	1.04%	(89bps)	(65bps)
90+ DPD but not impaired/GLA (%)	1.11%	1.25%	0.95%	(14bps)	16bps
Impaired assets/GLA (%)	1.79%	1.41%	1.48%	38bps	31bps
30+ DPD & impaired assets/GLA (%)	**3.29%**	**3.94%**	**3.47%**	**(65bps)**	**(18bps)**
90+ DPD & impaired assets/GLA (%)	**2.90%**	**2.66%**	**2.43%**	**24bps**	**47bps**
Non-performing loans/GLA (%)	**3.43%**	**3.44%**	**3.18%**	**(1bp)**	**25bps**

1. Specific provisions include both individually-assessed and collective provisions for impaired assets.

Impairment expense increased to $117.7m in FY26, compared with $75.5m in FY25. The increase reflected higher individually-assessed provisions, together with an increase in the Bank's collective provision which was driven by changes to forward-looking macroeconomic assumptions and the overlay for sectors facing increased pressure from the uncertain operating environment.

Provision coverage

Judo's total lending provisions were $216.2m as at 30 June 2026, up from $185.8m in the prior year. The collective provision was $136.0m, an increase of $18.0m. The key drivers of the collective provision included:

- growth in the loan book and change in industry mix;
- general seasoning of the loan book and underlying credit quality movements, including an increase in 90+ DPD loans (but not impaired);
- updates to forward-looking macroeconomic scenarios, including the incorporation of an oil shock in the downside scenario[1]; and
- a vulnerable industry overlay reflecting heightened risks in sectors experiencing challenging operating conditions, including childcare, manufacturing, retail trade, construction services and related supply chains, as well as agriculture and transport sectors exposed to fuel price volatility and supply chain disruption.

Collective provision coverage decreased modestly to 0.93% of GLA from 0.95% as at 30 June 2025, reflecting portfolio growth and changes in portfolio composition. As a percentage of credit RWA, the collective provision coverage remained broadly stable at 1.11% as at 30 June 2026 (FY25: 1.12%).

Judo's individually-assessed provision was $80.2m, up from $67.8m as at 30 June 2025. The increase was mainly driven by provisions on new impaired assets, partially offset by loans written off during FY26.

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 30-89 DPD (but not impaired) to GLA was 0.39% at 30 June 2026, down from 1.04% at 30 June 2025. The balance comprised a smaller number of customer groups with lower average exposure sizes compared with the previous year. The reduction during FY26 was driven by a combination of customers curing, repaying or refinancing their facilities, as well as a small number of exposures progressing into the 90+ DPD category.

Judo's 90+ DPD and gross impaired assets to GLA was 2.90% as at 30 June 2026, 47bps higher than 2.43% as at 30 June 2025.

90+ DPD loans (but not impaired) increased from $118.1m at 30 June 2025 to $163.0m at 30 June 2026. As a percentage of GLA, this was 1.11%, up 16bps from 0.95% at 30 June 2025. The increase was primarily driven by a number of small exposures across a range of sectors. As at 30 June 2026, there were 74 customer groups with loans 90+ DPD, but not impaired (June 2025: 53; December 2025: 75).

Gross impaired assets to GLA increased by 31bps to 1.79% during FY26. As at 30 June 2026, there were 118 customer groups in impaired status with a provision coverage of 30.6% (June 2025: 99; December 2025: 107).

1. For information refer to page 130 of the 2026 Annual Report.

2.9 Capital structure and adequacy

Capital Adequacy

	Jun-26 $m	Dec-25 $m	Jun-25 $m	HoH %	YoY %
CET1 capital: instruments and reserve					
Paid-up ordinary shares (net of capital raising costs)	1,543	1,542	1,536	0%	0%
Reserves	(29)	(25)	3	16%	large
Regulatory retained earnings (including current year earnings)	271	210	150	29%	81%
CET1 capital before regulatory adjustments	**1,785**	**1,727**	**1,689**	**3%**	**6%**
CET1 capital: regulatory adjustments					
Deferred tax assets	(76)	(74)	(63)	3%	21%
Intangible assets	(43)	(44)	(48)	(2%)	(10%)
Deferred expenditure and fees	(6)	(14)	(25)	(57%)	(76%)
Cash-flow hedge reserve	18	9	(35)	100%	(151%)
Other deductions	(9)	(5)	(1)	80%	large
Total regulatory adjustments to CET1 capital	**(116)**	**(128)**	**(172)**	**(9%)**	**(33%)**
CET1 Capital	**1,669**	**1,599**	**1,517**	**4%**	**10%**
Additional Tier 1 Capital	75	75	75	0%	0%
Total Tier 1 Capital	**1,744**	**1,674**	**1,592**	**4%**	**10%**
Tier 2 Capital					
Tier 2 Capital instruments	340	390	240	(13%)	42%
Provisions eligible for inclusion in Tier 2 Capital	99	84	79	18%	25%
Total Tier 2 Capital	**439**	**474**	**319**	**(7%)**	**38%**
Total Capital	**2,183**	**2,148**	**1,911**	**2%**	**14%**
CET1 ratio (%)	12.4%	12.6%	13.1%	(20bps)	(70bps)
Total capital ratio (%)	16.2%	16.9%	16.5%	(70bps)	(30bps)

Risk Weighted Assets (RWA)

	Jun-26 $m	Dec-25 $m	Jun-25 $m	HoH %	YoY %
Cash and cash equivalents	101	69	105	46%	(4%)
Investments	210	337	194	(38%)	8%
Gross loans and advances	11,198	10,575	9,689	6%	16%
Off-balance sheet exposures	686	548	466	25%	47%
Other	18	29	44	(38%)	(59%)
Total credit RWA	**12,213**	**11,558**	**10,498**	**6%**	**16%**
Operational risk exposures	1,221	1,156	1,050	6%	16%
Total RWA	**13,434**	**12,714**	**11,548**	**6%**	**16%**

Financial Performance continued

Credit exposure[1]

	Jun-26 $m	Dec-25 $m	Jun-25 $m	HoH %	YoY %
Cash and cash equivalents	693	464	855	49%	(19%)
Investments	2,071	2,166	1,612	(4%)	28%
Loans and advances	13,788	13,152	12,167	5%	13%
Off-balance sheet exposures	718	632	545	14%	32%
Other	18	29	44	(38%)	(59%)
Total exposures	**17,288**	**16,443**	**15,223**	**5%**	**14%**
Average risk weight on lending (%)[2]	81.9%	80.7%	79.9%	120bps	200bps

1. Credit exposures are calculated and presented in line with the regulatory reporting requirements, which includes deconsolidation of assets in Judo's capital relief term securitisations.
2. Average risk weight on lending (%) incorporates the requirements of APS 112 *Capital Adequacy: Standardised Approach to Credit Risk* and includes securitisation credit exposures that are subject to the requirements of APS 120 *Securitisation* (including warehouse lending).

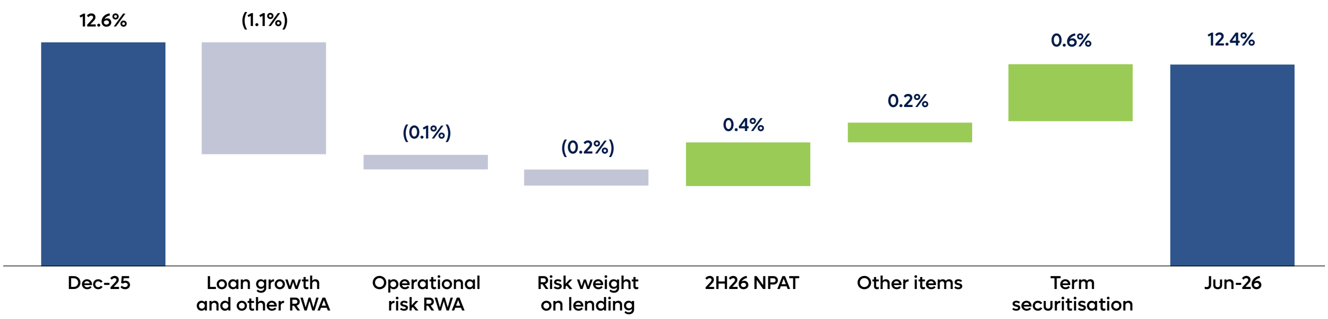
Judo maintains a strong capital position in order to satisfy regulatory capital requirements and provide financial security to depositors, while balancing adequate returns to shareholders.

Given Judo's current CET1 position and continued strong profitability, the Bank will transition to operating with a management CET1 target range of 11.0% – 12.0% in normal operating conditions. Judo's recent term securitisation transaction demonstrates that the Bank has multiple levers to actively manage capital, providing increased optionality, including the potential to consider capital management initiatives in due course.

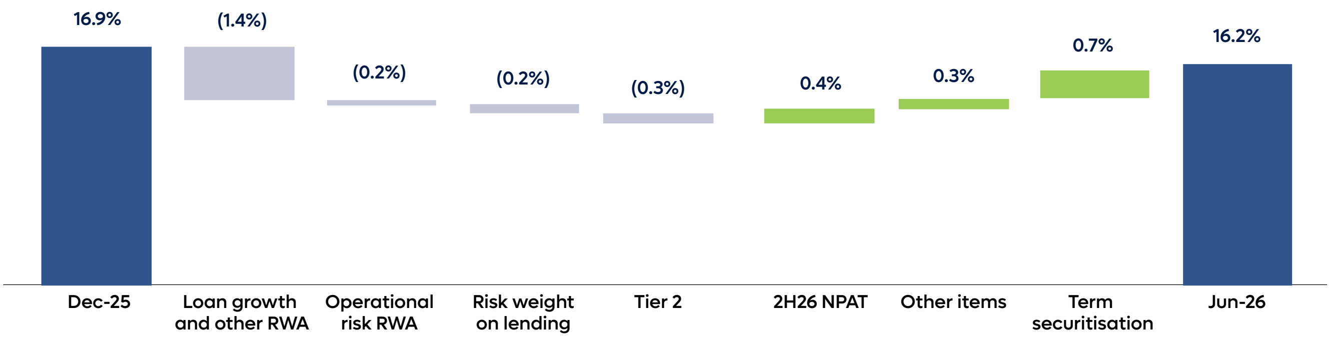
As at 30 June 2026, Judo's CET1 ratio was 12.4%, down from 12.6% as at 31 December 2025. The key drivers of the movement were:

- loan book growth of $1.3bn consumed 1.1% of CET1;
- settlement of a $750m capital-relief securitisation transaction in June 2026 contributed 0.6% of CET1;
- 2H26 earnings contributed 0.4% to CET1;
- increased risk weight on lending consumed 0.2% of CET1; and
- other items contributed a net 0.2% benefit to CET1.

CET1 movements – December 2025 to June 2026 (%)



Total capital movement –December 2025 to June 2026 (%)



As at 30 June 2026, the Bank's Total Capital ratio was 16.2%, down 70bps across 2H26. Redemption of $50m of Tier 2 capital in June 2026 consumed 0.4% of Total Capital, partially offset by higher Tier 2 eligible provisions, contributing 0.1%.

2.10 Liquidity

	Jun-26 $m	Dec-25 $m	Jun-25 $m	HoH %	YoY %
Total adjusted MLH balance	**2,661**	**2,448**	**2,346**	**9%**	**13%**
Total adjusted MLH balance (%)	16.6%	16.3%	16.9%	30bps	(30bps)

Judo's minimum liquidity holdings (**MLH**) position as at 30 June 2026 was 16.6% compared to 16.3% as at 31 December 2025. The average MLH for 2H26 was 16.8% (1H26: 17.0%).

2.11 Tax

Judo's effective tax rate for FY26 was 33.9%, exceeding the corporate tax rate of 30%. This variance was primarily driven by share-based payments due to Judo's share price performance over FY26 and other non-deductible expenses (primarily Capital Note interest). Excluding the impact of the share-based payments, Judo's effective tax rate was 31.4%.

Effective tax rate

	Year to			Half Year to		
	Jun-26 $m	Jun-25 $m	YoY %	Jun-26 $m	Dec-25 $m	HoH %
Statutory profit before tax	**168.1**	**125.6**	**34%**	**81.6**	**86.5**	**(6%)**
At the corporate tax rate (30%)	50.5	37.7	34%	24.5	26.0	(6%)
Add tax effect of:						
Share-based payments[1]	4.2	(0.6)	large	4.9	(0.7)	large
Capital Note Interest	1.6	1.7	(6%)	0.8	0.8	–
Non-deductible expenses	0.4	0.2	100%	0.2	0.2	–
Changes in estimates related to prior years	0.3	0.2	50%	–	0.3	(100%)
Income tax expense	**57.0**	**39.2**	**45%**	**30.4**	**26.6**	**14%**
Effective tax rate	33.9%	31.2%		37.3%	30.8%	

1. Tax deductions for employee share plans arrangements arise when cash contributions are made to the Employee Share Plan Trust to acquire JCHL shares. Deferred tax assets are recognised based on the expected future deduction, determined with reference to Judo's share price at the reporting date. The decline in Judo's share price during FY26 reduced the estimated future tax deduction, resulting in a $4.2m tax expense in FY26.

Financial Performance continued

Deferred tax

	Jun-26 $m	Dec-25 $m	Jun-25 $m	HoH %	YoY %
Capital raising costs[1]	–	1.0	1.8	(100%)	(100%)
Share-based payments[2]	0.8	10.0	9.2	(92%)	(91%)
Provision for credit impairment[3]	65.0	57.8	55.8	12%	16%
Other[4]	14.5	9.4	9.3	54%	56%
Deferred tax assets	**80.3**	**78.2**	**76.1**	**3%**	**6%**
Other[4]	(4.7)	(4.1)	(13.5)	15%	(65%)
Deferred tax liabilities	**(4.7)**	**(4.1)**	**(13.5)**	**15%**	**(65%)**
Net deferred tax assets	**75.6**	**74.1**	**62.6**	**2%**	**21%**

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 have been deducted in full as at 30 June 2026.
2. Share-based payments include both the settlement of a legacy incentive plan (which was deductible over five years commencing in FY22 and has been deducted in full as at 30 June 2026) and the expected future deductions in relation to current employee incentive plans. The movement in FY26 is primarily due to the decrease in share price in FY26.
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. Further information can be found in Note 6(d) of the Financial Statements.

2.12 Average Balance Sheet (Annual)[1]

	Full year ended 30 June 2026			Full year ended 30 June 2025		
	Avg Bal $m	Interest $m	Avg Rate %	Avg Bal $m	Interest $m	Avg Rate %
Assets						
Interest earning assets						
Trading and investment securities	2,639	106.4	4.03%	2,418	92.2	3.81%
Gross loans and advances	13,341	1,073.1	8.04%	11,499	967.7	8.42%
Total interest earning assets	**15,980**	**1179.5**	**7.38%**	**13,917**	**1,059.9**	**7.62%**
Non-interest earning assets						
Other assets (incl. loan provisions)	36	NM	NM	56	NM	NM
Total non-interest earning assets	**36**	**NM**	**NM**	**56**	**NM**	**NM**
Total assets	**16,016**	**1179.5**	**NM**	**13,973**	**1,059.9**	**NM**
Liabilities						
Interest bearing liabilities						
Direct term deposits	7,265	336.2	4.63%	6,475	330.7	5.11%
Intermediated term deposits	3,302	150.0	4.54%	2,524	126.9	5.03%
At-call savings	383	19.1	4.99%	–	–	–
Warehouse facilities	1,684	90.6	5.38%	1,721	105.2	6.11%
Term securitisation debt	232	16.6	7.16%	289	22.4	7.76%
Senior unsecured debt	215	12.1	5.63%	208	14.2	6.84%
Additional Tier 1 subordinated debt	75	6.1	8.13%	75	6.3	8.40%
Tier 2 subordinated debt	340	25.9	7.62%	202	17.3	8.59%
Certificates of deposit	496	21.7	4.38%	587	28.9	4.92%
Other interest bearing liabilities	10	0.6	5.77%	11	0.7	6.14%
Total interest bearing liabilities	**14,002**	**678.9**	**4.85%**	**12,091**	**652.6**	**5.40%**
Non-interest bearing liabilities						
Other liabilities	281	NM	NM	255	NM	NM
Total non-interest bearing liabilities	**281**	**NM**	**NM**	**255**	**NM**	**NM**
Total liabilities	**14,283**	**678.9**	**NM**	**12,346**	**652.6**	**NM**
Average net assets	**1,733**	**NM**	**NM**	**1,628**	**NM**	**NM**
Average shareholder equity	**1,733**	**NM**	**NM**	**1,628**	**NM**	**NM**
Average 1m BBSW			**3.80%**			**4.25%**

Notes
1. The average balance sheet table summarises Judo's key interest-bearing assets and liabilities, including their interest earned or incurred and associated average interest rate based on monthly average balances.

2.13 Average Balance Sheet (Half year)[1]

	Half year ended 30 June 2026			Half year ended 31 December 2025		
	Avg Bal $m	Interest $m	Avg Rate %	Avg Bal $m	Interest $m	Avg Rate %
Assets						
Interest earning assets						
Trading and investment securities	2,701	57.5	4.29%	2,574	48.9	3.77%
Gross loans and advances	13,844	563.5	8.21%	12,845	509.6	7.87%
Total interest earning assets	**16,545**	**621.0**	**7.57%**	**15,419**	**558.5**	**7.19%**
Non-interest earning assets						
Other assets (incl. loan provisions)	32	NM	NM	41	NM	NM
Total non-interest earning assets	**32**	**NM**	**NM**	**41**	**NM**	**NM**
Total assets	**16,577**	**621.0**	**NM**	**15,460**	**558.5**	**NM**
Liabilities						
Interest bearing liabilities						
Direct term deposits	7,320	169.3	4.66%	7,226	166.9	4.58%
Intermediated term deposits	3,445	77.8	4.55%	3,179	72.2	4.50%
At-call savings	708	18.9	5.38%	9	0.2	4.12%
Warehouse facilities	1,694	47.4	5.64%	1,697	43.2	5.05%
Term securitisation debt	260	9.4	7.29%	195	7.2	7.32%
Senior unsecured debt	175	4.7	5.42%	253	7.4	5.81%
Additional Tier 1 subordinated debt	75	3.0	8.07%	75	3.1	8.20%
Tier 2 subordinated debt	383	14.4	7.58%	304	11.5	7.50%
Certificates of deposit	477	10.7	4.52%	522	11.0	4.18%
Other interest bearing liabilities	11	0.3	5.71%	10	0.3	5.95%
Total interest bearing liabilities	**14,548**	**355.9**	**4.93%**	**13,470**	**323.0**	**4.76%**
Non-interest bearing liabilities						
Other liabilities	284	NM	NM	279	NM	NM
Total non-interest bearing liabilities	**284**	**NM**	**NM**	**279**	**NM**	**NM**
Total liabilities	**14,832**	**355.9**	**NM**	**13,749**	**323.0**	**NM**
Average net assets	**1,745**	**NM**	**NM**	**1,711**	**NM**	**NM**
Average shareholder equity	**1,745**	**NM**	**NM**	**1,711**	**NM**	**NM**
Average 1m BBSW			**3.97%**			**3.63%**

Notes

1. The average balance sheet table summarises Judo's key interest-bearing assets and liabilities, including their interest earned or incurred and associated average interest rate based on monthly average balances. The balance for the at-call savings product in 1H26 is calculated using daily average balances from its launch in October 2025.

2.14 Outlook

Economic momentum has eased through 2026 amid policy tightening, geopolitical uncertainty and higher energy prices. While growth has slowed, labour markets remain resilient and business credit demand increased 10.6% over the year to June 2026.

Oil price shocks drove a renewed rise in business costs. While some businesses have passed on higher costs, many have been unable to fully recover them, increasing pressure on margins.

Economic growth is expected to moderate in FY27 as higher interest rates weigh on activity and geopolitics remains a risk, particularly for energy prices.

Against this backdrop, Judo continues to see healthy SME credit demand as businesses look to invest in growth and productivity. Given its specialist business model, Judo remains well positioned to deliver disciplined above-system growth, and ongoing improvement in the Bank's return on equity. Judo's guidance for key FY27 operating metrics is detailed below:

Metric	FY27 guidance
GLA	Disciplined above-system growth
NIM	Broadly stable vs FY26
CTI	Continued improvement vs FY26
COR	Broadly consistent with FY26 (% of average GLA)
PBT	\$210–\$220m, representing ~25 – 31% growth
ROE[1]	Circa 8%

1. Assuming an effective tax rate of 31%. Note Judo's effective tax rate can be volatile due to share-based incentive payments.


THIS IS JUDO
OUR PURPOSE...
TO BE THE most trusted
SME BUSINESS BANK in AUSTRALIA
MIGRANT MINDSET
ENERGY/ATTITUDE
DECISIVE
INQUISITIVE
COURAGEOUS
PASSIONATE
ADAPTIVE
PERFORMANCE

Reports and Financial Statements

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 2026.

Directors' information

David Hornery

Chair

Appointed
7 October 2021

Board committees	Board Audit Committee; Board Risk Committee; Board People, Culture & Remuneration Committee; Board 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 is a co-founder of Judo and was 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 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 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 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' 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.
Directorships of other listed entities	Nil

Brad Cooper

Independent Non-Executive Director

Appointed
16 December 2024

Board committees	Board Risk Committee; Board People, Culture & Remuneration 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), Chair of Wise Australia and Chair of both Dual Insurance Australia and Dual Insurance New Zealand. 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 People, Culture & Remuneration Committee (Chair); Board Nominations Committee
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 Peter MacCallum Cancer Foundation. She is also the Vice President of St Kilda Football Club and is a member of the AICD Advisory Forum for APRA regulated entities. Jennifer was formerly Non-Executive Director of Opticomm Limited, Telstra SNP Monitoring, Family Life Inc, Pacific Access Superannuation Fund, Hansen Technologies Ltd (ASX:HSN) and Essential Energy.
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 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. Peter's past roles include Non-Executive Director and Chair of the Risk and Compliance Committee of The Star Entertainment Group (ASX:SGR), Chair of Save the Children Australia, 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 (to December 2025)

Malcolm McHutchison

Independent Non-Executive Director

Appointed
27 February 2020

Board committees	Board People, Culture & Remuneration 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 the business, financial services, technology and education sectors. He is currently a Non-Executive Director and Chair of Allied Credit and Chief Executive Officer and Executive Director of Automic. He is also a Senior Advisor to leading private equity firms in Australia. Malcolm has previously held roles as chief executive of Modern Star, Australia's market-leading education resources business, chief executive of Interactive, Australia's largest privately owned IT Services business and was Head of Asset Management at Macquarie Capital.
Directorships of other listed entities	Nil

David Stephen

Independent Non-Executive Director

Appointed
24 March 2026

Board committees	Board Risk Committee
Qualifications	David holds a Bachelor of Business from Monash University and is a Graduate of the Australian Institute of Company Directors.
Skills and expertise	David has over 35 years of experience in banking and financial services in Australia and overseas. He has held the positions of Group Chief Risk Officer and a member of the Executive teams at Westpac Banking Corporation, Royal Bank of Scotland, and Australian and New Zealand Banking Group. David is currently a Director for Nippon Life Australia and New Zealand NOHC Pty Ltd, Nippon Life Insurance Australia and New Zealand Limited and Resolution Life Australasia Limited and also serves as Chair of the Risk Committee. Prior to this role, David served on Boards of the International Financial Risk Institute and Financial Services Institute of Australasia (FINSIA). David has a strong record in driving risk management and compliance for some of the largest financial services organisations in the world. He has expertise in strategy, leadership, governance, culture, mergers and acquisitions (M&A), transformation, remediation, and navigating the complexity of regulated industries.
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 Director served from the beginning of the financial year until their resignation date:

- Mette Schepers (Resigned 21 October 2025)

Meetings of Directors

The numbers of meetings of the Company's Board of Directors (the Board) and of each Board Committee meeting held during the year ended 30 June 2026, and the numbers of meetings attended by each Director were:

	Directors' meetings		Meetings of committees							
			Audit		Risk		PCRC		Nominations	
	A	B	A	B	A	B	A	B	A	B
David Hornery	17	17	6	6	6	6	5	5	2	2
Chris Bayliss	17	17	–	–	–	–	–	–	–	–
Brad Cooper	17	17	–	–	6	6	3	3	–	–
Jennifer Douglas	17	17	–	–	–	–	5	5	2	2
Peter Hodgson	17	17	6	6	6	6	2	2	2	2
Malcolm McHutchison	17	15	–	–	–	–	5	5	–	–
Mette Schepers[1]	4	4	3	3	2	2	–	–	–	–
David Stephen[2]	5	5	–	–	2	2	–	–	–	–
Manda Trautwein[3]	17	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. Mette Schepers resigned from the Board on 21 October 2025.
2. David Stephen joined the Board on 24 March 2026 and attended all eligible Board and Board Risk Committee meetings held on or after that date.
3. Manda Trautwein attended the Board Risk Committee meetings as an observer, and was not a formal member of the Committee.

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 a Bachelor of Laws (Hons), Bachelor of Commerce and Bachelor of Arts 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 25 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 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

Company Secretary

Appointed
25 March 2020

Qualifications	Liam holds a Bachelor of Arts and Bachelor of Laws 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. Before joining Judo he worked in private practice in Sydney, London and Singapore, predominantly in banking and finance law. Liam joined Judo Bank in February 2020, and is also General Manager, Legal.

Principal activities

During the year the principal continuing activities of the Group consisted of the provision of financial services and credit to the Small and Medium Enterprise (**SME**) market throughout Australia. Key services offered include:

(a) Business lending;

(b) Asset finance;

(c) Lines of credit;

(d) Residential mortgages (available to business loan customers);

(e) Warehouse lending; and

(f) Bank guarantees

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**). In addition, during the year the Group launched at-call savings accounts as an additional funding source.

Other key funding sources include securitisation warehouse funding and capital notes which qualify for treatment as Additional Tier 1 and Tier 2 Capital under Prudential Standards.

Review of operations

The Group's statutory net profit after income tax for the year ending 30 June 2026 was $111.1m, an increase of $24.7m or 28.6%. Higher earnings were primarily driven by an increase in net interest income, fee income and disciplined management of operating expenses, partially offset by increased credit impairment expenses.

Net interest income was $500.6m, an increase of $93.3m or 22.9%. The increase in net interest income was primarily attributable to growth in the loan book, favourable movements in interest rates on treasury investments, and lower funding costs across the deposits franchise and securitisation warehouse lending facilities.

Other operating income was $21.8m, an increase of $6.2m or 39.7%, due to an increase in fees received from bank guarantees and lending facilities, as well as lending and term deposit breaks.

Operating expenses increased by $14.8m or 6.7% to $236.6m, primarily due to higher employee benefit expenses. Amortisation of intangible assets increased, partially offset by lower information technology development support costs, reflecting the deployment of technology assets into use.

Credit impairment charges increased by $42.2m or 55.9% to $117.7m, reflecting higher individually assessed provisions, and an increase in collective provisions driven by changes to forward-looking macroeconomic assumptions and the overlay for industries facing increased pressure from the uncertain operating environment.

Income tax expense increased by $17.8m to $57.0m, largely driven by higher earnings and permanent differences in the tax deductibility for costs associated with employee share plan schemes. The Group's effective income tax rate was 33.9% (2025: 31.2%).

Total assets were $17,525.1m, an increase of $2,546.9m or 17.0%, primarily driven by an increase in loans and advances of $2,170.9m which included $87.3m of customer write-offs (2025: $38.7m), while investments increased by $449.6m to $2,061.7m to support prudent liquidity management.

Total liabilities were $15,752.9m, an increase of $2,461.3m or 18.5%, as funding support for strong growth in the lending book, which included the introduction of at-call deposits, continued growth across the term deposits franchise, and the Group's second issuance of a $750m capital-relief term securitisation funding transaction.

Total equity was $1,772.2m, increasing by $85.6m or 5.1%, primarily reflecting current year statutory profits, offset by movement in reserves relating to cash flow hedges.

The Group remained well capitalised during the year, closing the year with a Common Equity Tier 1 (**CET1**) Ratio of 12.4% (2025: 13.1%) and Total Capital Ratio of 16.2% (2025: 16.5%). The decrease in CET1 is reflective of loan book growth, partially offset by the execution of the Group's second capital-relief term securitisation funding transaction and organic capital generation through current year earnings.

Significant changes in the state of affairs

There were no significant changes in the state of affairs during the financial year, other than those referred to elsewhere in this report.

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 2026 (2025: $nil).

Share options and rights

As at the date of this report, there are 3,135,386 deferred share rights and 9,932,241 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 2026 through to late August to mid-September 2029 (subject to Board approval).

In addition, as at the date of this report, there are 94,066,318 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. None of the options convey the right to participate in any share or interest issues of the Company prior to exercise.

For the period from 1 July 2025 to the date of this report, 3,598,628 fully paid ordinary shares were issued as a result of the exercise of a right or option.

For further details on the rights and options on issue, refer to Note 25 Share-based payment plans and the Remuneration 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 26. The Group continues to apply its External Auditor Independence Policy 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 are considered beneficial.

The Directors, after considering the non-audit services provided by the auditor and following advice from the Board Audit Committee, are 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, 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 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 applicable accounting standards, and give a true and fair view of the financial position and performance of the Group. The declaration also confirms that the Consolidated Entity Disclosure Statement required under subsection 295(3A) of the *Corporations Act 2001* is true and correct.

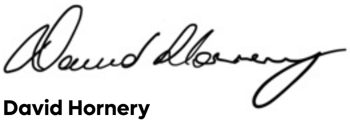
Auditor’s independence declaration

A copy of the Auditor’s Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 59.

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2026/183, 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

18 August 2026

Manda Trautwein
Director

18 August 2026

Auditor’s Independence Declaration

Auditor’s Independence Declaration

As lead auditor of Judo Capital Holdings Limited's financial report and specified sustainability disclosures within the sustainability report for the year ended 30 June 2026, 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 of the financial report or the review of the specified sustainability disclosures; and

b) no contraventions of any applicable code of professional conduct in relation to the audit of the financial report or the review of the specified sustainability disclosures.

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
18 August 2026

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GPO Box 1331 MELBOURNE VIC 3001
T: +61 3 8603 1000, F: +61 3 8603 1999, www.pwc.com.au

Remuneration Report

Letter from the Chair

Dear Shareholders,

On behalf of the Board of Judo Bank, I am pleased to present our FY26 Remuneration Report. This report outlines the remuneration arrangements in place for Key Management Personnel (**KMP**) of Judo in FY26.

Our performance and variable remuneration outcomes in FY26

The Bank delivered strong progress in several areas in FY26, discussed throughout this year's Annual Report. However, overall financial results fell short of our target and Judo's share price fell significantly following the update to the market in late June regarding our FY26 asset quality and trading performance, resulting in material underperformance relative to our key comparator group of the ASX200 (excluding companies in the Metals, Mining and Equity Real Estate Investment Trust industries).

In determining FY26 remuneration outcomes, the Board considered the FY26 Judo Grows scorecard outcome, shareholder experience and the importance of accountability for risk and financial outcomes. The CEO and MD and the Executive KMP proposed that no FY26 Judo Grows short-term incentive (**STI**) be awarded to them. The Board agreed with the proposal and determined that a zero FY26 Judo Grows STI outcome was appropriate. The Board considers the zero STI outcome aligned with Judo's remuneration principles, including accountability, risk alignment and long-term shareholder outcomes.

FY22 Judo Grows+ long-term incentive (**LTI**) awards became eligible for vesting in FY26 for one Executive KMP (Andrew Leslie), reflecting pre-Executive Committee awards. FY22 Judo Grows+ awards held by other Executive KMP will become eligible for vesting in FY27.

Further detail on the Group's FY26 performance and Executive KMP remuneration outcomes is outlined in Section 1.3 of this report.

Changes during FY26

CEO and MD remuneration

The Board increased the FY26 total remuneration opportunity of the CEO and MD, Chris Bayliss, comprising a fixed remuneration increase of approximately 4.7% and an increase to his variable reward opportunity as disclosed in the 2025 Notice of Annual General Meeting.

Judo Grows STI scorecard measures

During FY26, the Judo Grows STI scorecard measures were reviewed to ensure continued alignment with Judo's operating environment and strategic priorities. Key changes included simplifying the customer metric to a single relationship NPS measure, reinforcing the importance of the customer value proposition (**CVP**), and broadening the risk component to a more holistic risk management measure, incorporating both risk outcomes and risk culture. Further detail on the FY26 scorecard, including enhanced disclosure of performance levels, is set out in Section 1.3.

KMP movements

The Board thanks Mette Schepers for her contribution as an Independent Non-Executive Director, including as a member of the Audit Committee and Risk Committee, following her retirement at the conclusion of the 2025 Annual General Meeting on 21 October 2025. David Stephen was appointed as an Independent Non-Executive Director effective 24 March 2026, bringing significant banking and financial services experience and expertise in risk and compliance. Frank Versace commenced as Chief Customer Officer on 1 July 2025, as disclosed in the FY25 Remuneration Report. There were no other KMP movements during FY26.

Looking ahead in FY27

FY27 Executive KMP remuneration

During FY26, the Board commenced a comprehensive review of executive remuneration arrangements in the context of Judo's next phase of growth. The review considered the importance of retaining strong leadership capability to continue the delivery of Judo's strong operating leverage in an increasingly competitive market for specialist financial services talent, while maintaining a disciplined focus on performance, risk, culture and alignment with shareholder outcomes.

The review has been informed by external benchmarking, shareholder and proxy adviser feedback and the Board's assessment of the capabilities required to deliver Judo's strategy.

The Board is continuing to assess possible adjustments to executive remuneration arrangements in FY27. In considering any adjustments, the Board will apply a disciplined approach focused on long-term performance alignment, shareholder expectations, market competitiveness and consistency with Judo's culture and values.

On behalf of the Board, I invite you to consider our Remuneration Report which will be presented to shareholders at the 2026 Annual General Meeting.

Jennifer Douglas
Chair of the People, Culture & Remuneration Committee

1. Key messages

1.1 FY26 Company performance snapshot

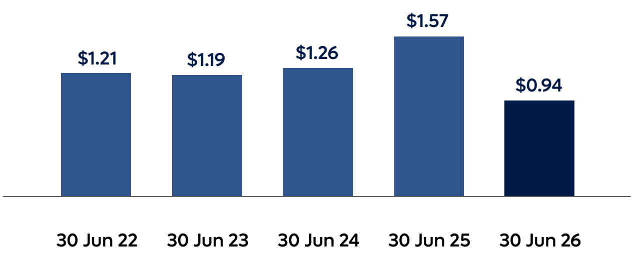
Our remuneration framework has been developed to support the achievement of our strategic objectives. The Judo Grows scorecard (Section 1.3 below) reflects the core measures of success for Judo. Performance against other key metrics are provided below.

Table 1.1 Overview of Company performance

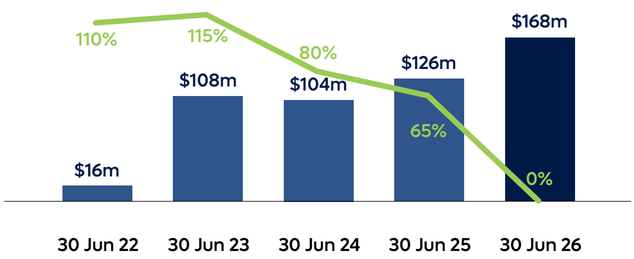
	30 Jun 22[1]	30 Jun 23	30 Jun 24	30-June-25	30 June 26
Lending portfolio ($bn)	6.1	8.9	10.7	12.5	14.7
Profit before tax (PBT) ($m)	16	108	104	126	168
Closing share price ($)	1.21	1.19	1.26	1.57	0.94
Judo Grows STI outcome for Executive KMP (% of target)	110%	115%	80%	65%	0%[2]

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. Represents the Board's determination that no FY26 Judo Grows STI be awarded to the CEO and MD and the Executive KMP.

Judo share price performance



Judo Grows STI outcome for Executive KMP relative to PBT performance



Judo's closing share price as of 30 June 2026 was $0.94, an annual decline of 40%, underperforming the ASX200 (excluding companies in the Metals, Mining and Equity Real Estate Investment Trust industries), the company's primary comparator group.

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 5 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 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 FY26 under Judo Grows (FY25 Judo Grows awards) and Judo Grows+ (FY26 Judo Grows+ awards). The Board also determined that those gateway requirements were met for all awards that vested in FY26.

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

1.3 FY26 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.

Table 1.3 outlines the scorecard and measures for FY26, including the Board's assessment of performance against these measures. Key changes to the FY26 Group scorecard are:

- **Our customers (15%)** – weighting reduced from 20% and simplified to a single relationship NPS metric, reflecting a strategic focus on customer outcomes and retention as the portfolio matures; and
- **Our risk management (15%)** – weighting increased from 10% incorporating risk culture as well as risk management outcomes, reinforcing the importance of strong risk discipline.

Table 1.3 FY26 Judo Grows scorecard performance outcome

Measure and assessment	Weight	Scorecard result: Threshold	Scorecard result: Target	Scorecard result: Max	FY26 outcome
Financial					
Our shareholders – measured by PBT excluding Judo Grows Statutory PBT excluding Judo Grows was $185.5m, below the $198.6m threshold, resulting in no financial scorecard contribution.	50%	$198.6m	**$202.7m**	$229.5m	0%
Non-financial					
Our customers – measured by Relationship NPS Measured via a third party, we achieved a Relationship NPS of +58, which was between target and maximum, improving from +53 in FY25. The result reflected the strength of Judo's relationship-led customer proposition.	15%	+40	**+50**	+60	18%
Our people – includes employee engagement and progress towards our gender diversity targets Measured via a third party, engagement is measured as the annual average of monthly outcomes over the performance period, in addition to a survey participation gateway. Our average monthly engagement of 74 was between target and maximum, representing Judo's strongest result since FY23. At the end of FY26, women represented 39% of the workforce, meeting threshold but falling short of our 40% target. Progress towards gender diversity targets is calculated as a percentage of women in Judo's entire workforce.	10%	65 39%	**70** **40%**	75 41%	6%
Our strategy – measured by our FY26 Strategy Playbook Seven of eight major initiatives were delivered, including Banker 2.0, Broker Black Belt, lending product and process enhancements, term deposit enhancements, and two new at-call account products. Banker enablement initiatives were partially delivered, with progress across streamlined reviews and renewals, searches, banker dashboards and application tooling. A term securitisation was also completed supporting capital strength and future growth.	10%	6 of 8 initiatives delivered		8 of 8 initiatives delivered	8%

Measure and assessment	Weight	Scorecard result Threshold	 Target	 Max	FY26 outcome
Our risk management – measured against a scorecard of Risk Culture (50%) and Risk Management (50%) Risk performance is measured via a scorecard which considers Judo's overall risk, control and compliance environment, risk ownership and behaviours, regulatory and governance outcomes, and the timely identification and resolution of risk matters. We achieved a target result of 32 for risk in FY26. We made progress in data governance, regulatory and audit matters, risk reporting and Line 1 ownership, while acknowledging that further focus is required on proactive risk management, portfolio management and the timely resolution of incidents and obligations. The update to the market in late June 2026 regarding Judo's asset quality and trading performance was considered when assessing the 'Our risk management' measure. Note, the increase in the expected FY26 cost of risk disclosed in the June update impacted the 'Our shareholders' component of this scorecard (see above).	15%	25 to < 32	**32 to < 36**	>=36	12%
Overall FY26 Judo Grows scorecard outcome (before Board overlay)					46%
Board assessment of risk management considerations, overall performance and shareholder considerations.			See below		
Overall FY26 Judo Grows scorecard outcome					46%

In determining FY26 remuneration outcomes, the Board considered the FY26 Judo Grows scorecard outcome, shareholder experience and the importance of accountability for risk and financial outcomes.

Recognising the impact to shareholders of the fall in Judo's share price following the update about Judo's asset quality, the CEO and MD and the Executive KMP proposed that no FY26 Judo Grows STI be awarded to them. The Board agreed with the proposal and determined that a zero FY26 Judo Grows STI outcome was appropriate. The Board considers the zero STI outcome aligned with Judo's remuneration principles, including accountability, risk alignment and long-term shareholder outcomes.

1.4 FY26 Executive KMP remuneration outcomes

In FY26, all Executive KMP were 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 Executive KMP

Name	Role	FY26 target as a % of fixed remuneration	Overall outcome	% awarded (relative to target)	% forfeited (relative to target)
Chris Bayliss	Chief Executive Officer and Managing Director	80%	–	0%	100%
Andrew Leslie	Chief Financial Officer	50%	–	0%	100%
Frank Versace	Chief Customer Officer	50%	–	0%	100%
Renée Roberts	Chief Risk Officer	50%	–	0%	100%

Judo Grows STI deferral

All Executive KMP holding FY23 Judo Grows Deferred Share Rights satisfied the risk, values and conduct vesting conditions applying to those awards and therefore no downward adjustment was applied. Accordingly, in October 2025, the following amounts vested under FY23 Judo Grows for Executive KMP:

Table 1.4.2 FY23 Judo Grows Deferred Share Rights vesting outcomes for Executive KMP

Name	Role	Number of instruments	% vesting	% forfeited
Chris Bayliss	Chief Executive Officer and Managing Director	404,296	100%	0%
Andrew Leslie	Chief Financial Officer	226,503	100%	0%
Frank Versace	Chief Customer Officer	291,991	100%	0%
Renée Roberts[1]	Chief Risk Officer	N/A	N/A	N/A

1. Renée Roberts was not employed at Judo at the time of grant of the FY23 Judo Grows.

Judo Grows+ LTI

Performance Rights under FY26 Judo Grows+ were granted to all Executive KMP in October 2025. Key terms applicable under the FY26 Judo Grows+ are outlined in Table 5.3.

In FY26, 359,589 FY22 Judo Grows+ Premium Priced Options (**PPOs**) vested for Andrew Leslie who was issued those awards under non-KMP vesting conditions. FY22 Judo Grows+ PPOs have an exercise price of $2.73.

No other Judo Grows+ awards held by Executive KMP were eligible to vest in FY26.

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 FY26. For further details on the IPO Top-Up Award, please refer to our FY22 Remuneration Report.

2. Who is covered by this Remuneration Report

This report outlines the remuneration arrangements in place for the Group's KMP in FY26 – 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 FY26. The Board (excluding the CEO and MD) 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.

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 Customer Officer	Full year
Renée Roberts	Chief Risk Officer	Full year
Non-Executive KMP		
David Hornery	Chair	Full year
Peter Hodgson[1]	Senior Independent Non-Executive Director	Full year
Jennifer Douglas	Independent Non-Executive Director	Full year
Malcolm McHutchison	Independent Non-Executive Director	Full year
Manda Trautwein	Independent Non-Executive Director	Full year
Mette Schepers	Independent Non-Executive Director	Part year[2]
Brad Cooper[3]	Independent Non-Executive Director	Full year
David Stephen	Independent Non-Executive Director	Part year[4]

1. Peter Hodgson ceased to be a member of the PCRC at the conclusion of the PCRC meeting on 13 August 2025.
2. Mette Schepers ceased to be an Independent Non-Executive Director on 21 October 2025 at the conclusion of the 2025 Annual General Meeting.
3. Brad Cooper was appointed as a member of the PCRC, effective 14 August 2025.
4. David Stephen commenced as an Independent Non-Executive Director on 24 March 2026.

3. Governance

3.1 Role of the People, Culture & Remuneration Committee and the Nominations Committee

Judo Bank Board

Reviews and approves recommendations from the People, Culture & Remuneration Committee and the Nominations Committee.

People, Culture & Remuneration Committee (PCRC)

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 people, culture and remuneration matters, including reward, diversity, health, safety, wellbeing and workforce initiatives that support Judo's culture and objectives.

Risk Committee

- Provides recommendations to the PCRC 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 PCRC on people and remuneration matters as appropriate.

Nominations Committee (NOMCO)

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

- Advises the Board on director appointments, re-election, removal and nominations,
- Ensures an appropriate mix of skills, experience, independence and diversity,
- Oversees Board and committee size, succession planning, and maintenance of the skills matrix, as well as annual independence reviews and director induction and development.

Independent external advisers

- The PCRC and NOMCO 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 PCRC or NOMCO.
- Consultants were engaged by management during FY26 to provide advice. However, neither the PCRC, NOMCO, nor management sought or received any remuneration recommendations from these external advisers.

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

3.2 Adjustments to variable remuneration

The Board, with input from the PCRC and the 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 its 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 adjustments made to variable remuneration in FY26 are summarised in Section 1.3.

4. Executive KMP remuneration

4.1 FY26 executive remuneration strategy: key features

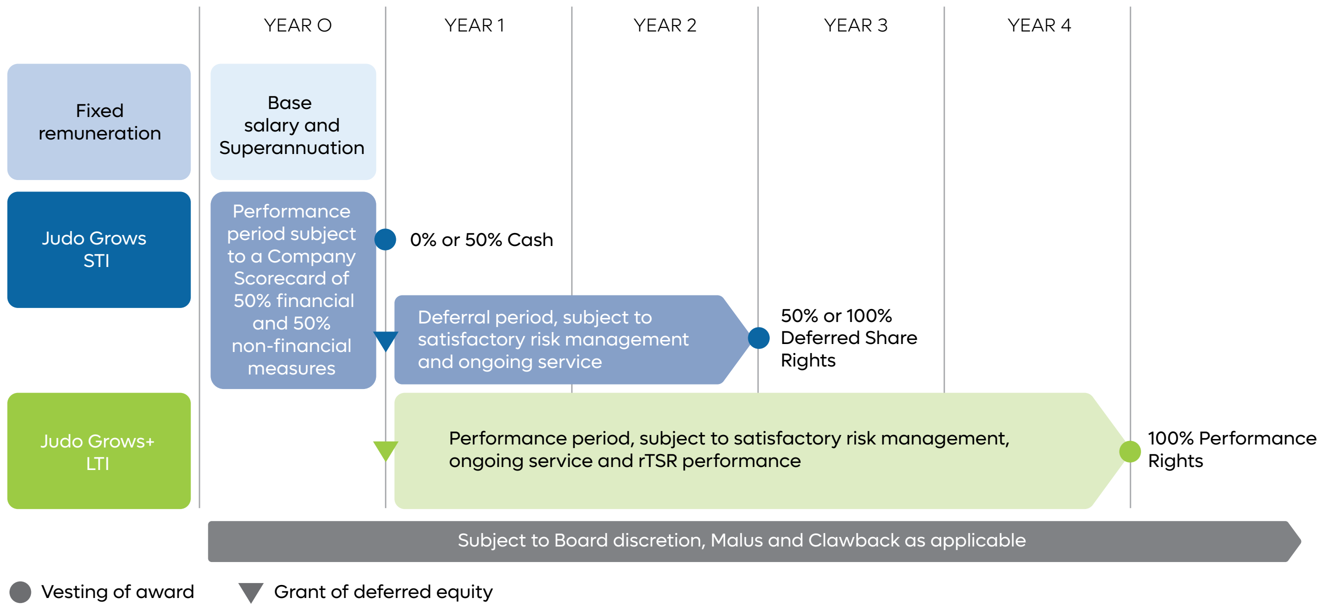
Our FY26 executive remuneration strategy was underpinned by the following principles:

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 **owner's** 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**

Judo's FY26 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.

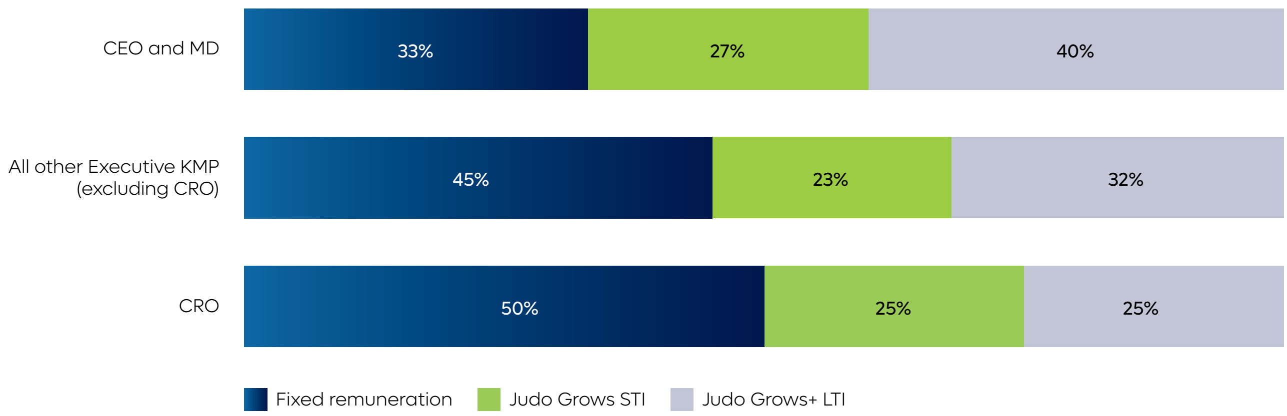
The Board considers that the long-term components of remuneration, and the risk adjustment mechanism inherent in the design of these arrangements, are sufficient to encourage behaviour that supports long-term financial soundness and Judo's RMF.

	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% – 80% 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% – 120% 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 (**rTSR**) performance outcome.



4.2 Executive KMP pay mix

The FY26 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 skills, experience and responsibilities, and a consideration of the complexity of the role and their individual performance are also considered. In FY26, where applicable, Executive KMP received increases, following a review of market competitiveness, role complexity and the profile of Judo's executive team.

5.2 Judo Grows STI

Key terms for FY26 Judo Grows STI are outlined in the table below.

Table 5.2 FY26 Judo Grows – key terms

Term	Further detail
Performance period	1 July 2025 – 30 June 2026
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 2026 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**: 80% 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 as soon as practicable after release of the FY26 full year results; 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 FY26 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 FY26, the measures were: – Our customers (15%) – Our people (10%) – Our risk management (15%) – Our strategy (10%) – Our shareholders (50%) • Performance against the scorecard measures is assessed annually by the Board based on recommendations from the PCRC after the end of the performance period. • The 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 FY26 Judo Grows+ LTI are outlined in the table below.

Table 5.3 Judo Grows+ FY26 key terms

Term	Further detail
Performance period	1 July 2025 to 30 June 2029
Eligibility criteria	• 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).
Opportunity	Opportunity levels are set with reference to market practice and Judo's remuneration mix policy: • **CEO and MD**: 120% of fixed remuneration • **All other Executive KMP (except the CRO)**: 70% of fixed remuneration. • **CRO**: 50% of fixed remuneration.
Delivery	• 100% in Performance Rights. • Subject to the satisfaction of the vesting conditions, each vested Performance Right entitles the holder to one share.
Allocation	• The number of Performance Rights granted was calculated by dividing the individual's dollar value LTI opportunity for FY26 by the 10-trading day VWAP of Judo shares following the FY25 annual results announcement.
Performance vesting condition	The number of Performance Rights that vest will be subject to relative Total Shareholder Return performance over the performance period: • **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 2025. Performance will be independently tested at the end of the performance period with vesting outcomes as follows: **rTSR performance** — **Vesting** Does not reach the 50th percentile — 0% 50th percentile — 50% Between 50th percentile and 75th percentile — Straight-line basis 75th percentile or higher — 100% 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. The Board has full discretion to adjust the comparator group to consider events including, but not limited to, takeovers or mergers that might occur during the performance period. Any Performance Rights that do not vest will automatically lapse. There is no re-testing of the performance based-vesting condition.
Other vesting conditions	• **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.
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).

5.4 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 3 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 – FY26 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**	**Deferred Share Rights[7]**	**Performance Rights[8]**	**Options[9]**	
Chris Bayliss	FY26	1,028,606	–	3,742	30,000	29,682	–	465,427	453,902	381,975	2,393,334
	FY25	985,978	195,494	5,981	29,932	19,724	–	580,837	246,212	381,975	2,446,133
Andrew Leslie	FY26	675,519	–	1,000	30,000	22,333	–	103,423	173,795	122,054	1,128,124
	FY25	628,376	107,250	5,406	29,932	21,865	–	160,842	91,064	138,593	1,183,328
Frank Versace	FY26	705,367	–	4,361	30,000	20,156	–	106,556	183,453	184,451	1,234,344
	FY25	679,601	113,750	3,500	29,932	16,122	–	184,205	96,583	184,451	1,308,144
Renée Roberts	FY26	707,468	–	1,000	30,000	1,663	–	32,809	142,307	–	915,247
	FY25[10]	583,766	99,170	6,209	28,035	1,438	–	26,679	63,059	–	808,356

1. The value of performance-based remuneration as a percentage of total remuneration in the statutory disclosures was 54% for Chris Bayliss, 35% for Andrew Leslie, 38% for Frank Versace and 19% for Renée Roberts in FY26.
2. Refers to base salary including annual leave accrued or utilised during the financial year.
3. Per Section 1.4, the CEO and MD and the other Executive KMP will receive an FY26 Judo Grows remuneration outcome of 0%.
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. 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).
8. Equity amortisation for Performance Rights delivered under Judo Grows+ for all Executive KMP.
9. Equity amortisation for Premium Priced Options delivered under Judo Grows+ for all Executive KMP and Premium Priced Options delivered under the IPO Top-Up award (for Chris Bayliss).
10. Renée Roberts commenced as KMP on 6 September 2024. All FY25 values presented reflect pro-rata amounts since her commencement in the role.

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 2026.

Table 6.2 Summary of awards held by executives

Name	Plan	Granted[1]	Type of equity	Number held at the start of the period	Number granted during the period[2]
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+	02-Nov-21	Premium Priced Options[5]	1,198,630	–
	FY23 Judo Grows	05-Oct-23	Deferred Share Rights	404,296	–
	FY23 Judo Grows+	04-Oct-22	Premium Priced Options[6]	1,875,000	–
	FY24 Judo Grows	25-Oct-24	Deferred Share Rights	125,073	–
	FY24 Judo Grows+	18-Sep-23	Premium Priced Options[7]	2,306,547	–
	FY25 Judo Grows	21-Oct-25	Deferred Share Rights	–	111,076
	FY25 Judo Grows+	25-Oct-24	Performance Rights	727,018	–
	FY26 Judo Grows+	21-Oct-25	Performance Rights	–	715,909
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	18-Sep-25	Deferred Share Rights	–	60,937
	FY25 Judo Grows+	20-Sep-24	Performance Rights	286,956	–
	FY26 Judo Grows+	18-Sep-25	Performance Rights	–	278,409
Frank Versace	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	18-Sep-25	Deferred Share Rights	–	64,630
	FY25 Judo Grows+	20-Sep-24	Performance Rights	304,347	–
	FY26 Judo Grows+	18-Sep-25	Performance Rights	–	292,329
Renée Roberts	FY25 Judo Grows	18-Sep-25	Deferred Share Rights	–	56,346
	FY25 Judo Grows+	20-Sep-24	Performance Rights	232,919	–
	FY26 Judo Grows+	18-Sep-25	Performance Rights	–	218,750

1. The date on which the fair value of instruments was measured for accounting purposes.
2. 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 FY26.
3. Due to different applicable accounting measurement dates, FY25 Judo Grows awards granted were valued using the closing price on 21 October 2025 for Chris Bayliss and 18 September 2025 for other Executive KMP. FY26 Judo Grows+ Performance Rights were independently valued for accounting purposes (fair value) using the Monte Carlo methodology, which produced a valuation of $1.22 per Performance Right for Chris Bayliss and $1.25 per Performance Right for other Executive KMP.
4. Represents the unamortised amount of each award that will be expensed in future years beyond FY26.
5. FY22 Judo Grows+ premium priced options have an exercise price of $2.73 for all Executive KMP.
6. FY23 Judo Grows+ premium priced options have an exercise price of $1.53 for all Executive KMP.
7. FY24 Judo Grows+ premium priced options have an exercise price of $1.25 for all Executive KMP.

Fair value granted during the period ($)[3]	Exercised during the period	Forfeited or lapsed during the period	Other changes	Balance at end of the period	Vested and exercisable	Unvested	Maximum value to be amortised in future years ($)[4]
–	–	–	–	714,285	–	714,285	102,683
–	–	–	–	1,712,328	–	1,712,328	39,854
–	–	–	–	1,198,630	–	1,198,630	27,898
–	404,296	–	–	–	–	–	–
–	–	–	–	1,875,000	–	1,875,000	18,738
–	–	–	–	125,073	–	125,073	15,348
–	–	–	–	2,306,547	–	2,306,547	143,570
191,051	–	–	–	111,076	–	111,076	72,072
–	–	–	–	727,018	–	727,018	546,367
873,409	–	–	–	715,909	–	715,909	666,564
				9,485,866			**1,633,095**
–	–	–	–	359,589	359,589	–	–
–	226,503	–	–	–	–	–	–
–	–	–	–	600,000	–	600,000	5,996
–	–	–	–	92,422	–	92,422	10,678
–	–	–	–	1,845,238	–	1,845,238	114,856
107,249	–	–	–	60,937	–	60,937	40,459
–	–	–	–	286,956	–	286,956	202,080
348,011	–	–	–	278,409	–	278,409	265,593
				3,523,551			**639,663**
–	–	–	–	821,917	–	821,917	19,130
–	291,991	–	–	–	–	–	–
–	–	–	–	1,300,000	–	1,300,000	12,992
–	–	–	–	84,472	–	84,472	9,759
–	–	–	–	1,619,047	–	1,619,047	100,777
113,749	–	–	–	64,630	–	64,630	42,911
–	–	–	–	304,347	–	304,347	214,327
365,411	–	–	–	292,329	–	292,329	278,873
				4,486,742			**678,769**
99,169	–	–	–	56,346	–	56,346	39,681
–	–	–	–	232,919	–	232,919	171,502
273,438	–	–	–	218,750	–	218,750	208,681
				508,015			**419,864**

6.3 Executive KMP shareholdings and capital notes holdings

Table 6.3 includes all Executive KMP shareholdings, including any holdings held indirectly by a company, trust or a spouse. No capital notes were held directly or indirectly by Executive KMP during the financial year.

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

Current as at 30 June 2026	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	3,499,999	404,296	(1,000,000)	2,904,295[3]
Andrew Leslie	Ordinary Shares	403,236	226,503	–	629,739
Frank Versace	Ordinary Shares	633,563	291,991	(200,000)	725,554
Renée Roberts	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, Frank Versace and Renée Roberts.
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.

7. Non-Executive Director remuneration

7.1 Fee pool

The current maximum aggregate fee pool of $1.6m per annum (inclusive of superannuation)[1] was approved by shareholders at the 7 October 2021 AGM.

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.

The NED fee policy for FY26 is provided below:

Table 7.2 NED fee policy

	Fees (inclusive of superannuation)
Board base fee	
Chair	$280,000
Non-Executive Director[2]	$140,000
Board committee fee (Audit, Risk, and People, Culture & Remuneration[3])	
Chair	$25,000
Member	$15,000

The Chair is also a member of the Audit Committee, Risk Committee, PCRC and NOMCO 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.

1. Previously disclosed as $1.8m due to an administration error.
2. Includes the Senior Independent Non-Executive Director.
3. A separate Nominations Committee was established from 1 July 2026 with no Chair or Member fees payable. The responsibilities relating to nominations within the former Remuneration & Nominations Committee charter have been transferred to the NOMCO.

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[1].

8. Non-Executive KMP remuneration – outcomes FY26

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 ($)[2]**	**Non-monetary benefits ($)[3]**	**Superannuation ($)[4]**	**Total ($)**
Current Non-Executive KMP					
David Hornery	FY26	250,000	–	30,000	280,000
	FY25[5]	185,351	–	21,315	206,666
Peter Hodgson	FY26[6]	162,309	–	19,477	181,786
	FY25[7]	225,650	–	25,950	251,600
Jennifer Douglas	FY26	147,321	–	17,679	165,000
	FY25	147,982	–	17,018	165,000
Malcolm McHutchison	FY26	138,393	–	16,607	155,000
	FY25	139,013		15,987	155,000
Manda Trautwein	FY26	147,321	–	17,679	165,000
	FY25	147,982	–	17,018	165,000
Brad Cooper	FY26[8]	150,191	–	18,023	168,214
	FY25[9]	75,825	–	8,720	84,545
David Stephen	FY26[10]	37,744	–	4,529	42,273
Former KMP					
Mette Schepers	FY26[11]	33,196	–	5,916	39,112
	FY25	139,885	–	30,115	170,000
John Fraser	FY25[12]	51,208	–	5,889	57,097

1. For those who were NEDs at 1 July 2024.
2. Includes base fees and any applicable Committee Chair or Member fees.
3. There were no non-monetary benefits provided to Non-Executive KMP during the period.
4. Superannuation includes any applicable superannuation salary sacrifice contributions.
5. David Hornery became Chair on 1 March 2025, having previously been a Non-Executive Director. FY25 fees were pro-rated for the time he was in each role.
6. Peter Hodgson ceased to be a member of the People, Culture & Remuneration Committee at the conclusion of the PCRC meeting on 13 August 2025.
7. Peter Hodgson was Chair until 28 February 2025. From 1 March 2025, he has been a Senior Independent Non-Executive Director. FY25 fees were pro-rated for the time he was in each role.
8. Brad Cooper was appointed as a member of the People, Culture & Remuneration Committee, effective 14 August 2025.
9. Brad Cooper commenced receiving fees with respect to his role as an Independent Non-Executive Director on 16 December 2024.
10. David Stephen commenced receiving fees with respect to his role as an Independent Non-Executive Director on 24 March 2026.
11. Mette Schepers ceased to be an Independent Non-Executive Director on 21 October 2025 at the conclusion of the 2025 AGM. FY26 fees have been pro-rated for the time up to her resignation.
12. John Fraser ceased to be an Independent Non-Executive Director on 25 October 2024 at the conclusion of the 2024 AGM. FY25 fees were 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]

Current as at 30 June 2026	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	900	2,300
Jennifer Douglas	Ordinary shares	73,263	–	73,263
Malcolm McHutchison	Ordinary shares	–	54,945	54,945
Manda Trautwein	Ordinary shares	554,879	–	554,879
Mette Schepers[4]	Ordinary shares	202,859	–	202,859
Brad Cooper	Ordinary shares	–	–	–
David Stephen[5]	Ordinary shares	–	–	–

1. Table includes holdings in the Director's name as well as those held by related parties.
2. Changes resulting from purchases.
3. Peter Hodgson also acquired relevant interests in 4 Judo Subordinated Notes during FY25. He continues to hold those interests as at 30 June 2026.
4. Balance for Mette Schepers at the end of the year is as at the conclusion of the 2025 AGM on 21 October 2025 when she ceased to be an Independent Non-Executive Director and KMP.
5. For David Stephen, balance at the start of the period is the balance as at 24 March 2026, the date David Stephen commenced as an Independent Non-Executive Director and became a 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

<table>
<tr><th>Name</th><th>Employer-initiated notice period</th><th>Employee-initiated notice period</th><th>Contract duration</th><th>Termination payments</th></tr>
<tr><td>Chris Bayliss</td><td>12 months</td><td>12 months</td><td rowspan="4">Ongoing</td><td rowspan="4">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.</td></tr>
<tr><td>Andrew Leslie</td><td>6 months</td><td>6 months</td></tr>
<tr><td>Frank Versace</td><td>12 months</td><td>6 months</td></tr>
<tr><td>Renée Roberts</td><td>6 months</td><td>6 months</td></tr>
</table>

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 2026, there are no outstanding loans to KMP and no KMP loans were in existence during FY26.

9.2.2 Other KMP transactions

The Group did not engage in any transactions with KMP or their related parties during FY26 other than at-call and term deposit accounts, which are on arm's length terms.

Further information on related party transactions with KMP can be found in Note 27 of the Financial Statements.

Sustainability Report

1. Preface

1.1 Sustainability Report

The title 'Sustainability Report' aligns with the terminology used in the *Corporations Act 2001* (Cth) (**Corporations Act**). Under the current reporting requirements of the *Corporations Act*, the scope of this Sustainability Report is limited to climate-related disclosures and does not extend to all sustainability matters.

This Sustainability Report discloses information about Judo's climate-related risks and opportunities that could reasonably be expected to affect Judo's cash flows, access to finance or cost of capital over the short, medium and long term. It explains Judo's approach to identifying, assessing and managing climate-related considerations across its governance, strategy and risk management, and how Judo is beginning to measure and monitor relevant metrics.

Judo is refining its approach to climate-related matters by enhancing its processes, assumptions and internal capabilities as information availability and analytical methods evolve. This inaugural Report represents a significant first step in providing decision-useful information to users of general-purpose financial reports and in embedding climate-related considerations into Judo's ongoing risk management and strategic decision-making.

1.1.1 Basis of Preparation

This Sustainability Report represents a complete set of climate-related financial disclosures for Judo Capital Holdings Limited (ASX: JDO) (**JCHL**, **Company** or **parent company**) and its controlled subsidiaries (collectively, **Judo**, **Bank**, **Judo Bank**, **we**, **us**, **our**) for the year ended 30 June 2026 (**FY26**). Judo's climate-related disclosures have been prepared in accordance with the *Corporations Act* and AASB S2 *Climate-related Disclosures*, which is the mandatory Australian Sustainability Reporting Standard (**ASRS**) that has been issued by the Australian Accounting Standards Board (**AASB**).

As this is the first year in which Judo has applied AASB S2, Judo has elected to apply the following transition relief:

- relief from the requirement to disclose comparative information in the first annual reporting period; and
- relief from disclosing Scope 3 emissions in the Report, including the additional information on financed emissions.

This Sustainability Report has been prepared for the same consolidated reporting entity and reporting period as Judo's Consolidated Financial Statements (please refer to Note 1(a) Basis of preparation in the financial statements) and has incorporated climate-related information of the parent company and all of its controlled entities.

This Sustainability Report should be read in conjunction with the notes in section 7 which provide important disclosures relating to the information presented.

This Sustainability Report was authorised for issue in accordance with a resolution of the directors.

1.1.2 Directors' declaration

In the Directors' opinion:

The Company has taken all reasonable steps to ensure that the substantive provisions of the Sustainability Report for the financial year ended 30 June 2026 set out on pages 79 to 101 are in accordance with the *Corporations Act 2001*, including:

- Section 296C (compliance with the applicable sustainability standards such as AASB S2); and
- Section 296D (climate-related financial disclosures).

This declaration is made in accordance with a resolution of the Directors.

David Hornery
Chair

Manda Trautwein
Director

18 August 2026

2. About Judo's business

Judo's ability to support Australian SMEs is enabled by a connected ecosystem across our value chain, bringing together capital providers, trusted partners, our people, and the SME customers with whom we build long-term relationships.

Upstream value chain

Suppliers and employees

- Experienced bankers and analysts
- Cloud-based and flexible technology and best-in-class Software-as-a-Service (**SaaS**) providers
- Professional services providers

Capital providers and funding

- Funding from customer deposits, wholesale funding and equity capital

Our business model

SME lending

- Relationship-led SME lending based on judgement-driven credit assessment (the 4Cs of lending)
- Diversified SME loan portfolio across industries and Australian geographies

Deposits and funding management

- Customer deposits as the primary source of funding, supplemented by wholesale funding, providing flexibility and diversification

Risk management and governance

- APRA-regulated bank operating within Board-approved risk appetite and established risk frameworks

Downstream value chain

Customers

- SME customers supported through a relationship-led banking model focused on smarter judgement, faster decisions and stronger relationships

Employees

- Other employees located across Australia

Investors and broader stakeholders

- Retail and institutional investors, regulators, industry bodies and the broader community

3. Governance

3.1 Business governance

The Board has ultimate responsibility for setting and overseeing Judo's business strategy and financial objectives. This includes responsibility for considering the ESG impacts on Judo's activities.

In considering the ESG impacts on Judo's operations, including climate-related risks and opportunities (**CRROs**), the Board is supported by various established functions, including Board and management committees.

The following diagram is an overview of Judo's climate-related governance structure and the relationship between the Board, Executive Committee (**ExCo**) and supporting functions. This diagram does not depict Judo's complete governance structure.

Board

Responsible for sustainability governance, including consideration of CRROs

Audit Committee

Oversees climate-related disclosures and reporting impacts

Risk Committee

Endorses risk appetite for Board approval and oversees climate-related risk management

Nominations Committee

Advises the Board on succession, skills and director development

ExCo

Responsible for executing strategy and oversight of CRROs

ESG Governance Forum

Supports consideration and coordination of ESG matters, including those relating to climate

Credit-related ESG decision-makers

Reviews transactions that are considered 'red' within Judo's ESG Credit Risk Guidance[1]

Judo's overarching approach to corporate governance is further detailed in the Corporate Governance section of the Report.

The Board exercises oversight through periodic updates and reporting from management.

1. 'Red' rated industries are those that are explicitly outside of Judo's Risk Appetite or present material reputational concerns, as defined in Judo's ESG Credit Risk Guidance. Examples include fossil fuel extraction and non-sustainable forestry and logging.

3.2 Roles and responsibilities for the governance of ESG

Board

The Board is responsible for:

- Approving risk appetite
- Considering CRROs when setting and monitoring implementation of Judo's business strategy and financial objectives
- Approving Judo's ESG Oversight and Governance Policy
- Approving Judo's annual Sustainability Report

CRROs are escalated to the Board via periodic reporting including:

- management reports; and
- Board Committee reports and minutes (refer below for specific roles and responsibilities of these committees).

The Board's role in oversight of ESG is documented in Judo's Board Charter and during the year ending 30 June 2026, the Board reviewed and considered the CRROs at various meetings.

Climate-related considerations are one of several inputs into Judo's strategic decision-making. To support integration, materials for the 2026 Board Strategy Day were reviewed by members of the ESG Governance Forum to identify and highlight climate-related matters requiring Board consideration.

Judo's executive remuneration framework does not explicitly factor in climate-related considerations in FY26.

Committees in place to support Board oversight

Audit Committee (BAC)

As set out in the BAC Charter, the BAC is responsible for reviewing and seeking to ensure the integrity of Judo's financial and regulatory reporting. This includes supporting the Board's oversight of CRROs by reviewing and seeking to ensure the integrity of Judo's annual Sustainability Report prior to Board approval and assessing assurance processes including external reviews. The BAC also monitors how climate-related risks are reflected in financial reporting and oversees compliance with relevant regulatory requirements, including AASB S2 and APRA guidance. These responsibilities help to support the integrity and reliability of Judo's climate-related reporting.

The Board receives updates from the BAC Chair after each BAC, and BAC meeting minutes are tabled to the Board.

Risk Committee (BRC)

As set out in the BRC Charter, the BRC is responsible for overseeing Judo's risk management principles, frameworks, policies, processes and internal controls that are designed to identify, monitor and manage risk. This includes advising the Board on Judo's Risk Appetite Statement (**RAS**) and RMS and reviewing the results from the independent comprehensive review of the RMF undertaken at least once every three years.

From FY27, the BRC's oversight of CRROs will be enhanced by periodic management reporting (at least semi-annual). This reporting will include analysis of the Judo loan book to assess climate-related credit risk, as well as a summary of emerging climate-related regulatory and reputational risks.

The Board receives updates from the BRC Chair after each BRC meeting, and BRC meeting minutes are tabled to the Board.

Nominations Committee (NOMCO)

NOMCO supports the Board by making recommendations on Board succession that take into consideration skills, qualifications, experience, independence and diversity of the Board. NOMCO is also responsible for recommending to the Board the skills matrix and ongoing professional development programs for Directors to seek to ensure currency with material developments in relevant laws, regulations, and accounting standards.

Executive Committee (ExCo)

The Board delegates day-to-day responsibility for executing strategy, including climate-related matters, to management.

The ELT, via the ExCo, is responsible for the implementation of Judo's strategic and financial plans and RMF, as approved by the Board, and for oversight of all aspects of the business. ExCo is made up of ELT.

As set out in the ExCo Charter, which includes the ESG Governance Forum Charter, the ExCo:

- advises and assists in the day-to-day management and administration of Judo's ESG objectives, including implementation of Judo's Board-approved ESG Oversight and Governance Policy;
- reviews Judo's material ESG Topics and supports the Board Committees (noted above) in the execution of their ESG-related oversight and governance duties; and
- advises and assists in the identification, management and monitoring of ESG-related risks, including climate-related risks.

Board oversight is exercised through approval of the ESG Oversight and Governance Policy, key decisions (such as CRROs and scenario analysis selection) and discussion of CRROs at Board and Board Committee level.

Key roles that are delegated to executives to support Board oversight

The CEO and MD is supported by certain ELT members on climate-related matters as follows:

- CFO: responsible for incorporating climate-related matters into financial practices and financial reporting (including climate-related financial disclosures).
- CLCO: responsible for supporting the development of any climate strategy.
- CRO: responsible for seeking to ensure the RMF is operating effectively and for supporting the incorporation of climate-related risks into the RMF.

Controls and procedures used by management to support oversight of climate matters

- ELT has oversight of all key activities conducted in the business and seeks to ensure climate considerations are integrated into decision-making.
- ELT has oversight of Judo's CRROs via the ESG Governance Forum. The CFO, CRO, and CLCO are also members of the ESG Governance Forum, supporting integration of climate considerations into key Finance, Risk and Legal functions.
- ELT is also informed of CRROs through presentation of periodic reporting at ExCo, from a delegate of the ESG Governance Forum as required.
- ELT oversees the integration of CRROs when approving changes to Judo's RMS and RAS and other policies that have a climate element.
- Going forward, the ELT's oversight of CRROs will be enhanced by periodic management reporting at ExCo (including all members of the ELT) at least semi-annually by delegates of the ESG Governance Forum. This reporting will include analysis of the Judo loan book to assess climate-related credit risk, as well as a summary of emerging climate-related regulatory and reputational risks.

ESG Governance Forum

The ESG Governance Forum has been established by ExCo to support consideration and coordination of ESG matters, including those relating to climate.

The ESG Governance Forum aims to:

- support the development and implementation of Judo's evolving ESG frameworks, as directed by ELT.
- monitor and report on Judo's ESG performance, including progress against climate-related metrics and commitments.
- coordinate the identification and assessment of emerging ESG and climate-related risks and opportunities relevant to Judo's lending and deposits portfolios and overall operations.
- support compliance with relevant and emerging ESG-related laws, mandatory regulations and reporting standards.
- foster a culture of ESG awareness and responsibility across the Bank.
- advise the ELT and Board on significant ESG issues and their potential impact on Judo's reputation, financial performance, and long-term sustainability.
- facilitate stakeholder engagement on ESG matters as appropriate.

The ESG Governance Forum meets at a minimum quarterly and more frequently, as required. ESG Governance Forum meeting minutes are tabled to ExCo.

Credit-related ESG decision-makers

Credit-related ESG decision-makers, comprising representatives from Customer, Risk and Legal and Commercial, review transactions assessed as 'red' under Judo's ESG Credit Risk Guidance. The ESG Credit Risk Guidance is designed to aid Judo's bankers in the identification, consideration and assessment of ESG-related risk as part of the credit assessment process.

For personal use only

3.3 Climate-related skills and experience

The Board has a formal assessment framework that outlines the requirements for assessing its performance, skills, and fitness and propriety to hold the role of a Director. Board performance self-assessment and skills self-assessment are completed annually. The skills assessment is reviewed each year prior to distribution to ensure it captures the specific skills and experience required, informed by internal subject matter input and benchmarking against peer organisations. A summary of the results of the Board skills matrix, including those relating to environmental and social topics is set out in the Corporate Governance section of the Report.

The Board has broad experience in oversight of strategy in response to risks and opportunities and more recent experience in understanding CRROs. Director biographies are in the Director's Report.

Training for Board, ELT, and Judo staff

In FY26, education sessions were held for the Board on ESG and climate-related topics, facilitated by Alvarez & Marsal (external climate risk specialists) on specific areas relating to CRROs and key factors to consider when setting metrics and targets.

Members of ELT, including the CLCO, and CRO also attended these Board education sessions.

Certain members of the ESG Governance Forum have also completed the following courses:

- "Sustainability and climate-related financial reporting: ISSB, ASRS and beyond" future skills short course jointly facilitated by RMIT and Deloitte;
- The Diligent Institute "Climate and Sustainability Strategy Certification"; and
- Monash Business School "Navigating Climate-related Disclosures" course.

4. Strategy

Judo's process to determine time horizons, identify and assess CRROs, and undertake scenario analysis included the application of **management judgement**. Scenario analysis is inherently exposed to significant (measurement) uncertainties. More information is available in the Notes.

4.1 Business strategy

Judo is committed to supporting Australian SMEs by providing relationship-led banking, informed credit judgement and responsive decision-making. Judo operates exclusively in Australia and focuses on banking services that support the growth, resilience and long-term success of Australian SMEs.

Climate change presents a range of short- and long-term risks and opportunities for the Australian economy, SMEs and the broader community. As a systemic issue, climate-related factors have the potential to influence macro-economic conditions, regulatory settings and customer outcomes within the Australian financial system.

Judo does not have a standalone climate strategy. However, climate-related considerations are relevant to aspects of Judo's business activities, including credit risk assessment, risk management and compliance with evolving regulatory and disclosure requirements. Where relevant, these considerations are assessed within Judo's existing governance, risk management and decision-making frameworks.

Judo considers the potential impact of climate change over the following three time horizons, aligned to its existing planning horizons and business cycle.

Short term	Medium term	Long term
0–2 years	2–5 years	5+ years

4.2 Climate risks and opportunities impacting the business

At Judo, CRROs arise through physical and transition impacts. While these factors are not currently expected to directly and materially affect Judo's business model, they may influence our value chain, including our SME customers.

Climate-related risks represent the potential adverse impacts associated with climate change, while climate-related opportunities reflect the potential benefits arising from effective mitigation, adaptation and the transition to a lower-carbon economy.

Identifying Judo's CRROs

Judo has conducted an assessment, supported by climate scenario analysis (see Section 4.3), to identify and subsequently determine the current and anticipated effects of CRROs on our business model and value chain. Additional detail on the process undertaken to identify and assess CRROs is set out in the Risk Management section (see Section 5).

Climate-related risks

Judo's assessment identified the climate-related risks, set out in the table below, that could reasonably be expected to impact Judo's business model, strategy and financial position over the short, medium and long term.

For each identified risk, Judo has assessed the potential impacts on our strategy and business model and considered these insights within strategic planning processes.

The impact on Judo's financial position, financial performance and cash flows for FY26 and the anticipated financial impacts over the short, medium and long term are discussed in Section 4.4.

The table below outlines Judo's assessment of key climate-related risks, how these risks could affect Judo's business, and the existing controls applied to mitigate these exposures.

Risk	Nature (considered before any mitigation or adaptation efforts)	Reasonably anticipated impact to Judo	Mitigating and adapting to the risk
Climate-related transition risks may affect the profitability, growth and composition of Judo's lending portfolio (transition risk) **Time horizon** **Short term** ○ **Medium term** ○ **Long term** ●	Climate-related transition effects, such as regulation and policy developments or evolving consumer preferences, could impact Judo's customers and in turn our growth and profitability (including credit risk).	• **Portfolio rebalancing**, as lending to sectors and customers more vulnerable to transition risks are reduced or repriced, potentially constraining growth in certain segments. • **Decline in customer asset values**, driven by reduced demand for higher emissions goods and services, which may adversely affect collateral values and debt recovery outcomes. • **Lower insurance recoveries**, where transition-related changes reduce the availability or adequacy of insurance coverage for customers. • **Elevated credit impairment charges**, reflecting increased credit risk and economic stress within affected sectors. • **Customer attrition**, as transition pressures impact customer viability, leading to reduced lending volumes and profitability.	• **Judgement-based lending and portfolio turnover:** Judo's relationship-led model and relatively short loan tenors support ongoing repricing of risk and reallocation of capital as transition dynamics evolve. • **ESG Credit Risk Guidance:** Bankers are supported to identify and consider ESG-related risk, with 'red' related industries requiring special approval from the CRO, CCO and CLCO or their delegates. • **Scenario analysis and sector exposure analysis:** Climate scenario analysis is used to understand potential pathways and inform risk identification, complemented by analysis of exposures to climate-sensitive sectors.

Risk	Nature (considered before any mitigation or adaptation efforts)	Reasonably anticipated impact to Judo	Mitigating and adapting to the risk
Climate-related physical risks may affect the profitability, growth and composition of Judo's lending portfolio (physical risk) **Time horizon** **Short term** ○ **Medium term** ○ **Long term** ●	Extreme weather events (e.g. bushfires and floods) and long-term changes in climate patterns (e.g. heat stress and rising sea levels) could impact customers' profitability, ability to obtain insurance and/or collateral values, leading to decreased credit quality.	• **Higher levels of customer hardship and loan delinquencies**, arising from business disruption or asset damage associated with more frequent and/or severe physical climate events. • **Decline in customer asset values**, where increased exposure to acute events or longer-term physical changes adversely impact collateral values and debt recovery outcomes. • **Reduced insurance availability or coverage**, potentially increasing loss severity where customer assets are underinsured or uninsured. • **Elevated credit impairment charges**, reflecting heightened credit risk in affected portfolios. • **Customer attrition**, as physical climate impacts affect customer viability, resulting in reduced lending volumes and declining profitability.	• **ESG Credit Risk Guidance:** Bankers are supported to identify and consider ESG-related risk, with 'red' related industries requiring special approval from the CRO, CCO and CLCO or their delegates. • **Judgement-based credit assessment:** Collateral valuations consider key risks, including physical climate risks. Standard origination practice requires insurance on collateral with any exceptions requiring credit approval. • **Exposure analysis:** Judo analyses exposure to property collateral located in postcodes identified as being subject to increased physical risk, to identify concentration risk and inform ongoing assessment. • **Climate-related customer requests tracker:** Customer assistance requests arising from significant weather events are documented and monitored to support risk oversight.
Climate-related compliance and reputation risks (transition risk) **Time horizon** **Short term** ○ **Medium term** ○ **Long term** ●	Climate regulation and stakeholder expectations may result in increased funding, compliance and operational costs, reducing productivity of core business activities, and return on equity (e.g. due to AASB S2, APRA CPG 229, new liquidity regimes etc.). There is also an increased risk of reputational damage if Judo is perceived to be misaligned with climate-related commitments or stakeholder expectations. Stakeholder criticism or loss of customer trust may lead to a reduction in market value or limit future business opportunities.	• **Increased reporting, disclosure and compliance obligations**, resulting in higher operational, systems and governance costs. • **Heightened risk of regulatory non-compliance**, potentially leading to enforcement action, penalties or remediation costs. • **Higher capital or funding requirements**, particularly in relation to exposures to emissions-intensive sectors, which may increase the cost of capital and constrain returns. • **Legal and reputational risk**, where perceived misalignment between public climate-related commitments and financing decisions gives rise to litigation or stakeholder challenge. • **Exposure to greenwashing-related claims**, including legal action arising from alleged misrepresentation or inadequate substantiation of climate-related disclosures.	• **Appropriately qualified internal resources** across Finance, Risk and Legal to support compliance with regulatory and reporting requirements. • **External climate risk specialist support** engaged where required for technical capability. • **Periodic review of ESG Oversight and Governance policy**, with governance oversight through established forums as relevant. • **Engagement with regulators** seeking to ensure understanding of climate-related regulatory development.

As part of its assessment to identify climate-related risks, Judo considered the potential implications for its funding profile and has not identified any factors that are reasonably expected to materially affect funding over the short, medium or long term. This assessment reflects features of Judo's business model, including that funding is predominantly sourced from customer deposits. Judo also holds a relatively small share of the Australian deposit market, seeks to offer competitive deposit rates, and has limited overlap between its deposit customers and SME-lending customers.

Climate-related opportunities

Judo has not currently identified any specific climate-related opportunities that are distinct and separate from its broader growth strategy that could reasonably be expected to affect its business model, strategy or financial performance over the short, medium or long term.

As a challenger bank, Judo's primary focus is to continue to grow market share by delivering a differentiated, relationship-led, judgement-based approach to lending that adapts to evolving customer needs and market conditions. Close, ongoing banker-customer relationships enable early identification and rapid response to emerging needs and opportunities. Accordingly, Judo does not currently view climate-related factors as a stand-alone source of opportunity that could reasonably be expected to affect Judo's prospects.

Judo's ELT and Board routinely consider and reassess such opportunities through Judo's strategic and governance processes. Climate-related considerations form one of many inputs to this assessment and may influence the relative attractiveness of opportunities over time. Judo's processes to identify and assess climate-related risks and opportunities are described in the Risk Management section (see Section 5).

4.3 Climate scenario analysis

Judo uses climate scenario analysis to consider how different climate-related conditions could affect Judo's strategy, balance sheet and earnings profile across short-, medium- and long-term horizons. The analysis supports Judo's identification and assessment of climate-related risks by exploring a range of credible future pathways, recognising that climate outcomes are uncertain and influenced by a wide range of external factors. As a result, scenario analysis does not represent forecasts or predictions, and actual impacts may differ from those considered.

During FY26, Judo undertook climate scenario analysis in accordance with AASB S2 and the *Corporations Act*. The scenarios were selected to reflect both transition-related risks, associated with policy, regulatory, technological and market changes as Australia and the global economy move towards lower emissions, and physical risks, arising from the increasing frequency and severity of climate-related events.

The scenario analysis leveraged publicly available climate pathways and data sources, including Intergovernmental Panel on Climate Change (**IPCC**) scenarios and Network for Greening the Financial System (**NGFS**) reference pathways, and was tailored to Judo's Australian-focused operations and SME-lending model.

Judo's current approach to scenario analysis is predominantly qualitative, with quantitative elements incorporated in the short- and medium-term analysis where data availability and methodological capability support meaningful analysis.

There are limitations to reliably attribute climate-related impacts within existing financial forecasting and credit risk models without introducing significant assumptions and modelling overlays, and the resulting estimates would be subject to a high degree of uncertainty. As a result, the insights from scenario analysis currently inform a qualitative and targeted quantitative understanding of financial effects, as described in Section 4.4.

Given Judo's size, business model and the evolving nature of climate data and modelling techniques, Judo's initial focus has been on developing a sound qualitative understanding of potential climate-related risks. Judo intends to continue enhancing its scenario analysis capability over time, including deeper quantitative analysis, as data quality, systems and processes continue to develop.

Methodology and key assumptions for climate scenario analysis

In line with the requirements set out in the *Corporations Act*, see 296D(2B), in connection with the *Climate Change Act 2022* (Cth) (**Climate Change Act**), the selection parameters include:

- **Net Zero:** Increase in global average temperature is limited to 1.5°C above pre-industrial levels (3(a)(ii) of the *Climate Change Act).*
- **Hot House:** Increase in global average temperature well exceeds 2°C above pre-industrial levels (3(a)(i) of the *Climate Change Act)*. ASIC's *Regulatory Guide 280: Sustainability reporting* clarifies that 2.5°C (above pre-industrial levels) is deemed 'well exceeding 2°C'.

Scenario	Type	Scenario description and selection reasoning	Representative concentration pathway (RCP)	(Peak) warming until end of century	
				Best guess	**Very likely range**
Net Zero	**Transition CRROs**	**NGFS Net Zero 2050:** An orderly climate scenario assuming stringent climate policies and innovation that will lead to a limiting of global warming to 1.5°C above pre-industrial levels (with a 50% chance). *NGFS is common practice for transition pathways as it provides macroeconomic and financial system variables relevant to assessing impacts on banks and lending portfolios. Compared to the Low Demand scenario, which would also meet the Corporations Act requirements, Net Zero 2050 is deemed more relevant.* Supplemented with (to 2030): **NGFS Sudden Wake Up Call (SWUC):** A delayed but abrupt, and ultimately Net Zero-aligned, transition. SWUC is one possible pathway to 2030 to achieve the NGFS long-term Net Zero 2050 scenario.	RCP 2.2*	1.3°C*	n.a.
	Physical CRROs	**IPCC SSP1-2.6:** A scenario focused more on the pure science impact of radiative forcing under an RCP that is materially aligned with the RCP of NGFS Net Zero 2050. *The IPCC approach is more science oriented and common practice for physical climate risk modelling (e.g. in the re-insurance industry). SSP1-2.6 is largely consistent with NGFS Net Zero 2050, and thus, a suitable 'physical risk pairing'.*	RCP 2.6*	1.8°C*/**	1.3-2.4°C**
Hot House	**Transition CRROs**	**NGFS Current Policies:** A hot house world scenario assuming no additional climate policies beyond those currently implemented, resulting in high physical risk (end of century warming at 3.0°C, significantly exceeding 2.0°C). *The NGFS scenarios are commonly used for transition pathways (e.g. most economically relevant datapoints). Current Policies is the only NGFS scenario that meets the Corporations Act requirements for Hot House.* Supplemented with (to 2030): **NGFS Disaster and Policy Stagnation (DAPS):** A short-term scenario in which climate policy does not develop beyond those currently implemented, resulting in heightened physical risks and their associated economic and financial impacts.	RCP 5.3*	2.9°C*	n.a.
	Physical CRROs	**IPCC SSP2-4.5:** A scenario focused more on the pure science impact of radiative forcing under an RCP that is materially aligned with the RCP of NGFS Current Policies. *The IPCC approach is more science oriented and common practice for physical climate risk modelling (e.g. in the re-insurance industry). SSP2-4.5 is the closest fit to NGFS Current Policies.*	RCP 4.5*	2.7°C*/**	2.1-3.5°C**

Notes: (*) mapping according to NGFS '*Damage functions, NGFS scenarios, and the economic commitment of climate change – An explanatory note, November 2024*' and (**) IPCC AR6 Summary for Policymakers.

Each of the Net Zero and Hot House scenario analysis covered both climate-related transition risks and physical risks. The time horizons used in the climate scenario analysis are consistent with the short-, medium- and long-term time horizons outlined in Section 4.1 used for the identification and assessment of CRROs. All climate scenario data (NGFS and IPCC) is publicly available (including their key assumptions and uncertainties, e.g. technical documentation on NGFS Phase 5).

Scenario Analysis – business response to the effects identified

The implications for Judo's strategy and business model have been considered in the tables below, including Judo's response to the effects identified.

Net Zero

Net-zero emissions are achieved by 2050; global warming limited to 1.5°C above pre-industrial levels.

The SWUC scenario modelled in the short to medium term (to 2030) assumes a policy-driven transition shock, with abrupt emissions reduction measures in 2027 driving a temporary spike in inflation and higher interest rates. This results in a brief economic slowdown with gross domestic product (**GDP**) growth around zero and unemployment rising to approximately 5%. Economic conditions recover quickly thereafter, with GDP returning to trend growth, inflation easing and the cash rate declining to around 3.0% by 2030, while unemployment remains modestly elevated at around 4.8%, reflecting limited economic scarring and a weaker operating environment for one to two years.

The Net Zero 2050 scenario follows on from the short to medium term SWUC scenario and assumes the introduction of stronger climate policies that impede firms in the short to medium term, but as sectors evolve to best perform against new climate policies, businesses become more efficient, productivity improves, and economic growth in the long term outpaces current baseline projections. Impacts on the unemployment rate and inflation are negligible to the baseline scenario, while the cash rate sits higher averaging 4% beyond 2030.

Short term (0–2 years)

The economic slowdown in the scenario results in temporarily softer lending growth, heightened competition for funding, and a modest increase in credit stress, particularly for more economically sensitive SME segments.

Net interest margins experience temporary pressure during this period as funding costs adjust more quickly than asset pricing. Credit losses increase modestly, reflecting the short-term impact of tighter financial conditions on borrowers' cash flows, but do not indicate a structural deterioration in portfolio quality.

Australia's Nationally Determined Contribution commitments, including 2035 targets, signal initial regulatory tightening. Emerging frameworks such as sustainable investment product labels and the Treasury's Sustainable Finance Roadmap indicate increasing supervisory expectations from Australian and international regulators. While the near-term compliance burden is expected to remain manageable, limited preparatory investment in systems and processes may be required.

Medium term (2–5 years)

As economic conditions stabilise following the initial policy-driven transition shock, lending demand and customer activity are expected to recover, allowing Judo's operating environment to move broadly back toward baseline conditions. The scenario does not result in a sustained contraction in credit availability, nor does it give rise to structural changes to Judo's customer base or business model.

Credit performance and margins also stabilise over this period, as the temporary pressures experienced during the transition phase unwind. Borrower cash flows improve as macroeconomic conditions normalise, supported by the easing of funding market pressures. While credit stress is elevated during the transition, new lending is assumed to be originated at baseline probabilities of default, reflecting Judo's judgement-based lending approach and continued application of disciplined origination standards and incorporation of prevailing macroeconomic and scenario-specific conditions into credit assessments.

Regulatory intensity is expected to increase as climate policy settings evolve to close the gap between existing commitments and net-zero pathways. Enhanced climate-related disclosure, supervisory stress testing and potential conduct or prudential requirements consistent with international regulatory developments (including guidance from the European Central Bank, the Bank for International Settlements and the Bank of England) may become more likely. As obligations extend beyond disclosure into broader governance, risk management and assurance expectations, compliance costs may increase and could become more significant over time.

Long term (5+ years)

Despite significant increases in carbon prices, the long-term impacts on Judo's profitability are assessed as marginal. This reflects Judo's comparatively low exposure to emissions-intensive sectors, which limits the direct effects of climate-related policy measures on its customer base. The short loan tenors of Judo's lending portfolio further mitigate long-term transition risk, with exposures to sectors facing heightened transition pressures expected to run off over time. New lending is originated and priced having regard to updated risk settings and prevailing transition dynamics, supporting the orderly management of longer-term credit and profitability impacts.

Consistent with its experience through prior periods of economic disruption, Judo is expected to continue to demonstrate agility in responding to structural shifts in the economy. This may include supporting emerging and growth industries associated with the transition to a lower-emissions economy, under Judo's existing judgement-based lending model and risk appetite.

Major changes to banking regulations, such as industry-wide capital, liquidity or funding requirements, are plausible and would require a long consultation and transition period. These changes could materially affect Judo's costs, funding and returns, although the timing and magnitude remain uncertain. Judo's relatively short loan tenor and ability to adjust its portfolio help to mitigate this risk.

Hot House

Global governmental response to climate change is slow and adaptation measures to reduce emissions are halted with only currently implemented policies preserved. In this scenario, there is an absence of policy, resulting in high physical risk (end of century warming at 2.9°C).

The DAPS scenario, preceding the NGFS Current Policies scenario and modelled in the short to medium term (to 2030), assumes the lack of intervention from governing bodies, leading to extreme weather events in 2026/27 resulting in a temporary economic contraction, with GDP declining by 2% in 2026/27. After this, there is a sharp recovery which exceeds baseline before reversion towards the baseline values by 2030. Given the lack of government intervention, there are minimal changes to inflation, and the unemployment rate. The cash rate continues to ease to around 2%.

Beyond 2030, under NGFS Current Policies, climate policy settings remain largely unchanged. Over time, however, escalating physical climate impacts – more frequent severe weather disrupting agricultural output, supply chains, regional businesses and infrastructure – divert capital from expansion to recovery and repair, gradually lowering Australia's productive capacity and long-run GDP growth.

Short term (0–2 years)	Medium term (2–5 years)	Long term (5+ years)
The severe physical events give rise to an abrupt but concentrated economic shock, with a sharp decline in economic activity occurring over a short period. This results in weaker lending conditions and elevated short-term credit stress, particularly for SME customers exposed to climate-sensitive sectors or regions affected by physical hazards. Climate-related regulatory and compliance impacts are expected to be limited. Mandatory climate reporting requirements, including AASB S2, are already captured within existing compliance activities. While penalties for non-compliance under the *Corporations Act* exist, these risks are mitigated through Judo's proactive implementation approach. No material financial impact is anticipated in this scenario.	The economy stabilises following the initial disruption associated with severe physical climate events. As recovery and rebuilding activity progresses, economic conditions improve, with growth accelerated immediately after the initial shock, trending ahead of baseline before returning to baseline levels by the later years, supporting a gradual normalisation in SME activity and lending demand. Credit conditions also improve over the medium term, following the earlier period of heightened stress. Borrower cash flows recover as disrupted operations resume, and the initial rise in credit risk does not give rise to a sustained deterioration in portfolio quality. Consistent with Judo's judgement-based approach to lending, all new lending is assumed to be originated at baseline probabilities of default, with physical risk considerations and prevailing economic conditions incorporated into credit assessments. This supports a stabilisation in credit performance as conditions normalise. The regulatory environment is expected to remain broadly stable, with no fundamental changes to banking prudential requirements anticipated. Incremental compliance costs may arise as disclosure and assurance expectations evolve; however, these are expected to remain manageable. Director liability and greenwashing risks continue to be addressed through established governance, legal review and control processes.	The scenario is expected to produce low-to-moderate volatility in annual credit losses, as continuing periodic severe weather events may cause short-term increases in arrears for affected SMEs. However, these events are unlikely to produce persistent, structural deterioration in portfolio quality. Credit demand may grow for working capital or recovery financing in regions affected by climate events, though this is offset by slower structural growth in some industries. Impairment outcomes are expected to remain within historical ranges, and Judo's strong relationship-based approach continues to support early identification of stress and tailored customer assistance. Climate-related regulatory intensity is expected to plateau under current policies, with no material changes anticipated to core banking regulatory pillars such as capital or liquidity. While the risk of future policy inertia followed by abrupt regulatory change cannot be ruled out, this falls outside the scope of the current policy scenario. As a result, no material financial impact is anticipated in this scenario.

4.4 Overview of current and anticipated financial effects

Judo has assessed the potential financial implications of the climate-related risks identified in this Sustainability Report. Based on this assessment, which was supported by scenario analysis, no climate-related risks were identified that had a material impact on Judo's financial position, financial performance or cash flows for the current reporting period. Judo has also not identified a significant risk of material adjustment to the carrying amounts of assets and liabilities in the next financial year.

For completeness, Judo has incurred operational costs, including employee, advisory and audit costs, in connection with the preparation of this Sustainability Report; however, these costs were not material.

At this stage, Judo has considered the anticipated financial effects of climate-related risks primarily through qualitative analysis, supported by targeted quantitative analysis, where appropriate. As it is not currently possible to reliably attribute and measure climate-related impacts within existing financial forecasting and credit risk models without introducing significant assumptions, quantified estimates are subject to a high degree of uncertainty. This reflects the current limitations in data, systems and processes, which require further development to support more granular and decision-useful quantitative estimates.

Accordingly, Judo's disclosures are currently focused on providing clear qualitative information regarding the nature of anticipated impacts on its financial position, financial performance and cash flows, including the financial statement line items most likely to be affected, informed by management judgement. Judo expects to continue to enhance its analysis and disclosures over time as internal capabilities, data availability and industry practices continue to evolve. The anticipated financial effects of climate-related risks, taking into account Judo's existing risk management practices and mitigating actions, are outlined below.

Risk	Anticipated financial effects over short, medium and long term
Climate-related transition risks may affect the profitability, growth and composition of Judo's lending portfolio (Transition risk)	Judo's assessment of anticipated financial effects arising from climate-related transition risk has focused on the sensitivity and concentration of lending within identified climate-sensitive sectors, together with the extent to which climate-driven macroeconomic impacts differ from those already reflected in Judo's existing credit risk and impairment modelling. Judo utilised the insights from climate scenario analysis (see Section 4.3) to inform how credit risk may be stressed under different pathways over the short, medium and long term. As part of this assessment, Judo evaluated its lending to **climate-sensitive sectors**, including the distribution and concentration of these sectors within the portfolio. The assessment also considered lending to **high-impact industries**, which represented only 0.5% of GLA balances as at 30 June 2026. Refer to Section 6.2 for a summary of Judo loans to climate-sensitive sectors and high-impact industries. Based on the loan book analysis performed, Judo does not anticipate material impacts to portfolio profitability, growth or capital allocation over the short, medium or long term. As part of this analysis Judo compared the key economic variables used in its expected credit loss (**ECL**) scenarios with those reflected in the climate scenarios applied for climate risk assessment purposes. This comparison focused on core macroeconomic drivers relevant to credit outcomes, including economic growth and unemployment rate pathways. The analysis indicated that when compared with ECL modelling, the severity of macroeconomic conditions from climate scenarios (illustrated through the economic growth variable) were aligned with 'Downside' and 'Extreme Downside' scenarios. Accordingly, climate-related transition risks are not expected to result in incremental impacts on impairment outcomes beyond those already captured through Judo's existing credit risk modelling. Based on the analyses performed, Judo has not identified any additional anticipated financial effects from climate-related transition risks that would materially affect the ECL, net interest margin (**NIM**) or Gross Loans and Advances (**GLA**) balances. Accordingly, there are no anticipated material impacts on Judo's financial position, financial performance and cash flows over the short, medium and long term.

Climate-related physical risks may affect the profitability, growth and composition of Judo's lending portfolio (Physical risk)	Judo's assessment of anticipated financial effects arising from climate-related physical risks has focused on the extent and concentration of real property collateral located in areas subject to elevated physical climate risks, together with consideration of whether macroeconomic impacts of physical climate risks differ from those already reflected in Judo's existing credit risk and impairment modelling. Judo utilised the insights gained from climate scenario analysis (see Section 4.3) to inform how credit risk may be stressed under different pathways over the short, medium and long term. Judo assessed real property collateral located in postcodes identified by the Australian Climate Council's 2025 Climate Risk Map of Australia as moderate or high risk. At 30 June 2026, this was assessed as immaterial, with less than 7% of Judo Extended Value (**JEV**) attributable to real property located in postcodes considered vulnerable to physical climate risk under both climate scenarios considered. Refer to Section 6.3 for further information on the calculation of this metric. Accordingly, Judo has not identified any physical risk-related concentrations that are anticipated to materially affect the ECL, NIM or GLA in the short, medium and long term. This conclusion is supported by Judo's ECL framework, which incorporates severely stressed assumptions for inflation, GDP and unemployment. Comparison with climate-based scenarios confirms that economic conditions consistent with (or worse than) severe climate-related stress have already been assessed and probability weighted within impairment calculations. Judo's portfolio turnover (78% of lending as at 30 June 2026 had a contractual maturity within 5 years), limited real property collateral in higher-risk postcodes, and capacity to reallocate lending toward resilient areas of demand support ongoing resilience in profitability and credit quality. Based on the analysis performed, Judo has not identified anticipated financial effects from climate-related physical risks that would materially affect the ECL, NIM or GLA balances. Accordingly, there are no anticipated material impacts on Judo's financial position, financial performance and cash flows over the short, medium and long term.
Climate-related compliance and reputation risks (Transition risk)	The impacts of climate-related compliance and reputation risks are expected to evolve as climate-related regulatory frameworks mature and become more defined. As climate-related reporting, disclosure and assurance requirements continue to develop, Judo may incur increased compliance and operational costs, including costs associated with enhanced governance, controls, systems, reporting processes and assurance activities required to meet mandatory climate-related obligations. Regulatory complexity and ongoing change may also increase the risk of non-compliance or remediation activity, as well as potential reputational impacts if regulatory or broader stakeholder expectations are not met. These risks may arise in the context of heightened scrutiny of climate-related disclosures. Judo continues to monitor regulatory developments and strengthen its governance, risk management and compliance processes to support regulatory alignment and manage reputational risk. Based on information currently available, Judo is not anticipating regulatory changes that would result in higher capital or funding requirements which could increase the cost of capital or constrain returns. Based on current assessments and after taking controls into account, there are no anticipated material impacts on Judo's financial position, financial performance or cash flows over the short, medium or long term.

4.5 Climate risk integration into business strategy

Climate-related risks, as detailed above, fall into two categories: physical risks and transition risks. Both have the potential to affect business operations, either directly or indirectly via the value chain. Judo's risk management approach supports the identification of these risks and enhances our overall business resilience. Our climate risk and opportunity process identified and assessed the physical and transition risks and opportunities that Judo is facing from climate change. The risks were assessed to determine which of these could reasonably be expected to affect Judo's prospects.

To further support its risk assessment, Judo has analysed its lending to climate-sensitive sectors and to real property collateral located in postcodes identified in the Climate Council's 2025 *Climate Risk Map of Australia* as subject to moderate or high property risk.

Alongside existing climate-related risk management practices (see table in Section 4.2), ExCo has approved the following short term (FY27-28) actions to further mitigate these risks.

- Review the ESG Credit Risk Guidance with a focus on enhancing governance and seeking to ensure the credit risk appetite remains appropriate.
  - This review is intended to incorporate insights from internal analysis and externally sourced data from reputable independent third parties to:
    - better identify sectors or customer segments with elevated climate-related risk exposure; and
    - inform credit risk considerations within existing frameworks.
  - The review will take place in consultation with the ESG Governance Forum, with outcomes approved by ExCo and endorsed by BRC.
- Delivery of targeted climate capability training for bankers and credit teams, focused on improving their understanding of climate-related risks that may affect customers, supporting meaningful engagement with Judo customers and to enhance the quality of credit decision-making.
- Where appropriate, offer customers identified as having high exposure to climate-related physical or transitional risks information on relevant community-based support services available to them.

These actions focus on enhancements to existing governance, capability and risk assessment processes, rather than changes to Judo's business model or strategy.

4.6 Climate resilience

Judo assesses the resilience of its business model, strategy and financial planning to climate-related risks using climate scenario analysis across short-, medium- and long-term time horizons. The two climate scenarios encompass both transition and physical risk outcomes, to evaluate potential impacts on lending activity, funding, credit risk and regulatory compliance.

Based on this analysis, Judo considers its strategy and business model to be resilient under the climate-related transition and physical risk scenarios assessed. Insights derived are used to inform ongoing monitoring and consideration of climate-related risks within existing strategy, governance and risk management frameworks. Scenario analysis forms part of Judo's broader approach to understanding how different climate outcomes could affect its operating environment over time.

Significant areas of uncertainty considered in the assessment of climate resilience

As part of its climate resilience assessment, Judo considers key areas of uncertainty that could influence its ability to adapt and respond to climate-related risks. These uncertainties relate primarily to the pace and scale of policy-driven transition under the transition scenario, and the severity and timing of acute and chronic physical impacts under the higher-warming scenario.

Considering these uncertainties supports Judo's understanding of how the two climate scenarios may affect its business model and strategic position, while acknowledging the inherent uncertainty associated with long-term climate outcomes.

Capacity to adjust/adapt Judo's strategy and business model to climate change

Judo has capacity to adjust and adapt its strategy and business model in response to climate-related change under both scenarios considered. Judo's relationship-led, judgement-based lending model, together with relatively short loan tenors supports the ongoing re-pricing of risk, re-allocation of capital and refinement of risk appetite as regulatory, market and customer conditions evolve.

Judo's bankers maintain close, ongoing relationships with customers, enabling early engagement and timely responses as customer circumstances and financing needs change. This allows Judo to respond efficiently to emerging climate-related impacts at a customer level, reinforcing the Bank's ability to adapt its lending decisions and portfolio composition over time.

Judo's strategy is not reliant on lending to high-impact industries (refer to Section 6.2). Its operating model enables the incremental integration of climate-related governance, risk management and compliance requirements without the need for structural change. Ongoing monitoring of regulatory developments and supervisory expectations supports timely adjustments to systems, processes and controls, contributing to the resilience of Judo's business model in response to emerging transition and physical risks.

5. Risk management

5.1 Risk management

Judo's identification and management of all risks is performed in accordance with our RMF, which is summarised in the Operating and Financial Review section of the Report. From FY27, climate-related risks will be integrated within Judo's RAS and broader RMF, aligning with material risks and providing a holistic approach to identifying, assessing and managing risks.

5.2 Risk governance

The RMF integrates risk governance, strategy and processes into business decision-making. By adopting a three-line defence model Judo establishes accountability and effectiveness in managing risk while enhancing compliance with regulation. An outline of the three-line defence model can be found in the Operating and Financial Review section of the Report.

Further details on Judo's overall governance and strategy for risk management can be found within the Governance and Strategy sections of this Report.

5.3 Risk processes

Identification and assessment

A summary of the process undertaken to identify and assess CRROs, which is in accordance with Judo's RMF and informed by market practice and international guidance (e.g. IFRS ISSB), is outlined below.

Our process to identify and assess CRROs included the application of **management judgement and was informed by climate scenario analysis**, which is inherently exposed to significant (measurement) uncertainties. More information is available in the Notes.

1. Business model and value chain	Map end-to-end value chain and business model, drawing on concepts from the Integrated Reporting Framework's six capitals (human, intellectual, financial, natural, manufactured and social and relationship), to identify dependencies, impacts and influences on value creation.
2. Commercial business drivers	Determine commercial business drivers shaping Judo's financial performance, financial position and cash flows, for example, Judo's primary revenue driver is net interest income from our GLA.
3. Climate sensitivities	Identification of climate sensitivities with the potential to influence Judo's commercial business drivers. Conducting qualitative and quantitative assessment of climate sensitivities utilising information such as Judo's loan book, real property collateral held by Judo, and Judo's office locations. For example, assessing the likelihood and magnitude of impact of a climate factor compressing Judo's NIM or affecting the GLA volume.
4. Climate scenario analysis	Stress test climate sensitivities under different climate scenarios and time horizons to determine most relevant trends and understand our inherent climate exposure to identify where Management attention is required.
5. CRROs	Define scenario analysis tested list of CRROs that could reasonably be expected to affect our financial performance, position, or cash flows, access to capital or cost of capital over the short, medium or long term.
6. Climate resilience	Assess climate resilience of our strategy, business model and value chain.
7. Anticipated financial effects	For each climate-related risk, determine financial effects in the current reporting period, and guided by climate scenario insights, anticipated financial effects on our financial performance, position or cash flows.
8. Strategy and risk management integration	Judo is progressing the integration of climate-related risks into its strategy and business model in a manner commensurate with the nature and assessed significance of those risks. Mitigation and adaptation measures are planned to be embedded within existing business activities from FY27, including building banker capability and supporting customer resilience (see Section 4.5). Climate-related risks are also planned to be integrated into Judo's RMF in FY27, which will enable ongoing monitoring and governance through established oversight mechanisms.

Climate scenario analysis is integral to the identification of CRROs (as outlined above). The scenario-based projections of how our commercial business drivers could be influenced by CRROs (measured by the climate sensitivities' climate scenario projections), is a key decision source when a CRRO's likelihood, timing and magnitude is assessed. As outlined below, Judo prioritises climate-related risks in a manner consistent with other risks and integrates climate-related risk within relevant material risks. For example, the AASB S2 reporting obligations are captured within the compliance risk pillar alongside pre-existing corporate reporting obligations.

Prioritisation

Once a climate-related risk has been identified and assessed for impact and likelihood, Judo's risk team leads a prioritisation process to evaluate the risk relative to other enterprise risks, taking into account the existing and new control activities. This process involves engagement with relevant business stakeholders and seeks to ensure that climate-related risks are evaluated and managed appropriately.

Following this process, relevant climate-related risks will be incorporated into Judo's RAS, which is reviewed and approved annually by the Board. The RAS articulates the level and nature of risk Judo is willing to accept in pursuing its strategy of being Australia's most trusted SME business bank and is designed to align risk-taking with Judo's business strategy, capital management and financial planning.

Outcomes of risk prioritisation are subject to governance oversight through Judo's established forums, with material matters escalated to ExCo and Board as appropriate, to seek to ensure integration with Judo's broader risk management and strategic decision-making.

Monitoring

From FY27, climate-related risks will be monitored on an ongoing basis through Judo's RMF to seek to ensure that exposures remain within the Board-approved risk appetite.

ELT will review climate-related risks on a periodic basis, at least semi-annually. This review will consider whether updates are required to risk assessments and responses based on analysis of Judo's loan book for climate-related credit risk, as well as emerging regulatory and reputational risks. Reporting from this process will also be provided to the BRC to enable oversight of climate-related risks and the effectiveness of management actions and controls.

Ongoing monitoring of climate-related risks will be embedded within business-as-usual risk management processes from FY27 and will include:

- Scenario analysis and stress testing, where appropriate, to assess the resilience of Judo's portfolio under plausible but adverse climate-related physical and transition risk conditions. Where a risk is assessed to exceed risk appetite, management actions are identified and implemented to reduce exposure or strengthen controls.
- Periodic monitoring and at least semi-annual reporting of climate-related risks, including:
  - analysis of the loan book to assess climate-related credit risk; and
  - horizon scanning on regulatory development, market norms, peer behaviours and investor expectations to remain informed of developments in climate policy, regulator expectations and market conditions.

This represents the first year in which Judo has undertaken a formal assessment of climate-related risks under AASB S2. Accordingly, no changes have been made to Judo's existing risk management processes compared with the prior period.

6. Metrics and targets

6.1 Greenhouse gases: FY26 Results

In FY26, Judo's Scope 1 and 2 greenhouse gas (**GHG**) emissions were 190.63 tonnes of carbon dioxide (**tCO_2e**), using the market-based method for Scope 2. The Scope 1 and Scope 2 breakdown of emissions is set out in the table below.

FY26 GHG Emissions (tCO_2e)

Source	FY26 tCO_2e
Scope 1 GHG emissions	–[1]
Scope 2 GHG emissions (**market-based**)	190.63
Scope 2 GHG emissions (**location-based**)	306.84

All GHG emissions disclosed relate to the consolidated accounting group of Judo Capital Holdings Limited and its consolidated subsidiaries.

Judo has elected to apply the transitional relief available under AASB S2 and, accordingly, has not disclosed comparative information relating to Scope 1 and 2 emissions, nor disclosed information relating to Scope 3 (value chain) emissions.[2]

Judo did not hold any contractual instruments conveying renewable energy claims for electricity consumed at leased office premises under its financial control during the reporting period. However, such instruments were in place for landlord-operated base-building heating, ventilation and air conditioning systems at certain facilities from which Judo purchased heating and cooling.

6.2 Climate-related metrics

The below table summarises Judo's GLA breakdown by industry sector, mapped against whether the industry is considered climate sensitive. Climate sensitivity is defined by alignment to industry and regulatory guidance – including the Climate Change Authority's *2025 Annual Progress Report* and APRA's *Climate Vulnerability Assessment* – as well as relative financed emissions intensity in comparison to the portfolio average. Together, these attributes provide context on how the composition of the lending book varies across sectors and supports an understanding of Judo's portfolio profile in relation to climate-related transition considerations. Physical climate risk is assessed separately, with consideration given to the location of underlying collateral.

Industry	GLA %	Climate sensitive
Rental, hiring and real estate services	23%	No
Accommodation and food services	13%	No
Agriculture, forestry and fishing	8%	Yes
Construction	7%	Yes
Financial and insurance services	7%	No
Health care and social assistance	5%	No
Retail trade	5%	Yes
Manufacturing	5%	Yes
Professional, scientific and technical services	4%	No
Wholesale trade	3%	Yes
Transport, postal and warehousing	2%	Yes
Residential mortgage	9%	No
Other[3]	9%	Yes
Total	**100%**	

1. Judo has conducted a review and determined that it has no material direct emissions from sources it owns or controls to disclose.
2. This disclosure is not comparable with historical greenhouse gas disclosures, as it reflects changes in data inputs and methodology approaches.
3. Industries classified within "Other" each represent less than 2% of GLA and include the "Mining" and "Electricity, Gas, Water and Waste Services" sectors.

As a pure-play specialist SME business lender, Judo has limited exposure to a subset of climate-sensitive sectors that are associated with higher climate-related transition risk and GHG emissions intensity (high-impact industries) relative to other domestic commercial banks.

Judo classifies the following sectors as high-impact industries: coal mining, oil and gas extraction, metal ore mining[3]; mineral sands mining[4]; oil and gas supply and distribution[5]; and electricity generation, transmission or distribution[6]. As at 30 June 2026, Judo had no lending to coal mining, oil and gas extraction or metal ore mining. Exposure to the other high-impact industries was limited, with total GLA balances representing 0.5% of the portfolio.

The sectoral composition, as summarised above, limits the share of assets associated with higher transition-related credit risk.

Judo's focus on SME customers further shapes its transition risk profile, as many SME customers operate flexible business models and shorter investment cycles that support how they respond to climate-related policy, technology, costs and market changes. Consistent with this, as at 30 June 2026, 5% of total GLA related to climate-sensitive sectors with a contractual maturity of greater than five years. Combined with Judo's sectoral profile, these characteristics reduce the likelihood of material climate-related credit impacts.

Judo has undertaken analysis, as described in Section 4.4, to assess real property collateral located in postcodes identified by Climate Council Australia's 2025 *Climate Risk Map of Australia* as moderate or high risk. As at 30 June 2026, this was assessed as immaterial, with less than 7% of JEV attributable to real property located in postcodes identified as vulnerable to physical climate risk under both climate scenarios considered. Refer to Section 6.3 for further information on the calculation of this metric.

Other information

In FY26, there was no financially material capital expenditure, financing or investment deployed toward climate-related risks and opportunities.

Judo does not currently apply a formal internal carbon price in our business or investment decision-making. Carbon pricing assumptions are embedded in the NGFS scenario modelling used in our climate scenario analysis, where they serve as a transition risk sensitivity rather than an operational pricing tool.

As outlined in the Governance Section in Section 3.2, Judo's executive remuneration framework did not explicitly factor in climate-related considerations in FY26.

Judo has determined not to set climate-related targets at this time. Judo will continue to monitor regulatory developments, industry practice and the maturity of available data, and will reconsider the appropriateness of climate-related targets as its approach to climate-related risk management and metrics continues to evolve.

3. Refers to ANZSIC Industry Subcodes 6-8 (600-809 inclusive), except 805.
4. Refers to ANZSIC code 805.
5. Refers to ANZSIC code 2700.
6. Refers to ANZSIC codes 2611, 2619, 2620, 2630 and 2640.

6.3 Methodology

GHG accounting framework

Judo's GHG emissions are measured in accordance with the GHG Accounting Principles under the World Resources Institute and the World Business Council for Sustainable Development's *GHG Protocol Corporate Accounting and Reporting Standard (2004)* (**GHG Protocol**). Under this protocol:

- Scope 1 GHG emissions refer to the direct GHG emissions that occur from sources owned or controlled by Judo.
- Scope 2 GHG emissions refer to indirect GHG emissions from the generation of purchased electricity, heating, cooling and steam acquired and consumed by Judo.

The GHG Protocol covers the accounting and reporting of the seven GHGs covered by the Kyoto Protocol. Emissions are reported in tonnes of carbon dioxide equivalent (**tCO_2e**), which represents the aggregated global warming potential (**GWP**) of these gases.

Organisational boundary

For all its GHG emissions, Judo applies the financial control approach to define its organisational boundary, which aligns to Judo's accounting consolidated group. Judo has full financial control over all entities within its consolidated group. Specifically, Judo's organisational boundary comprises Judo Capital Holdings Limited and all entities consolidated within Judo's accounting consolidated group for the reporting period as set out in Note 28(a) of the Financial Statements.

Under the financial control approach, an entity accounts for 100 per cent of GHG emissions from operations over which it has financial control within its Scope 1 and Scope 2 boundary.

This includes emissions from leased facilities where Judo has financial control over the relevant emission sources. Where Judo does not have financial control over leased facilities, associated emissions are excluded from Scope 1 and 2 and are instead classified as Scope 3 emissions (Category 8: Upstream Leased Assets), in accordance with the GHG Protocol.

Scope 1 and 2 operational boundary

An assessment of potential direct emission sources was undertaken. No material Scope 1 emissions were identified for Judo during the reporting period, as Judo does not operate owned or controlled combustion sources or vehicles. Scope 2 emission sources include purchased electricity, heating and cooling for Judo's leased offices, where Judo has financial control.

Emissions calculation methodology

As noted above, Judo follows the guidelines and methodologies contained in the GHG Protocol for the calculation of its GHG emissions. Judo applies the financial control approach to define its organisational boundary. Judo follows the principles of the GHG Protocol in its selection of the methodologies and emissions factors adopted in the calculation of GHG emissions.

Scope 1 and 2 emissions are measured by either internal records or external data sources, depending on data availability and the nature of the emission source. Where external data sources are used, these are selected based on relevance and alignment with Judo's operations. Data quality considerations are incorporated into the measurement process through the application of a data hierarchy, prioritising the use of the most accurate and reliable data available, and the application of conservative assumptions where estimation is required.

The table below summarises the calculation methodology applied for each of the GHG categories. Each methodology was selected based on availability of data and relevance to Judo's operations, seeking to ensure the most accurate representation of Judo's emissions profile in alignment with the GHG Protocol. Where emissions have not been included because no relevant emissions source was identified, the rationale for this conclusion has been documented.

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Judo's GHG activities and methodologies

Scope	Activity	Methodology
1	**Direct emissions from sources owned or controlled by Judo.**	Judo has conducted a review and determined that it has no material direct emissions from sources it owns or controls to disclose.
2	**Purchased electricity consumed in Judo's leased offices, where Judo has financial control.**	**Activity data** Electricity purchased directly from electricity providers for all leased premises for which Judo has recognised a right-of-use lease asset during the reporting period (refer Note 1(p) of the Financial Statements). **Data source** Electricity quantities are sourced from third-party electricity invoices for tenanted areas. **Emission factors** Emission factors are sourced from the National Greenhouse Accounts (**NGA**) Factors issued by the Department of Climate Change, Energy, the Environment and Water of Australia (**DCCEEW**). Renewable Power Percentage (**RPP**) values are sourced from the Clean Energy Regulator. **Calculation methodology** Two reporting methods are used for the calculation of purchased electricity emissions: • Market-based reporting: for relevant sites, purchased electricity consumption is adjusted for onsite solar generation, renewable electricity certificates surrendered and the electricity grid's RPP. The remaining residual electricity consumption is multiplied by the residual mix emissions factor. • Location-based reporting: grid-average electricity generation emissions for defined geographic locations (i.e. grid factors) where the electricity is consumed (after accounting for onsite generation). Calculated by multiplying the quantity of electricity by the relevant emissions factor for the reporting period. **Assumptions** Where data is not available for the entirety of the reporting year, due to invoice availability at the time of calculation, activity data is pro-rated by uplifting current year data to cover a full 12 months. **Exclusions** N/A
2	**Purchased heating and cooling consumed in Judo's leased offices, where Judo has financial control.**	**Activity data** Heating and cooling that is procured indirectly via landlord-operated base-building heating, ventilation and air conditioning (**HVAC**) systems is included. **Data source** Energy intensity (in megajoules per square metre) for base building is sourced from National Australian Built Environment Rating System (**NABERS**) certificates. **Emission factors** Emissions factors are sourced from the NGA Factors issued by the DCCEEW. RPP values are sourced from the Clean Energy Regulator. **Calculation methodology** Base building energy intensity is sourced from NABERS certificates and disaggregated into electricity and gas components. The electricity and gas intensities are multiplied by the occupied floor area to calculate Judo's share of base building electricity and gas consumption. An HVAC allocation factor is then applied to Judo's share of base building electricity and gas consumption to estimate purchased heating and cooling energy. The resulting electricity and gas consumption attributable to purchased heating and cooling is converted to GHG emissions using the relevant electricity and gas emission factors. Two reporting methods are used for the calculation of electricity consumption attributable to purchased heating and cooling: • Market-based reporting: for relevant sites, purchased electricity consumption attributable to heating and cooling is adjusted for onsite solar generation, renewable electricity certificates surrendered and the electricity grid's RPP. The remaining residual electricity consumption attributable to heating and cooling is multiplied by the residual mix emissions factor. Judo applies renewable energy indicators from NABERS certificates on a site-by-site basis to identify renewable energy claims attributable to purchased heating and cooling.

Scope	Activity	Methodology
		The site-by-site calculations are aggregated to determine total Scope 2 market-based emissions for heating and cooling, with renewable energy claims ring-fenced to the site upon which the claims were made. • Location-based reporting: grid-average electricity generation emissions for defined geographic locations (i.e. grid factors) where the electricity is consumed (after accounting for onsite generation). Emissions are calculated by multiplying the quantity of electricity by the relevant emissions factor for the reporting period. **Assumptions** The proportion of electricity and gas consumption attributable to HVAC is based on DCCEEW's *Commercial Buildings Baseline Study 2026*. **Exclusions** N/A

This is the first reporting period in which Judo has applied AASB S2. In accordance with the transitional relief provisions, comparative information has not been disclosed. As a result, changes in measurement approach, data inputs or assumptions relative to prior GHG disclosures are not presented in this Sustainability Report.

Other metrics methodology

Vulnerability to climate-related transition risks

Metrics used to demonstrate the amount and percentage of assets potentially exposed to climate-related transition risks are presented as:

- a breakdown of Judo's GLA by industry sector mapped to climate-sensitive sectors; and
- percentage of total GLA to climate-sensitive sectors with a contractual maturity of greater than five years.

GLA amounts and maturity information are sourced directly from Judo's portfolio data and are consistent with information disclosed elsewhere in the Report.

Climate-sensitive sectors are identified by assessing whether industries are included as focus areas in the Climate Change Authority's *2025 Annual Progress Report* and APRA's *Climate Vulnerability Assessment*, and by comparing financed emissions intensity by industry to Judo's portfolio average.

This assessment is informed by preparatory financed emissions analysis undertaken to prepare for future climate-related disclosures, including Scope 3 financed emissions from FY27 onwards. Judo engaged an external consultant to undertake analysis of financed emissions in accordance with the Partnership for Carbon Accounting Financials' (**PCAF**) *Global GHG Accounting and Reporting Standard, Part A*. Where financed emissions data was unavailable, an industry-average emissions intensity was applied. While financed emissions are not disclosed in this Sustainability Report under the AASB S2 transitional relief, the analysis informs the assessment used to determine whether an industry is considered climate sensitive.

Vulnerability to climate-related physical risks

To assess the proportion of real property collateral held against loans and advances that is vulnerable to climate-related physical risks, Judo used publicly available data from the Climate Council's 2025 *Climate Risk Map of Australia*. The dataset provides postcode-level estimates of the proportion of properties exposed to moderate or high physical climate risk over prescribed future time horizons and climate scenarios.

Judo considers real property collateral to be vulnerable to physical climate risk if it is in a postcode where more than 75% of all properties within the postcode were identified as having moderate or high risk, as defined by the Climate Council.

The Climate Council defines properties as having:

- Moderate risk: where there is a significant risk of insurance becoming increasingly unaffordable due to risk of damage from extreme weather. Properties are considered 'moderate risk' when the annual damage costs are equivalent to 0.2-1% of the property replacement cost.
- High risk: where there is a significant risk of insurance becoming unaffordable or withdrawn entirely due to the high risk of damage from extreme weather. Properties are considered 'high risk' when annual damage costs are equivalent to 1% or more of the property replacement cost.

Collateral postcode information was sourced from Judo's Customer Relationship Management platform.

The assessment uses the Climate Council's 2050 projections as a proxy for long-term climate-related physical risk under the scenarios described in Section 4.3. This is the shortest projected time horizon available within the source dataset and, therefore, most closely aligned with Judo's long-term time horizon.

Following data quality reviews, postcode information was unavailable for less than 1% of total JEV.

As the assessment was conducted using postcode-level data, results represent an indicative measure of exposure and may not reflect the specific physical risk characteristics of individual properties within a postcode. Judo is investigating opportunities to mature its approach to assessing climate-related physical risks to provide a more detailed understanding of portfolio exposure.

7. Notes

7.1 Significant judgements and measurement uncertainty

In preparing our climate-related disclosures, management has exercised judgement in several areas and certain disclosures are subject to a high degree of measurement uncertainty.

Area	Description
Significant judgement applied by management	
Materiality process/ identification of CRROs	Management applied significant judgement to identify the CRROs relevant to Judo. Where possible, research and data analysis was used as well as climate scenario analysis (see also details in Section 5). Additionally, an external climate risk specialist was consulted in the process.
Time Horizons	Management exercised judgement in determining appropriate short-, medium- and long-term time horizons for assessing CRROs. These time horizons were defined consistently with Judo's internal strategic and financial planning processes. Management also considered the increasing level of uncertainty associated with longer-term outcomes when determining the extent of forward-looking information disclosed.
Climate scenario selection	Judgement was applied by selecting climate scenario sources (upon the decision not to develop proprietary climate scenarios) as well as the individual scenario and underlying Integrated Assessment Models (**IAMs**). Supported by an external climate risk specialist, it was decided that: • NGFS is suitable for transition pathway modelling given more economically relevant datapoints (also at downscaled resolution for Australia and key upstream jurisdictions) and finds high acceptance among financial service providers/investors • IPCC is suitable for physical climate risk modelling and commonly adopted by (re-)insurers for climate-adjusted expected loss modelling and 'scientific'-oriented climate scenario modelling • Within the parameters of the *Corporations Act*; NGFS offers only one Hot House scenario (Current Policies), and the Net Zero 2050 scenario is deemed more relevant than the NGFS Low Demand scenario. • From an IPCC scenario, the major SSP-RCP pairs are SSP2-4.5 (slightly less warming than Current Policies, but well within the margin of 2.5-3.0°C as required by the *Corporations Act*), and SSP1-2.6 which materially corresponds to Net Zero 2050. • For transition pathway modelling, the primary IAM chosen is Global Change Analysis Model (**GCAM**) due to reliance on it by Australian regulators (e.g. APRA), more realistic trajectory and higher stress characteristics.
Rating of CRROs	Management applied judgement when rating the effects of CRROs (see Section 4.6). Each CRRO has been assessed individually based on its impacts on Judo's strategy, business model and value chain in the relevant time horizon(s) under the respective climate scenarios. In assessing, management has considered: • how the inherent risk (or opportunity) profile of the climate-related risk (or opportunity) is anticipated to affect the business drivers which it has been identified to pose a climate sensitivity to (e.g. how climate policies and regulation drive our compliance cost profile); and • assuming that, beyond what is in place today, no additional material changes are made to our strategy, business model and value chain or control landscape Thus, the rating of anticipated effects focuses on the 'rate of change' in the inherent and residual risk profile assuming unchanged mitigants and control landscape. For the assessment, management utilised operational risk rating practices (assessment matrix based on (a) annual likelihood in the relevant time horizon under each relevant climate scenario and (b) magnitude/impact) and complemented this through an expert overlay provided by relevant internal stakeholders and an external advisor.

Area	Description
Portfolio composition	Management exercised judgement in assuming that Judo's portfolio composition remains stable over the projection periods when conducting the climate scenario analysis to provide a consistent modelling approach. However, it is acknowledged that this may limit the extent to which results capture potential changes in portfolio composition under different climate scenarios.
Assessment of anticipated financial effects of CRROs	A key judgement in preparing these disclosures relates to the assessment of the anticipated financial effects of CRROs. While Judo has undertaken targeted quantitative analysis, management has determined that it is not currently possible to reliably attribute and measure these impacts within existing financial forecasting and credit risk models without introducing significant assumptions. Accordingly, any quantified estimates are subject to a high degree of uncertainty and these impacts have been presented on a qualitative basis.
Measurement uncertainty	
Climate metrics and data uncertainty	In identifying and assessing CRROs, undertaking climate scenario analysis and evaluating anticipated financial effects, Judo is required to apply judgement where relevant, decision-useful data is not available at the necessary level of granularity. In these circumstances, Judo has used proxy or estimated data, including sector-level benchmarks or time-based averages, to support its analysis. The use of proxy or estimated inputs may give rise to uncertainty and variability in outcomes, including sensitivity to modelling approaches and underlying assumptions. For physical risk metrics based on collateral postcode location, additional uncertainty may arise where risk classifications are applied at a postcode level rather than the precise asset location, and from the climate hazard models, scenarios and thresholds used to determine risk categories. Judo has sought to manage this uncertainty through the application of consistent methodologies and appropriate governance oversight. Judo intends to undertake periodic reviews and refinement of assumptions as data availability, quality and analytical capability improve over time.
Limitations of climate scenario analysis	There is a risk of over-reliance on a limited number of prescribed or industry-standard scenarios (e.g. NGFS scenarios aligned with the *Corporations Act* warming parameters). This may inadvertently amplify or understate systemic risks by excluding emerging or extreme outcomes outside the scenario boundaries. Scenario outputs are not forecasts or predictions. They represent potential future pathways based on selected assumptions and should be viewed as indicative only. These pathways do not reflect all possible outcomes and may omit complex interdependencies or emerging developments. Given the inherent uncertainty around long-term drivers – such as technological breakthroughs, regulatory interventions, or shifts in consumer behaviour – the financial implications of climate change remain highly uncertain and difficult to quantify with precision. Climate scenarios may not adequately capture, for example, the increasing frequency and severity of acute physical risks under higher-warming pathways; second- and third-order economic and social impacts, such as prolonged supply chain disruptions, labour and input cost volatility, or geopolitical tensions arising from climate migration or food insecurity; or non-linear or irreversible climate "tipping points," such as large-scale melting of permafrost or Antarctic ice sheets. Scenario modelling remains an evolving discipline. While methodologies are improving and increasingly adopted in practice – including through the introduction of mandatory climate-related disclosure regimes – they are still subject to significant development. As such, there is a risk of material revisions in the near term. These models also have inherent limitations and are highly sensitive to assumptions and input parameters, which are themselves uncertain and subject to change.

Independent Auditor's Review Report on specified Sustainability Disclosures

To the Members of Judo Capital Holdings Limited

Review Conclusion

We have conducted a review of the following specified Sustainability Disclosures in the Sustainability Report of Judo Capital Holdings Limited (the Company) and its controlled entities (together, the Group) for the year ended 30 June 2026 as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

Specified Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Governance	Paragraph 6	The governance disclosures located within: • Section 3. *Governance* (pp.80–83); and • the *Board performance, skills, and experience* subsection (pp.27–28) of the *Corporate Governance* section of the Judo Capital Holdings Limited Annual Report 2026 (the Annual Report).
Strategy (risks and opportunities)	Subparagraphs 9(a), 10(a) and 10(b)	The following strategy disclosures located within Section 4. *Strategy*: • the disclosed climate-related risks and their characterisation as transition or physical risks (pp.84–85); and • the statement that Judo has not currently identified any specific climate-related opportunities that are distinct and separate from its broader growth strategy that could reasonably be expected to affect its business model, strategy or financial performance over the short, medium or long term. (p.86). Applicable method and measurement approaches are as described within: • The descriptions of the process to identify, assess and manage climate-related risks and opportunities in Section 5.3 *Risk processes* (pp.93–94) of Section 5. *Risk Management*.

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Specified Sustainability Disclosures	Reporting requirement of Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* (AASB S2) (including related general disclosures required by Appendix D)	Location in Sustainability Report
Scope 1 and Scope 2 emissions	Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)	The following metrics disclosed within *the FY26 GHG Emissions (tCO2-e)* table in Section 6.1 *Greenhouse gases: FY26 Results* of Section 6. *Metrics and targets*: • Scope 1 GHG emissions: The statement that Judo has conducted a review and determined that it has no material direct emissions from sources it owns or controls to disclose. • Scope 2 GHG emissions (market-based): 190.63t CO2-e • Scope 2 GHG emissions (location-based): 306.84t CO2-e Applicable method and measurement approaches are as described within: • Section 6.3 *Methodology* (pp.97–99) of Section 6. *Metrics and targets*; and • the relevant definitions in the Glossary (pp.167–170).

The requirements of AASB S2, together with the applicable method and measurement approaches identified in the table above, form the criteria relevant to the specified Sustainability Disclosures. AASB S2 applies under Division 1 of Part 2M.3 of the Corporations Act 2001 (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the Sustainability Disclosures specified in the table above do not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

Basis for Conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the specified Sustainability Disclosures are free from material misstatement. In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the 'Summary of the Work Performed' section of our report below.

Our responsibilities under ASSA 5000 are further described in the Auditor's Responsibilities section of this report.

We are independent of the Company in accordance with the applicable ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code), together with the ethical requirements in the Act, that are relevant to our review of the specified Sustainability Disclosures and public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other Information

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report for the year ended 30 June 2026, but does not include the specified Sustainability Disclosures (including the *Board performance, skills, and experience* subsection (pp.26–27) of the *Corporate Governance* section of the Annual Report that forms part of the assured Governance disclosures) and our auditor's report thereon.

Our conclusion on the specified Sustainability Disclosures does not cover the other information and we do not express any form of assurance conclusion thereon. We have issued a separate opinion on the Financial Report including the Remuneration Report included in the Annual Report.

In connection with our review of the specified Sustainability Disclosures, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the specified Sustainability Disclosures, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, 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 for the specified Sustainability Disclosures

The directors of the Company are responsible for:

- The preparation of the specified Sustainability Disclosures in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the specified Sustainability Disclosures, in accordance with the Act that are free from material misstatement, whether due to fraud or error.

Inherent Limitations in preparing the specified Sustainability Disclosures

Sustainability information may be subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating, and estimating such information. Different acceptable methods have varying precision and can affect the comparability of sustainability information across entities and over time.

In addition, greenhouse gas emissions quantification is subject to inherent uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

The specified Sustainability Disclosures in relation to Strategy (risks and opportunities) have been prepared using assumptions about future events, and management's actions, that may not occur.

Auditor's Responsibilities

Our objectives are to plan and perform the review to obtain limited assurance about whether the specified Sustainability Disclosures are free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the specified Sustainability Disclosures.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.

- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the Work Performed

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the specified Sustainability Disclosures. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error. In conducting our review, we:

- Inspected the specified Sustainability Disclosures and assessed the completeness and accuracy of these disclosures against the relevant disclosure requirements of AASB S2 and with reference to the knowledge and evidence obtained during the assurance engagement;
- Performed enquiries of management regarding the methodologies, processes and controls for capturing, collating, calculating and reporting the specified Sustainability Disclosures and assessed their alignment with AASB S2 and applicable method and measurement approaches;
- Inspected and assessed, on a sample basis, charters, policies, minutes of meetings regarding the monitoring, management and oversight of climate-related matters, and other underlying evidence supporting the climate-related financial disclosures on governance;
- Performed enquiries of management and examined underlying evidence, on a sample basis, regarding the approach taken by the Group to:
    - Identify and prioritise climate-related risks and opportunities;
    - Identify material information for disclosure with regards to the Strategy (risks and opportunities) and Scope 1 and 2 emissions disclosures;
- Performed enquiries of management and examined underlying evidence to assess the completeness and accuracy of the establishment of the organisational boundary, and sources of emissions, in the context of the specified Sustainability Disclosures;
- Evaluated management's assessment that Scope 1 emissions are not material for the Group by considering its operations and organisational boundary, identified climate-related risks and opportunities, and identified sources of greenhouse gas emissions;
- Performed enquiries of management regarding the assumptions, conversion factors and greenhouse gas emission factors applied within the calculations of the Scope 2 greenhouse gas emissions (market-based) and Scope 2 greenhouse gas emissions (location-based);
- Applied analytical procedures to evaluate the Scope 2 greenhouse gas emissions (market-based) and Scope 2 greenhouse gas emissions (location-based) and the underlying activity data utilised within the calculations of each; and

- Performed testing over the calculations of the Scope 2 greenhouse gas emissions (market-based) and Scope 2 greenhouse gas emissions (location-based), including testing the activity data utilised within the calculations to third-party records, and other relevant underlying information, on a sample basis. These procedures did not include any examination of whether Energy Attribute Certificates applied within these calculations, such as Large-scale Generation Certificates or Renewable Energy Certificates, actually represent renewable electricity generated.

PricewaterhouseCoopers

PricewaterhouseCoopers

AJ Richardson

AJ Richardson
Partner

Melbourne
18 August 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Notes	2026 $M	2025 $M
Effective interest income	3	1,179.5	1,059.9
Interest expense	3	(678.9)	(652.6)
Net interest income		**500.6**	**407.3**
Other operating income	4	21.8	15.6
Operating expenses	5	(236.6)	(221.8)
Credit impairment	11	(117.7)	(75.5)
Net profit before income tax		**168.1**	**125.6**
Income tax expense	6	(57.0)	(39.2)
Net profit after income tax		**111.1**	**86.4**
Other comprehensive income			
Items that may be reclassified to profit or loss			
(Loss)/Gain on revaluation of cash flow hedge	18(b)	(37.0)	23.9
Gain on investments measured at FVOCI		4.4	0.1
Other comprehensive income for the period, net of tax		**(32.6)**	**24.0**
Total comprehensive income for the period		**78.5**	**110.4**

		Cents	Cents
Earnings per share			
Basic earnings per share	7	9.9	7.7
Diluted earnings per share	7	9.2	7.3

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	2026 $M	2025 $M
ASSETS			
Cash and cash equivalents	8	781.2	862.1
Investments	9	2,061.7	1,612.1
Loans and advances	10	14,505.2	12,334.3
Derivative assets	14	3.2	0.3
Property, plant and equipment		6.5	7.0
Intangible assets	19	42.7	47.7
Deferred tax assets	6	75.6	62.6
Other assets	20	49.0	52.1
Total assets		**17,525.1**	**14,978.2**
LIABILITIES			
Deposits	12	12,206.2	9,879.2
Borrowings	13	3,229.6	3,108.7
Derivative liabilities	14	0.7	6.0
Current tax liabilities	6	8.1	2.9
Provisions	21	96.0	87.1
Other liabilities	22	212.3	207.7
Total liabilities		**15,752.9**	**13,291.6**
Net assets		**1,772.2**	**1,686.6**
EQUITY			
Share capital	17	1,542.5	1,536.3
Reserves	18	(29.8)	1.9
Retained earnings	18	259.5	148.4
Total equity		**1,772.2**	**1,686.6**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

	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**

	Share capital $M	Reserves $M	Retained earnings $M	Total equity $M
Balance at 1 July 2025	**1,536.3**	**1.9**	**148.4**	**1,686.6**
Profit for the period	–	–	111.1	111.1
Other comprehensive income, net of tax	–	(32.6)	–	(32.6)
Total comprehensive income for the period	**–**	**(32.6)**	**111.1**	**78.5**
Transactions with owners in their capacity as owners:				
Issue of ordinary shares for Employee Share Scheme	6.2	(6.2)	–	–
Movement in reserves, net of tax	–	7.1	–	7.1
	6.2	0.9	–	7.1
Balance at 30 June 2026	**1,542.5**	**(29.8)**	**259.5**	**1,772.2**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the year ended 30 June 2026

	Notes	2026 $M	2025 $M
Cash flows from operating activities			
Interest received		1,182.2	1,069.6
Interest paid		(676.9)	(618.7)
Payments to suppliers and employees		(200.4)	(203.6)
Fees and other income received		21.8	15.6
Income taxes paid		(51.8)	(35.5)
Cash flows from operating activities before changes in operating assets and liabilities		**274.9**	**227.4**
Changes in operating assets and liabilities			
Net increase in loans and advances		(2,283.4)	(1,781.9)
Net increase in deposits		2,327.0	1,652.7
Net collateral (paid)/received on interest rate swaps		(61.4)	38.4
Net cash inflow from operating activities	**23**	**257.1**	**136.6**
Cash flows from investing activities			
Movement in investments			
Purchases of investments		(2,220.4)	(2,223.3)
Proceeds from investments		1,771.3	2,213.2
Payments for property, plant and equipment		(1.2)	–
Payments for intangible assets		(9.8)	(11.1)
Net cash outflow from investing activities		**(460.1)**	**(21.2)**
Cash flows from financing activities			
Proceeds from long-term borrowings		1,750.3	995.4
Repayment of long-term borrowings		(1,524.6)	(1,053.9)
Net (decrease)/increase in short-term borrowings		(101.7)	29.5
Principal portion of lease payments		(1.9)	(1.7)
Net cash inflow/(outflow) from financing activities		**122.1**	**(30.7)**
Net (decrease)/increase in cash and cash equivalents		**(80.9)**	**84.7**
Cash and cash equivalents at the beginning of the financial year		862.1	777.4
Cash and cash equivalents at end of year	**8**	**781.2**	**862.1**

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.

During the current period the Group changed its presentation of Negotiable Certificates of Deposit (**NCD**) cash flows in the Statement of Cash Flows from gross to net, as permitted by AASB 107 *Statement of Cash Flows* paragraph 24(a) for financial institutions. The net movement in NCDs is now presented as a separate line item within cash flows from financing activities. Cash flows arising from all other borrowings continue to be presented gross.

Comparative information has been reclassified accordingly. Proceeds from borrowings decreased by $738.8m from $1,734.2m to $995.4m, repayment of borrowings decreased by $709.3m from $1,763.2m to $1,053.9m, and a net increase in NCDs of $29.5m is separately presented. This reclassification has no impact on net cash flows from financing activities or cash and cash equivalents.

(b) Use of critical accounting judgements and estimates

The preparation of these Consolidated Financial Statements requires the use of critical accounting estimates, judgements 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:

- Expected credit losses 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 and other non-financial 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 expected credit loss (**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 details on the methodology and assumptions.

The assessment of expected credit losses requires management to consider the potential impacts of climate-related risks on borrowers, collateral values and overall credit risk. Determining the extent to which climate-related risks may affect the Group's lending portfolio, and consequently expected credit losses, requires a significant degree of judgement regarding the timing, magnitude and likelihood of future impacts.

In making this assessment, management considers climate-related factors within existing credit risk assessment processes, the analysis of climate-sensitive sector exposures, collateral concentrations and climate scenario analysis, as detailed in the Sustainability Report.

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 assume 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 and other non-financial 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 and other non-financial assets, where internal or external 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 19. The Group's accounting policy for impairment of assets is disclosed in Note 1(o).

(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 July 2025:

- AASB 2026-1 *Amendments to Australian Standards – Disclosures about Uncertainties in the Financial Statements.*
- 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 2026.

Title	Key requirements	Effective Date*
AASB 2024-2 Amendment 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 has assessed the amendments in AASB 2024-2 and does not expect it to materially impact the financial statements of the Group.	1 January 2026 (early adoption is available)
AASB 18 Presentation and Disclosure in Financial Statements	AASB 18 introduces new requirements for the presentation of the statement of profit or loss and other comprehensive income, including mandatory subtotals, revised classification of income and expenses, enhanced aggregation and disaggregation principles, and new disclosures for management-defined performance measures (**MPM**). The Group expects AASB 18 to primarily affect the presentation and disclosure of information within the financial statements, with no material impact on the recognition or measurement of assets, liabilities, income or expenses.	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 information of subsidiaries is prepared for the same reporting period as the parent entity, and apply consistent accounting policies. Where necessary, adjustments are made to align 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 presented 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 lines of credit, term deposit break fees, and bank guarantee service fees.

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 services 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 the 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.

(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) 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. Software development costs are capitalised as an intangible asset when the Group has established control of the underlying asset.

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 2 and 5 years, applied on a straight-line basis.

(o) Impairment of assets

Intangible assets that are not yet ready for use and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable.

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, in which case the loss is treated as a revaluation decrease. Given the Group does not hold any goodwill, impairment losses related to a CGU are allocated pro rata against assets within the CGU.

(p) 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 has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

(q) 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 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.

(r) 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.

(s) 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.

(t) 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.

(u) 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 25 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.

(v) 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 earnings per share 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.

(w) Rounding of amounts

The Company complies with ASIC Legislative Instrument 2026/183, 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.

(x) 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 2026, 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, who is the chief operating decision maker.

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

	2026 $M	2025 $M
Effective interest income		
Cash and cash equivalents	22.6	33.4
Investments	83.8	58.8
Loans and advances	1,073.1	967.7
	1,179.5	**1,059.9**
Interest expense		
Deposits	(505.3)	(457.6)
Borrowings	(173.0)	(194.3)
Lease liabilities	(0.6)	(0.7)
	(678.9)	**(652.6)**
Net interest income	**500.6**	**407.3**

(a) Average balances and related interest

The following tables summarise the Group's key interest-bearing assets and liabilities, reflecting their interest earned or incurred including the impacts of hedging, 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 2026		
	Average balance $M	Interest $M	Average interest %
Effective interest income			
Cash and cash equivalents	602.6	22.6	3.75
Investments	2,095.4	83.8	4.00
Loans and advances	13,295.2	1,073.1	8.07
	15,993.2	**1,179.5**	**7.38**
Interest expense			
Deposits	10,961.2	505.3	4.61
Borrowings	3,058.4	173.0	5.66
	14,019.6	**678.3**	**4.84**

	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**

4. Other operating income

	2026 $M	2025 $M
Other operating income		
Fee income	13.1	9.2
Other income	7.7	5.2
Realised gains on sale of investments	1.0	1.2
	21.8	**15.6**

5. Operating expenses

	2026 $M	2025 $M
Depreciation and rental expenses		
Depreciation of property, plant and equipment	1.8	1.6
Depreciation of right-of-use assets	2.4	2.2
Rental expenses	4.3	4.2
	8.5	**8.0**
Employee benefits		
Salaries, superannuation and related on-costs	117.3	108.3
Performance-based compensation	25.0	23.7
Other employee benefits	2.1	0.8
	144.4	**132.8**
Other operating expenses		
Information technology	32.7	36.2
Amortisation of intangible assets	14.8	11.7
Marketing	8.7	7.1
Travel and entertainment	7.4	6.7
Professional fees	5.6	6.1
Other	14.5	13.2
	83.7	**81.0**
Total operating expenses	**236.6**	**221.8**

6. Income tax

(a) Amounts recognised in profit or loss

	2026 $M	2025 $M
Current tax		
Current year	57.6	42.0
Changes in estimates related to prior years	0.1	0.1
Total current tax expense	**57.7**	**42.1**
Deferred income tax		
Current year	(0.9)	(3.0)
Changes in estimates related to prior years	0.2	0.1
Total deferred tax benefit	**(0.7)**	**(2.9)**
Income tax expense	**57.0**	**39.2**

(b) Amounts recognised directly in equity

	2026 $M	2025 $M
Deferred income tax arising in the reporting period related to items charged/(credited) directly in equity:		
Net (loss)/gain on cash flow hedges	(15.9)	10.3
Net gain on investments measured at FVOCI	1.9	–
Share-based payments	1.0	(2.6)
	(13.0)	**7.7**

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

	2026 $M	2025 $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	168.1	125.6
Tax at the Australian tax rate of 30% (2025 – 30%)	50.5	37.7
Add tax effect of non-temporary differences:		
Share-based payments	4.2	(0.6)
Capital Note interest	1.6	1.7
Non-deductible expenses	0.4	0.2
Changes in estimates related to prior years	0.3	0.2
Income tax expense	**57.0**	**39.2**

(d) Deferred tax assets

	2026 $M	2025 $M
Deferred tax assets		
Provision for credit impairment	65.0	55.8
Employee benefits	3.2	2.8
Capital raising costs	–	1.8
Share-based payments	0.8	9.2
Cash flow hedges	5.6	–
Other	5.7	6.5
Total deferred tax assets	**80.3**	**76.1**
Deferred tax liabilities		
Intangibles	(4.7)	(3.3)
Cash flow hedges	–	(10.2)
Total deferred tax liabilities	**(4.7)**	**(13.5)**
Net deferred tax assets	**75.6**	**62.6**

(e) Current tax

	2026 $M	2025 $M
Current tax liabilities	(8.1)	(2.9)

The Group's franking account balance is calculated from the balance as at the end of the reporting period, less amounts that will be utilised in franking the August 2026 AT1 Capital note distribution, and adjusted for estimated franking account movements that will arise from settlement of income tax after the end of the financial year.

The balance of the Group's franking credits available for subsequent reporting periods, based on a tax rate of 30%, is estimated to be $168.8m (2025: $114.1m).

7. Earnings per share

	2026 Cents	2025 Cents
Basic earnings per share	9.9	7.7
Diluted earnings per share	9.2	7.3

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

	2026 $M	2025 $M
Net profit after tax	111.1	86.4
Total basic earnings	**111.1**	**86.4**
Earnings used in calculating basic earnings per share	111.1	86.4
Add: accretion of share-based payments expense and capital note interest	5.7	2.4
Total diluted earnings	**116.8**	**88.8**

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

	2026 Number	2025 Number
WANOS used in calculating basic earnings per share	**1,120,334,019**	**1,115,401,161**
Adjustments for calculation of diluted earnings per share:		
Options	95,833,687	101,756,623
Capital notes	48,248,408	–
WANOS used in calculating diluted earnings per share	**1,264,416,114**	**1,217,157,784**

(c) Potentially dilutive instruments

The following instruments are potentially dilutive for the reporting period:

	Dilutive	
	2026	**2025**
Premium priced options	Dilutive	Dilutive
Deferred share rights	Antidilutive	Antidilutive
Performance rights	Antidilutive	Antidilutive
Capital notes	Dilutive	Antidilutive

FINANCIAL INSTRUMENTS

8. Cash and cash equivalents

	2026 $M	2025 $M
Cash at bank	654.2	715.3
Funds held in trust	127.0	146.8
	781.2	**862.1**

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 at 30 June 2026, the total funds held in trust by third party service providers was $127.0m (2025: $146.8m), which includes a $5.0m float (2025: $9.0m) that is accessible for general use by the Group.

Funds held by subsidiaries that are restricted for use in line with trust waterfall mechanisms are also captured within cash and cash equivalents, totalling $187.9m as at 30 June 2026 (2025: $132.8m).

9. Investments

	2026 $M	2025 $M
Hold to Maturity Portfolio **Financial assets measured at amortised cost**		
Government bonds and notes	5.0	5.0
Semi-government bonds and notes	260.8	453.1
Financial institution notes and securities	292.3	380.3
	558.1	**838.4**
Hold to Collect and Sell Portfolio **Financial assets measured at FVOCI**		
Government bonds and notes	61.3	–
Semi-government bonds and notes	904.9	349.1
Financial institution notes and securities	537.7	424.9
	1,503.9	**774.0**
Provision for credit impairment	(0.3)	(0.3)
	2,061.7	**1,612.1**

Hold to Collect and Sell Portfolio

The Group maintains two investment portfolios managed by Treasury, the Hold to Maturity and Hold to Collect and Sell portfolio, to support liquidity and optimise portfolio performance. The business model for the Hold to Collect and Sell 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 2026	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 and notes	33.3	33.3	28.0	28.0	5.0	4.9	66.3	66.2
Semi-government bonds and notes	95.8	95.2	864.3	859.9	205.6	205.6	1,165.7	1,160.7
Financial institution notes and securities	319.3	319.5	510.7	510.8	–	–	830.0	830.3
	448.4	**448.0**	**1,403.0**	**1,398.7**	**210.6**	**210.5**	**2,062.0**	**2,057.2**
30 June 2025								
$M								
Government bonds and notes	–	–	–	–	5.0	4.9	5.0	4.9
Semi-government bonds and notes	189.3	186.7	612.9	605.8	–	–	802.2	792.5
Financial institution notes and 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**

10. Loans and advances

	2026 $M	**2025 $M**
Business loans	11,475.7	9,602.4
Equipment loans	529.9	619.4
Line of credit	974.4	977.2
Home loans	1,247.0	1,156.9
Warehouse lending	445.1	109.4
Gross loans and advances	**14,672.1**	**12,465.3**
Adjusted for:		
Capitalised net transaction costs	49.3	54.8
Provision for credit impairment	(216.2)	(185.8)
	14,505.2	**12,334.3**

Capitalised net transactions costs include upfront establishment fees, upfront broker commissions and expected future trail commissions (see Note 21), accounted for in line with the EIR method.

	Contractual maturity at 30 June 2026			
	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	3,014.0	6,515.0	1,946.7	11,475.7
Equipment loans	39.7	490.2	–	529.9
Line of credit	958.8	15.6	–	974.4
Home loans	4.8	28.6	1,213.6	1,247.0
Warehouse lending	110.1	328.8	6.2	445.1
Gross loans and advances	**4,127.4**	**7,378.2**	**3,166.5**	**14,672.1**
	Contractual maturity at 30 June 2025			
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**

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 $4,435.9m (2025: $3,876.6m).

11. Credit impairment expense and provisions for credit impairment

	2026 $M	2025 $M
Increase in collective provision for credit impairment	18.0	5.1
Increase in specific provision for credit impairment	99.7	70.4
Credit impairment expense	**117.7**	**75.5**

Total provisions held for credit impairment across loans and advances is $216.2m (30 June 2025: $185.8m). 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 2024	**51.4**	**39.3**	**22.3**	**36.1**	**149.1**
Net transfer between stages	1.4	(7.0)	(5.1)	10.7	–
Provision on origination for new loans and advances	29.9	2.5	–	–	32.4
Net remeasurement of provision	(16.3)	10.3	18.5	62.1	74.6
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	(1.7)	1.4	(4.9)	5.2	–
Provision on origination for new loans and advances	32.2	0.7	–	–	32.9
Net remeasurement of provision	(4.9)	18.4	9.2	97.8	120.5
Write-back of provisions no longer required	(11.3)	(9.2)	(11.9)	(3.3)	(35.7)
Amounts written off, previously provided for	–	–	–	(87.3)	(87.3)
Balance at 30 June 2026	**68.7**	**44.5**	**22.8**	**80.2**	**216.2**

- **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;
- **Provision on origination for new loans and advances:** increase to provisions for impairment due to new loans and advances originated during the period, reflecting their impairment provision on origination;
- **Net remeasurement of provision:** net movements in provisions for impairment recognised on loans and advances, 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.

Impact of movements in gross carrying amount on provision for credit impairment for the Group

- **Stage 1 collective provisions** increased by $14.3m as a result of $5,763.2m of loans and advances that were originated or migrated into Stage 1 from Stage 2 or Stage 3 due to credit quality improvement, offset by $3,834.6m of loans and advances that were repaid, experienced movement in underlying account balances or migrated from Stage 1 to Stage 2 or Stage 3 due to deterioration in credit quality.
- **Stage 2 collective provisions** increased by $11.3m as a result of $1,289.0m of loans and advances that were originated and migrated into Stage 2 or transferred from Stage 1 or Stage 3, offset by $1,059.6m of loans and advances that were repaid, experienced movement in underlying account balances or migrated from Stage 2 to Stage 1 or Stage 3 due to changes in credit quality.

- **Stage 3 collective provisions** decreased by $7.6m as a result of $284.9m of loans and advances that were repaid, experienced movement in underlying account balances or returned to performing and transferred to Stage 1 or Stage 2. This was offset by $334.5m of loans and advances that migrated into Stage 3 due to credit deterioration.

- **Stage 3 individually assessed provisions** increased by $12.4m as a result of $283.6m of loans and advances that experienced credit deterioration, offset by $132.3m of loans and advances that were repaid and $87.3m of write offs.

(a) Key components of the Group's impairment methodology

By providing financial services and credit to customers, the Group bears the risk that the future circumstances of customers might change, including their ability to repay their loans in part or in full. Provisions for expected credit loss (**ECL**) are recognised and measured by the Group to account for the risk of future credit losses.

ECL is derived from probability-weighted estimates of loss which include consideration of a customer's:

- Probability of Default (**PD**): The estimated likelihood that a customer will default over a given period.
- Exposure at Default (**EAD**): The estimated outstanding balance of a facility at the time of default, including drawn amounts and, where applicable, expected future drawdowns on undrawn commitments.
- Loss Given Default (**LGD**): The expected credit loss in the event of a default, including consideration of the value of recoverable assets.

Internal credit rating grades are assigned at a customer level based on quantitative and qualitative information, and incorporate management's expert credit experience and judgement. Further, the Group considers whether there has been a significant increase in credit risk (**SICR**) at each reporting period, or whether the customer is in default or impaired. The outcome of each assessment determines the credit risk classification for the customer for the purposes of measuring ECL.

Significant increase in credit risk

The Group makes key judgements in determining whether a customer has experienced a SICR, which impacts the measurement of ECL. The following are considered indicators of a SICR:

- Movements in internal credit risk grade above set thresholds;
- A borrower is 30 days past due in making a contractual payment;
- A borrower has breached a covenant;
- 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; and
- External credit rating – predominantly for treasury investment exposures.

Definition of default status

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.

Definition of impaired status

A customer is classified as impaired when there is objective evidence of impairment following the customer defaulting on their contractual obligations to repay. Under these circumstances, the expected credit loss 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, such as the SME Government Guarantee Schemes, as compared to the outstanding principal. The expected credit loss provision for the customer is recognised on lifetime expected credit losses.

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.

Credit risk classifications

Customers are then categorised into the following credit risk classifications:

Credit risk classification	Criteria applied by the Group	Basis of recognising allowance for credit losses	Basis for recognising interest revenue
Stage 1: Performing	Customers have a low probability of default, a strong capacity to meet contractual cash flows, and have not incurred a SICR since initial loan recognition date.	12 month expected credit losses assessed on a collective basis.	Gross carrying amount of the financial asset
Stage 2: Performing – Significant increase in credit risk	Loans designated as performing, although there has been a SICR since the initial recognition date.	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.	Full lifetime expected credit losses assessed on a collective basis[1].	Amortised cost of the financial asset
Stage 3: Non-performing impaired assets	Customer meets the Group's definition of impaired.	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.

Incorporation of forward-looking information and macroeconomic scenarios

Macroeconomic variables including gross domestic product (GDP) growth rates, unemployment rates and inflation rates are used across four scenarios. These assumptions underpin the base case scenario, and are complemented by upside, downside and severe downside scenarios to reflect a range of possible economic outcomes. The probability of each scenario is determined by considering relevant macroeconomic outlooks and their likely impact on the Group's credit portfolio and expected loss distribution.

In the current reporting period, the Group have adopted a modelled downside and severe downside scenario that incorporates credit risk impacts relating to a high oil price shock, which is captured in the Group's modelled collective provisioning outcomes, and was previously accounted for as a management overlay.

Forward-looking information and multiple economic scenarios are incorporated into a third-party macroeconomic model to determine ECL. The Group's Credit Provision Model Governance Forum is responsible for the approval of each scenario and the weighting applied.

The base case Australian macroeconomic assumptions used to measure the provision for credit impairment are:

Base case Australian macroeconomic inputs	June 2027 Forecast	June 2028 Forecast
GDP growth rate (annual)	1.7%	2.6%
Unemployment rate	4.8%	4.5%
Consumer price index (annual)	3.1%	2.4%

The official Reserve Bank of Australia (**RBA**) cash rate is not used in ECL models, however, is considered by the Group in deriving forecast macroeconomic variables used in ECL models.

During the current period, macroeconomic scenarios were revised reflecting current economic conditions. The changes to the base case included a deterioration in the macroeconomic outlook, reflecting a reduction in expected GDP growth, higher unemployment and higher inflation across the forecast horizon.

Probability weightings are applied to each macroeconomic scenario in order to reflect the full distribution of plausible economic outcomes, and produce a probability-weighted provision. There were no changes during the period to the probability weightings for macroeconomic scenarios used in the ECL calculation.

Probability weightings	June 2026	June 2025
Base case	50%	50%
Upside	5%	5%
Downside	30%	30%
Severe downside	15%	15%

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 continues to grow, albeit at a slower rate across FY27 as a result of increases in the RBA's official cash rate, persistent geopolitical pressures and Federal Government budget measures. Labour market conditions soften which sees a rise in unemployment rates, although the increase is limited by persistent structural labour shortages. Inflation remains above the RBA's target range in the short-term, returning to the mid-point in FY28 as demand growth slows to better align with the economy's productive capacity.
- **Upside** – This scenario is included to account for the potential impact of more favourable macroeconomic conditions.

  Household consumption and business investment remain resilient despite heightened uncertainty, resulting in tighter labour market conditions and a declining unemployment rate. Inflation returns more gradually to the RBA's target range due to stronger domestic demand, resulting in the RBA tightening the cash rate further in mid-FY27 to 5.1% before commencing a short easing cycle in late FY28.
- **Downside** – This scenario contemplates the potential impact of less likely adverse economic conditions.

  The scenario assumes a significant increase in global oil prices, resulting in a sharp rise in inflation through FY27. The inflation shock and fuel scarcity reduces household purchasing power and business profitability, leading to a material slowdown in economic activity. GDP contracts through FY27, resulting in a recession and a rise in the unemployment rate to 5.5%. Inflation peaks at more than 6.0% in FY27 before declining rapidly as reduced demand weighs on price pressures. The RBA initially tightens monetary policy further before undertaking a significant easing cycle through FY28.
- **Severe Downside** – This scenario reflects the potential impact of severe adverse macroeconomic conditions that are considered remote but plausible.

  The Australian economy enters a prolonged recession during FY27 as business conditions rapidly deteriorate, resulting in significant job losses, a substantial rise in unemployment and a sharp fall in inflationary pressures. In response, the RBA implements an aggressive monetary easing cycle, reducing the cash rate to a terminal rate of around 1.5%.

(b) ECL scenario analysis

The inherent judgement required in the application of macroeconomic scenarios results in uncertainty in measuring expected credit losses. The following tables detail the difference in ECL collective coverage on financial instruments (including treasury investments), based on modelled outputs reflecting a 100% upside, base, downside and severe downside probability weighting.

Scenario	June 2026 Collective Coverage %	June 2025 Collective Coverage %
Upside	0.54%	0.55%
Base case	0.74%	0.76%
Downside	1.11%	1.09%
Severe downside	1.31%	1.42%
Probability weighted	**0.93%**	**0.95%**

Scenario	June 2026 Collective Provisions $	June 2025 Collective Provisions $
Upside	$79.5m	$68.8m
Base case	$109.2m	$94.6m
Downside	$163.0m	$136.5m
Severe downside	$192.5m	$177.6m
Probability weighted	**$136.3m**	**$118.3m**

Sensitivity of provisions for credit impairment to SICR assessment criteria

If 1% of Stage 1 credit exposures as at 30 June 2026 was included in Stage 2, provisions for credit impairment would increase by approximately $2.1m (30 June 2025: $1.5m).

If 1% of Stage 2 credit exposures as at 30 June 2026 was included in Stage 1, provisions for credit impairment would decrease by approximately $0.3m (30 June 2025: $0.2m).

(c) Management overlays

Total overlays incorporated in the collective provision as at 30 June 2026 are $12.8m (30 June 2025: $6.0m).

Management overlays are applied as forward-looking adjustments to provisions for credit impairment, which are derived from reasonable and supportable forecasts of potential future conditions that are not otherwise captured within the underlying credit provision derived by ECL models. Overlays form a component of the total collective provision for credit impairment held.

The Group continues to carry an economic overlay for industries with greater exposure to reduced discretionary consumer spending, labour shortages and rising input and energy costs. Industries captured by the economic overlay include retail trade, manufacturing, and construction (including providing services to construction) while waste collection, treatment and disposal services, agriculture, transport and childcare services were added throughout FY26.

The Group has adopted an internal stress testing scenario, and uses expert judgement to inform the measurement of management overlays.

12. Deposits

	2026 $M	2025 $M
Direct term deposits	7,298.0	7,040.5
Intermediated term deposits	3,513.3	2,838.7
Direct at-call deposits	1,256.6	–
Intermediated at-call deposits	138.3	–
	12,206.2	**9,879.2**

During the year, the Group introduced at-call deposits through the launch of an intermediated savings account product and a direct online savings account product. Both products expand the available market for sourcing deposit funding, to support the ongoing operations of the Group.

	2026 $M	2025 $M
Deposits by state or territory		
New South Wales	4,743.2	3,530.0
Victoria	3,287.1	2,822.1
Queensland	1,783.4	1,551.4
Western Australia	1,298.4	1,083.0
South Australia	578.7	506.7
Australian Capital Territory	263.4	193.7
Tasmania	205.4	147.7
Northern Territory	46.6	44.6
	12,206.2	**9,879.2**

Refer to Note 15(c) for maturity details relating to the Group's deposits.

13. Borrowings

	2026 $M	2025 $M
Secured		
Securitisation	2,232.1	1,932.1
	2,232.1	1,932.1
Unsecured		
Negotiable certificates of deposit	411.4	516.0
Senior unsecured debt	174.7	349.5
Additional Tier 1 Capital notes	73.3	72.6
Subordinated Tier 2 Capital notes	338.1	238.5
	997.5	1,176.6
Total borrowings	**3,229.6**	**3,108.7**

Refer to Note 15(c) for maturity details relating to the Group's borrowings.

(a) Secured loan facilities

The Group's secured loan facilities represent borrowings under the warehouse securitisation program and capital-relief term securitisation transactions.

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 capital-relief securitisation transactions, also backed by Judo Bank Pty Ltd originated loans held by the securitisation trusts. The transactions qualify for regulatory capital relief and are accretive to the Group's CET1 ratio as the underlying assets are excluded from Risk Weighted Assets (**RWA**). Consistent with the warehouse structure, the securitised loans remain on the balance sheet.

As at 30 June 2026, the Group's total committed capacity of debt warehouse facilities is $2,130m (2025: $2,515m). The decrease from prior period is due to one facility moving from committed to uncommitted in July 2025, noting that this facility was subsequently closed post-year end in July 2026.

(b) Unsecured loan facilities

Additional Tier 1 Capital notes

The Group has issued perpetual, subordinated and unsecured Capital Notes qualifying as Additional Tier 1 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.

1. The scheduled optional conversion, redemption or resale dates are 16 February 2029, 16 May 2029, 16 August 2029 and 16 November 2029.

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 the Australian Prudential Regulation Authority (**APRA**).

During the year, the Group completed an issuance of subordinated Tier 2 Capital notes totalling $150m. These notes are priced at 215 basis points over the 3-month BBSW and are scheduled to mature on 8 October 2035[1].

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 (**NCD**). 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 one senior unsecured bond outstanding:

A $175 million floating rate bond maturing on 13 June 2028, priced at 145 basis points over the 3-month BBSW.

14. Derivatives

The Group utilises derivative instruments to manage its exposure to financial risk. 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 2026 (2025: nil).

(a) Derivative assets and liabilities

The tables below set out total derivative assets and liabilities treated as hedging derivatives:

	2026			2025		
	Fair value $M	**Collateral pledged/ (received) $M**	**Carrying amount $M**	**Fair value $M**	**Collateral pledged/ (received) $M**	**Carrying amount $M**
Derivative assets						
Cash flow hedges	5.9	(2.7)	3.2	0.3	–	0.3
Derivative liabilities						
Cash flow hedges	(24.1)	23.4	(0.7)	34.7	(40.7)	(6.0)

			2026		2025	
			Carrying amount $M	**Notional value $M**	**Carrying amount $M**	**Notional value $M**
Derivative assets	**Hedging instrument**	**Risk**				
Cash flow hedges	Interest rate swaps	Interest rate	3.2	2,469.8	0.3	25.4
Derivative liabilities	**Hedging instrument**	**Risk**				
Cash flow hedges	Interest rate swaps	Interest rate	(0.7)	7,485.8	(6.0)	8,421.9

The weighted average fixed interest rate of interest rate swaps designated as hedging instruments for interest rate risk as at 30 June 2026 was 4.02% (2025: 3.82%).

1. The notes include an optional early redemption feature, with a first optional redemption date of 8 October 2030 (subject to certain conditions, including APRA approval).

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

	2026				2025			
	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	7,723.5	2,232.1	–	9,955.6	6,682.7	1,764.6	–	8,447.3
Carrying amount								
Carrying amount	0.6	1.9	–	2.5	(0.8)	(4.9)	–	(5.7)

(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.

Cash flow hedges

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.

	2026		2025	
	Carrying amount $M	Carrying amount of hedging instruments $M	Carrying amount $M	Carrying amount of hedging instruments $M
Borrowings				
Securitisation – variable rate	207.6	0.4	222.3	(1.6)
Loans and advances[1]				
Loans and advances – variable rate	9,748.0	2.1	8,225.0	(4.1)
	9,955.6	**2.5**	**8,447.3**	**(5.7)**

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 reprices using a 5-day average reference rate whereas the associated derivative reprices using a 1-day reference rate. The Group has not identified any material hedge ineffectiveness and as such no amount was recognised in profit or loss for the year ended 30 June 2026 (2025: 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 accountability 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.

Exposure to interest rate risk arises 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.

	2026 $M	2025 $M
Increase of 100 basis points		
Impact on profit after tax	13.7	13.9
Impact on equity	13.7	13.9
Decrease of 100 basis points		
Impact on profit after tax	(13.7)	(13.9)
Impact on equity	(13.7)	(13.9)

(b) Credit risk

Credit risk represents the risk of loss arising from a customer or counterparty failing to meet their obligations in accordance with agreed terms. The Group actively manages credit risk to generate sustainable net interest income consistent with its Risk Appetite Statement and Credit Risk Management Framework.

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, 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 diversifies its credit portfolio sectors, geographies and customer segments. Credit exposures are actively managed through regular customer engagement and portfolio reviews. 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. 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.

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:

	2026 $M	2025 $M
Financial assets		
Cash and cash equivalents	781.2	862.1
Investments	2,061.7	1,612.1
Loans and advances	14,505.2	12,334.3
Derivative assets	3.2	0.3
Other assets	173.8	169.4
Total balance sheet exposures	**17,525.1**	**14,978.2**
Customer funding commitments	952.6	800.3
Other	165.6	165.4
Total exposures	**18,643.3**	**15,943.9**

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 greater than 10% of Tier 1 capital, to any single counterparty or group of connected counterparties.

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 finance, risk, 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 (**CRG**) and ECL stage. The Group's internal credit risk rating grades broadly align with Moody's rating scale as follows:

Internal credit rating category	Internal CRG	Moody's equivalent
Strong	1 – 2	A – Ba
Good	3 – 6	Ba – B
Satisfactory	7 – 9	B
Weak	10 – 14	Caa – Ca
Default	15 – 17	C

	Stage 1		Stage 2		Stage 3	
30 June 2026	**Carrying amount $M**	**Impairment provision $M**	**Carrying amount $M**	**Impairment provision $M**	**Carrying amount $M**	**Impairment provision $M**
Internal credit rating						
Strong	2,440.0	6.2	39.3	0.4	–	–
Good	8,835.7	53.0	710.4	9.1	–	–
Satisfactory	985.9	9.1	619.5	12.9	–	–
Weak	34.5	0.4	526.4	22.1	–	–
Default	–	–	–	–	480.4	103.0
	12,296.1	**68.7**	**1,895.6**	**44.5**	**480.4**	**103.0**
30 June 2025						
Internal credit rating						
Strong	1,852.6	4.3	73.0	0.7	–	–
Good	7,331.8	39.9	604.0	7.1	–	–
Satisfactory	1,144.5	9.8	584.1	11.6	–	–
Weak	39.5	0.4	405.2	13.8	–	–
Default	–	–	–	–	430.6	98.2
	10,368.4	**54.4**	**1,666.3**	**33.2**	**430.6**	**98.2**

The assessment of expected credit losses incorporates consideration of the potential impacts of climate-related risks on borrowers, collateral values and overall credit risk. These climate-related risks are considered within existing credit risk assessment processes, as well as through the analysis of climate-sensitive sector exposures, collateral concentrations and climate scenario analysis, as detailed in the Sustainability Report.

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:

	2026 $M	**2026 %**	**2025 $M**	**2025 %**
Maximum exposure	15,927	100.0	13,425	100.0
Collateral classification:				
Fully secured	7,854	49.3	7,065	52.6
Partially secured	5,823	36.6	4,303	32.1
Balance sheet security	2,250	14.1	2,057	15.3

Collateral classification	**Description**
Fully secured	The exposure is less than or equal to 100% of the Judo Extended Value (JEV), which is a discount to the market value of the underlying security.
Partially secured	The exposure is greater than 100% of the JEV but less than 150%, or exposure greater than 150% of the JEV and real property mortgage is pledged.
Balance sheet security	The exposure is greater than 150% of the JEV and/or no real property mortgage is pledged. Other forms of collateral types such as General Security Agreements and Specific Security Arrangements are normally held.

(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 tables below 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 2026	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	781.2	–	–	–	781.2	781.2
Investments	359.6	88.8	1,403.0	210.6	2,062.0	2,061.7
Loans and advances	2,625.7	1,501.7	7,378.2	3,166.5	14,672.1	14,505.2
Other assets	40.8	1.3	6.9	–	49.0	49.0
Deposits	(7,796.2)	(3,109.1)	(1,301.9)	–	(12,207.2)	(12,206.2)
Borrowings	(676.1)	(215.3)	(1,617.0)	(728.3)	(3,236.7)	(3,229.6)
Lease liabilities	(1.4)	(1.4)	(8.5)	–	(11.3)	(10.1)
Other liabilities	(202.2)	–	–	–	(202.2)	(202.2)
Total non-derivatives	**(4,868.6)**	**(1,734.0)**	**5,860.7**	**2,648.8**	**1,906.9**	**1,749.0**
Derivatives						
Interest rate swaps	0.4	0.2	1.9	–	2.5	2.5
Total derivatives	**0.4**	**0.2**	**1.9**	**–**	**2.5**	**2.5**
30 June 2025						
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)**

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, maintains access to repurchase agreements with other domestic and international banks and has committed warehouse securitisation facilities to generate funding where required. In addition to the $2,130m of committed warehouse capacity disclosed in Note 13, the Group has access to $872m in funding through RBA-eligible self-securitisation notes.

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 2026		30 June 2025	
	Carrying Amount $M	Fair Value $M	Carrying Amount $M	Fair Value $M
Financial assets				
Cash and cash equivalents	781.2	781.2	862.1	862.1
Investments	557.8	553.3	838.1	830.0
Loans and advances	14,505.2	14,490.8	12,334.3	12,339.2
	15,844.2	**15,825.3**	**14,034.5**	**14,031.3**
Financial liabilities				
Deposits	(12,206.2)	(12,175.5)	(9,879.2)	(9,899.3)
Borrowings	(3,229.6)	(3,229.6)	(3,108.7)	(3,108.7)
	(15,435.8)	**(15,405.1)**	**(12,987.9)**	**(13,008.0)**

(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 2026	Notes	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Financial assets					
Investments	9	–	1,503.9	–	1,503.9
Derivatives – interest rate swaps	14	–	3.2	–	3.2
Total financial assets		**–**	**1,507.1**	**–**	**1,507.1**
Financial liabilities					
Derivatives – interest rate swaps	14	–	(0.7)	–	(0.7)
Total financial liabilities		**–**	**(0.7)**	**–**	**(0.7)**

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)**

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 2026	Level 1 $M	Level 2 $M	Level 3 $M	Total $M
Financial assets				
Cash and cash equivalents	–	781.2	–	781.2
Investments	–	553.3	–	553.3
Loans and advances	–	–	14,490.8	14,490.8
Total financial assets	**–**	**1,334.5**	**14,490.8**	**15,825.3**
Financial liabilities				
Deposits	–	–	(12,175.5)	(12,175.5)
Borrowings	–	–	(3,229.6)	(3,229.6)
Total financial liabilities	**–**	**–**	**(15,405.1)**	**(15,405.1)**

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)**

(c) Valuation techniques used to determine fair value

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

- for investments – the fair values are 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 nature and availability on demand;
- for investments – the fair value is 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

	2026 Shares	2026 $M	2025 Shares	2025 $M
Issued capital				
Ordinary Shares paid in full	1,121,284,400	1,558.3	1,117,685,772	1,552.1
Equity raising costs	–	(15.8)	–	(15.8)
Total share capital	**1,121,284,400**	**1,542.5**	**1,117,685,772**	**1,536.3**

(i) Ordinary Shares

	2026		2025	
	Number of shares (millions)	Total $M	Number of shares (millions)	Total $M
Balance at beginning of year	1,117.7	1,552.1	1,109.3	1,537.9
Employee share scheme issues	3.6	6.2	8.4	14.2
Balance at end of year	**1,121.3**	**1,558.3**	**1,117.7**	**1,552.1**

Nature of issued capital

As at 30 June 2026, 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 CET1 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 2026 (2025: 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 comprises 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 RWA. RWA 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 2026, the Group has $75m issued in AT1 Capital securities in the form of subordinated capital notes that qualify as AT1 Capital of the Group 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, as at 30 June 2026 the Group has $340m issued 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 conversion features.

18. Retained earnings and reserves

(a) Retained earnings

	2026 $M	2025 $M
Retained earnings at beginning of the year	148.4	62.0
Net profit	111.1	86.4
	259.5	**148.4**

(b) Reserves

	2026 $M	2025 $M
Cash flow hedges	(13.2)	23.8
FVOCI reserve	4.8	0.4
Share-based payments	(21.4)	(22.3)
	(29.8)	**1.9**

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 2026 an unrealised loss of $37.0m (2025: $23.9m gain) was recognised in other comprehensive income. A reconciliation of movements in the cash flow hedge reserve is provided in the table below:

	2026 $M	2025 $M
Balance at beginning of the year	23.8	(0.1)
Net hedging (losses)/gains recognised through other comprehensive income	(52.9)	34.3
Tax effect on hedging recognised through other comprehensive income	15.9	(10.4)
Balance at end of the year	**(13.2)**	**23.8**

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 25.

OTHER ASSETS AND LIABILITIES

19. Intangible assets

Internally generated software	Work in progress $M	In use $M	Total $M
At 1 July 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)
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
Year ended 30 June 2026			
Additions	9.8	–	9.8
Transfer to In Use	(7.6)	7.6	–
Amortisation charge	–	(14.8)	(14.8)
Closing book amount	5.1	37.6	42.7
At 30 June 2026			
Cost	5.1	75.2	80.3
Accumulated amortisation	–	(37.6)	(37.6)
Net book amount	5.1	37.6	42.7

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 and other non-financial assets

The Group completes annual impairment assessments of intangible and other non-financial assets, in order to determine whether the carrying amount of the asset exceeds its recoverable amount for:

- Internally generated software classified as work in progress; and
- Internally generated software in use and other non-financial assets, where internal or external indicators of impairment are identified.

Through the annual assessment, an external indicator of impairment was identified relating to the carrying amount of the net assets of the entity exceeding its market capitalisation as at the balance date.

Intangible and other non-financial assets are grouped as a single CGU in the absence of separately distinguishable cash flows. The recoverable amount has been estimated using a fair value less costs of disposal (**FVLCD**) method. The FVLCD method has been applied in performing a discounted cash flow analysis with the valuation considered to be Level 3 in the fair value hierarchy, due to unobservable inputs used in the valuation.

The Group's five-year forecast has been utilised to determine the cash flow projections, which is based on past experience and management's expectations of future conditions. A post-tax discount rate of 11.75% was adopted, reflecting current market assessments of the risks specific to the CGU with reference to comparable Australian businesses. The terminal value, representing the present value of cash flows beyond the forecast period, has been determined using a market-based earnings multiple approach.

Based on the testing performed, the recoverable amount of the CGU exceeded the carrying amount of the relevant assets. Accordingly, no impairment charge was recognised for the year ended 30 June 2026.

The FVLCD estimates are sensitive to assumptions related to forecast cash flows, discount rates and terminal value calculations. Management performed sensitivity analyses over key assumptions used in the impairment assessment and concluded that no reasonably possible change in assumptions would result in the carrying amount of the CGU exceeding its recoverable amount.

20. Other assets

	2026 $M	2025 $M
Accrued interest receivable	18.6	13.1
Prepayments – SaaS licensing and development	16.4	23.3
Prepayments – Other	1.5	2.8
Right-of-use assets	9.4	10.3
Other receivables	3.1	2.6
	49.0	**52.1**

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21. Provisions

	2026 $M	2025 $M
Trail commission	68.1	62.8
Employee entitlements	26.2	22.6
Make good provision	1.7	1.6
Other provisions	–	0.1
	96.0	**87.1**
Current	43.3	38.9
Non-current	52.7	48.2

(a) Movements in provisions

	2026 $M	2025 $M
Trail commission		
Opening balance	62.8	54.4
Additional provision recognised	26.6	28.0
Amounts utilised during the year	(21.3)	(19.6)
Closing balance	**68.1**	**62.8**
Make good		
Opening balance	1.6	1.6
Additional provision recognised	0.1	–
Amounts utilised during the year	–	–
Closing balance	**1.7**	**1.6**

(b) Information about individual provisions

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 effective interest method.

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.

22. Other liabilities

	2026 $M	2025 $M
Accrued interest payable	191.6	184.3
Trade creditors and accruals	10.6	12.8
Lease liabilities	10.1	10.6
	212.3	**207.7**

OTHER DISCLOSURES

23. Cash flow information

Reconciliation of profit after income tax to net cash inflow from operating activities

	Notes	2026 $M	2025 $M
Profit for the period		**111.1**	**86.4**
Adjustments for:			
Depreciation, amortisation and impairment of fixed assets	5	19.2	15.5
Charges for impairment on financial assets held at amortised cost		117.7	75.5
Performance-based compensation		8.1	8.2
Accrued interest income		2.7	9.7
Accrued interest expense		2.0	33.9
Changes in operating assets and liabilities:			
Increase in loans and advances		(2,288.7)	(1,790.3)
Decrease in prepayments and other receivables		7.3	0.1
Increase in income taxes payable		5.2	5.5
Decrease in deferred tax assets through profit or loss		–	(1.9)
Increase in customer deposits		2,327.0	1,652.7
Decrease in trade creditors and accruals		(1.9)	(3.2)
(Increase)/decrease in derivatives		(61.4)	38.4
Increase in provisions		8.8	6.1
Net cash inflow from operating activities		**257.1**	**136.6**

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24. 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 and 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

	2026 $M	2025 $M
Right-of-use assets		
Property leases – buildings	17.1	15.6
Accumulated depreciation	(7.7)	(5.3)
	9.4	10.3
Lease liabilities		
Property leases – buildings	10.1	10.6
Provisions		
Make good provision	1.7	1.6

(c) Amounts recognised in the statement of profit or loss

	2026 $M	2025 $M
Depreciation expense on right-of-use assets	2.4	2.2
Interest expense on lease liabilities	0.6	0.7
	3.0	2.9
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)	3.7	3.8
Total expenses in relation to leases	**6.7**	**6.7**

(d) Amounts recognised in the statement of cash flows

	2026 $M	2025 $M
Total cash outflow in relation to leases	6.4	6.5

25. 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 initial public offering (**IPO**) completed on 1 November 2021. The last tranche of options that didn't vest at the time of the IPO vested during the 2026 financial year. All of the LTIP options had been fully expensed in prior years due to accelerations for good leavers, therefore no expense has been recognised in the current period profit or loss.

(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 Leadership Team (**ELT**) members during the 2026 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 2026 financial year, a total of 1,001,482 Deferred Share Rights were granted in relation to the 2025 financial year program, with a total fair value at grant date of $1.8m and a weighted average fair value per instrument of $1.76. A total expense of $1.7m (2025: $2.6m) 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 ELT and senior leaders. Since the 2025 financial year, participants have been 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 satisfaction of the service condition (subject to the good leaver provisions) and compliance with the Group's risk, values and conduct requirements.

During the 2026 financial year, a total of 5,292,159 Performance Rights were granted under the Judo Grows+ program. The rights had a total fair value at grant date of $6.6m and a weighted average fair value per instrument of $1.24. The Performance Rights are scheduled to vest between late August and mid-September 2029 (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 2026, a total expense of $5.4m (2025: $4.8m) 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 ELT 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 2026, 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.

The fair value of these awards is amortised over the vesting period. For the year ended 30 June 2026 an expense of $0.4m (2025: $0.4m) 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 2026, a total of 562,433 of these 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 $1.55.

The fair value of these awards is amortised over the applicable vesting period, subject to good leaver provisions. For the year ended 30 June 2026, an expense of $0.6m (2025: $0.3m) was recognised 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.

	2026 No.	2026 WAEP($)	2025 No.	2025 WAEP($)
Deferred Share Rights				
Outstanding at beginning of the year	5,226,467	–	13,632,833	–
Granted	1,563,915	–	1,523,072	–
Forfeited	(142,095)	–	(1,941,135)	–
Exercised	(3,512,901)	–	(7,988,303)	–
Outstanding at year end	**3,135,386**	**–**	**5,226,467**	**–**
Exercisable at year end	**–**	**–**	**–**	**–**

	2026 No.	2026 WAEP($)	2025 No.	2025 WAEP($)
Performance Rights				
Outstanding at beginning of the year	5,145,547	–	–	–
Granted	5,292,159	–	5,318,928	–
Forfeited	(505,465)	–	(173,381)	–
Exercised	–	–	–	–
Outstanding at year end	**9,932,241**	**–**	**5,145,547**	**–**
Exercisable at year end	**–**	**–**	**–**	**–**

	2026 No.	2026 WAEP($)	2025 No.	2025 WAEP($)
Options				
Outstanding at beginning of the year	97,239,229	1.62	110,540,108	1.65
Granted	–	–	–	–
Forfeited	(2,707,053)	1.35	(11,889,555)	1.95
Exercised	(465,858)	1.41	(1,411,324)	1.41
Outstanding at year end	**94,066,318**	**1.63**	**97,239,229**	**1.62**
Exercisable at year end	**18,346,860**	**2.04**	**10,137,736**	**1.48**

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	14 October 2031 – 5 October 2033	14 October 2031	20 December 2029 – 29 July 2031
Weighted average remaining life (years)	6.3	6.6	5.3	4.0

(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.

For 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	18 September 2025	21 October 2025	19 March 2026
Share price	$1.75	$1.72	$1.49
Exercise price	$0.00	$0.00	$0.00
Volatility (%)	40%	40%	40%
Risk-free rate (%)	3.37%	3.33%	4.62%
Effective life (years)	4	3.90	3.5
Dividend yield (%)	0.00%	0.00%	0.00%

26. 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.

	2026 $'000	2025 $'000
Audit, review and assurance services		
Audit and review services		
Audit and review of the financial report	1,168	1,225
Assurance services		
Other statutory assurance services	462	220
Total remuneration for audit, review and assurance services	**1,630**	**1,445**
Other non-audit services		
Other services	135	124
Total remuneration for audit, review, assurance and other services	**1,765**	**1,569**

Other statutory assurance services relate to engagements required under sustainability and prudential standards, and other legislative or regulatory requirements.

Other non-audit services include engagements relating to sustainability reporting readiness.

27. 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 28.

The table below presents the aggregate amounts receivable by the Company from its controlled entities as at year end:

	2026 $'000	2025 $'000
Balance at beginning of the year	19,366	11,527
Net movement	(7,153)	7,839
Balance at end of the year	**12,213**	**19,366**

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:

	2026 $'000	2025 $'000
Short-term benefits	4,194	4,528
Post-employment benefits	250	260
Equity-based payments	2,350	2,155
Other long-term benefits	74	59
Total KMP compensation	**6,868**	**7,002**

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 transactions 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 on an 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 2026:

	2026 $'000	2025 $'000
Deposits outstanding at the beginning of the year	2,073	2,280
Deposits outstanding at the end of the year	2,513	2,073
Interest paid or payable	95	112

28. Interests in other entities

(a) Material subsidiaries

The Group's principal subsidiaries as at 30 June 2026 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	
		2026 %	2025 %
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 Market Trust 2026 – 1	Australia	100	–
Judo Capital Holdings Limited Employee Share Trust	Australia	100	100

During the financial year the Group established Judo Capital Market Trust 2026-1 to facilitate a securitisation transaction disclosed in Note 13.

(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:

	2026 $M	2025 $M
Loans and advances	445.1	109.4
Total carrying value of assets in unconsolidated structured entities	**445.1**	**109.4**
Commitment/contingencies	130.1	59.7
Total maximum exposure to loss in unconsolidated structured entities	**575.2**	**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.

29. 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

	2026 $M	2025 $M
Net assets		
Total assets	1,590.0	1,598.4
Total liabilities	(82.0)	(97.7)
Net assets	**1,508.0**	**1,500.7**
Shareholders' equity		
Issued capital	1,542.5	1,536.3
Reserves		
Share-based payments	(21.2)	(22.3)
Accumulated losses	(13.3)	(13.3)
Total equity	**1,508.0**	**1,500.7**

(ii) Statement of profit or loss and other comprehensive income

	2026 $M	2025 $M
Profit for the year	0.1	0.4

30. Commitments and contingencies

(a) Commitments

	2026 $M	2025 $M
Customer funding commitments	952.6	800.3
Bank guarantees and performance-related contingencies	165.6	165.4
	1,118.2	**965.7**

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 2026, there are no disputes or claims made against the Group by tax authorities.

31. 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.

32. 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 2026

		Body corporates		Tax residency	
Entity name	**Entity type**	**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 Market Trust 2026 – 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 108 to 156 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 2026 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Group 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 157 is true and correct as at 30 June 2026.

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 2026.

This declaration is made in accordance with a resolution of the Directors.

David Hornery
Chair

18 August 2026

Manda Trautwein
Director

18 August 2026

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 2026 and of its financial performance for the year then ended; and

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 2026;
- the consolidated statement of profit or loss and other comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows 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 2026; and
- the directors’ declaration.

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.

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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

Credit impairment expense and provisions for credit impairment

AASB 9 Financial Instruments requires the recognition of provisions for expected credit losses (ECL) against the gross carrying value of the Group's loans and advances, the measurement of which is required to incorporate reasonable and supportable information about past events, current conditions, and forecasts of future economic scenarios.

The Group uses a complex model to calculate ECL on a collective basis. The model incorporates various forward-looking assumptions, such as forecasts of future economic conditions across multiple economic scenarios sourced from a third-party and adjusted to ensure consistency with Judo's outlook. In addition, judgmental adjustments such as overlays are applied to the modelled ECL outcomes.

Individually assessed provisions are recognised by the Group for loans and advances that are known to be impaired at the reporting date.

We considered the provision for ECL a key audit matter due to the significant auditor attention required and the inherent estimation uncertainty in its determination, arising from the complexity, subjectivity and judgement used by the Group in its recognition and measurement. This is heightened by the uncertain global economic outlook, including the implications for energy price volatility, unemployment rates, and inflationary pressures.

Key factors contributing to this uncertainty include:

- The models which are used to calculate ECL on a collective basis are inherently complex and judgement is applied in determining the various model inputs;
- The determination and probability-weighting of forward-looking macroeconomic scenarios, including the Group's judgement in the current year to incorporate high oil price shock within certain economic scenarios, all of which carry inherently heightened levels of estimation uncertainty;
- The determination, methodology, and quantification of management overlays applied to modelled assumptions and model outputs, including exposures in industries facing increased pressure from the uncertain operating environment.
- Judgement is involved in determining the amount of specifically assessed provisions for impaired loans.

Refer to notes 1(b), 11 and 15(b) for further information.

We developed an understanding of the control activities relevant to our audit procedures over the Group's provision for ECL. For certain control activities, we assessed whether they were appropriately designed and were operating effectively, on a sample basis, throughout the year ended 30 June 2026. This included control activities relevant to:

- The review and approval of credit risk grades;
- The review and approval by the Credit Provision Model Governance Forum of the inputs into the ECL calculation, including macroeconomic scenarios and associated weightings and management overlays, and review of the outputs and overall adequacy of the ECL provision by the ECL Governance Forum.

In addition, together with PwC credit risk modelling experts and PwC economics experts, we performed the following audit procedures, amongst others, to assess the reasonableness of the Group's provision for ECL as at 30 June 2026:

- Tested key inputs into models used to estimate the collective provision on a sample basis
- Assessed the appropriateness of the ECL model methodology applied by the Group, including the criteria used to determine Significant Increase in Credit Risk (SICR) and the staging of exposures between Stage 1, Stage 2 and Stage 3;
- Assessed the appropriateness of certain forward-looking assumptions incorporated into the ECL model, including the macroeconomic scenarios used by the Group, underlying forecasts and probability weightings applied;
- Assessed the appropriateness of certain management overlays applied by the Group, including the industries identified as vulnerable and the exposures captured, by evaluating the rationale and methodology applied by the Group and testing the underlying data used in the calculations;
- Tested the accuracy of a sample of critical data elements used as inputs to the ECL models by tracing to source documentation;
- Tested the appropriateness of individually assessed provisions recognised by the Group for a sample of loans identified as impaired at the reporting date, including consideration of collateral valuation and expected recovery;
- Evaluated the reconciliation of the movement in the ECL provision during the year, including the net remeasurement, new originations, write-offs, and write-backs recognised; and

Key audit matter	How our audit addressed the key audit matter
	• Considered the impact of relevant events occurring after the end of the financial year until the date of signing the auditor's report on the provision for ECL. Where applicable, we also considered the competency, capabilities, objectivity, and nature of the work of certain experts used by the Group to assist in the development of relevant assumptions used in determining the provision for ECL. We also 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 processes are dependent on IT systems for the processing and recording of a significant volume of transactions and, in certain instances, to execute automated controls relevant to financial reporting. A key component of the Group's IT systems and controls is the management of risks arising from unauthorised access to systems and data, unauthorised or inadequately tested program changes and IT operating protocols. Due to this, and the extent of our audit effort in testing, the operation of IT systems and controls over financial reporting was considered to be a key audit matter.	For material financial statement balances, we obtained an understanding of the IT systems, associated IT application controls and, where relevant, IT dependencies in IT dependent manual controls that support the generation and recording of these balances. Our procedures, amongst others, included: • Assessing whether IT general control activities relevant to our audit were appropriately designed and implemented and, for certain controls, were operating effectively throughout the year. This included controls over user access to systems and data, change management, and IT operations; • Assessing the design and implementation of program development controls over new system implementations and significant enhancements to existing systems supporting business operations; and • Performing tests, on a sample basis, of certain IT application controls and IT dependencies in IT dependent manual controls that were key to our audit testing to assess the accuracy of certain system calculations and the generation of certain reports relevant to our audit. Where we identified design or operating effectiveness matters relating to ITGCs relevant to our audit, we performed alternative audit procedures. We also tested mitigating controls 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 2026, 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 and a separate review conclusion on specified Sustainability Disclosures within the Sustainability Report, in accordance with the scope of Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001*.

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.

pwc

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 2026.

In our opinion, the remuneration report of Judo Capital Holdings Limited for the year ended 30 June 2026 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

PricewaterhouseCoopers

AJ Richardson

AJ Richardson	CJ Heath
Partner	Partner
Melbourne	Melbourne
18 August 2026	18 August 2026

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Other Information

Shareholding details

Twenty largest registered fully paid ordinary shareholders of the Company as at 5 August 2026

Rank	Name	05 Aug 2026	%IC
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	270,121,563	24.09
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	259,200,950	23.12
3	CITICORP NOMINEES PTY LIMITED	209,922,271	18.72
4	BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	54,101,762	4.82
5	BNP PARIBAS NOMS PTY LTD	38,336,597	3.42
6	CAMBOOYA PTY LTD	35,991,566	3.21
7	SGE PTY LTD <THE BGSE TRUST A/C>	18,146,781	1.62
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	12,341,773	1.10
9	BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	10,680,756	0.95
10	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	7,641,998	0.68
11	TIKEHAU INVESTMENT MANAGEMENT ASIA PTE LTD <TIKEHAU ASIA OPPORTUNITIES>	6,316,591	0.56
12	ARGO INVESTMENTS LIMITED	5,204,561	0.46
13	CHRYSTOBEL PTY LTD <MALCOLM HISCOCK FAMILY TRUST>	4,856,803	0.43
14	PACIFIC CUSTODIANS PTY LIMITED <JDO EMP SUB REGISTER A/C>	4,626,017	0.41
15	BNP PARIBAS NOMS (NZ) LTD	3,659,763	0.33
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	3,637,696	0.32
17	ALEXTWIGG FAMILY HOLDINGS PTY LTD <ALEX TWIGG FAMILY A/C>	3,461,989	0.31
18	MR PETER JOHN HODGSON	2,319,549	0.21
19	MRS KATHRYN MARY KEENAN	2,234,788	0.20
20	PATRICK SIMON JOSEPH SUPERANNUATION FUND PTY LTD	2,000,000	0.18
Total		**954,803,774**	**85.15**

Other Information continued

Substantial shareholders

As at 5 August 2026, 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]	71,469,946	6.40
State Street Corporation and its subsidiaries	71,594,380	6.39
Yarra Capital Management Limited[2]	65,519,886	5.84
UBG Group AG and its related bodies corporate	61,958,193	5.53
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	57,962,352	5.2
AMP Limited and its related bodies corporate	57,331,153	5.11

Distribution of fully paid ordinary shareholding as at 5 August 2026:

Range (number)	Number of holders	Number of shares	% of shares
1 to 1,000	2,391	1,422,907	0.13
1,001 to 5,000	3,282	8,815,140	0.79
5,001 to 10,000	1,438	10,919,946	0.97
10,001 to 100,000	2,199	64,046,771	5.71
100,001 and Over	268	1,036,079,636	92.40
Total	9,578	1,121,284,400	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 2026

Full year results:
18 August 2026

AGM:
20 October 2026

1. Includes FIL Investment Management (Australia) Limited and FIL Investments International.
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.

Appendices

Glossary

Term	Meaning
$	Dollar amounts (in Australian dollars or AUD unless stated otherwise)
AASB	Australian Accounting Standards Board
AASB S2	Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures, which sets the requirements for climate-related financial disclosures in Australia
Additional Tier 1 capital (AT1)	As defined by APRA
ADI	Authorised deposit-taking institution
AI	Artificial Intelligence
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ASRS	Australian Sustainability Reporting Standards (issued by the AASB, including AASB S2)
ASX	ASX Limited (ABN 98 008 624 691)
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
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
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
CCO	Chief Customer Officer
CEO	Chief Executive Officer
CET1	Common Equity Tier 1 capital as defined by APRA
CET1 ratio	Common Equity Tier 1 capital divided by total RWA
CFO	Chief Financial Officer
CLCO	Chief Legal and Commercial Officer
Climate resilience	The capacity of an entity's strategy and business model to withstand and adapt to climate-related changes, developments or uncertainties.
Climate-related risks and opportunities (CRROs)	Climate-related risks (potential negative impacts) and opportunities (potential positive impacts) that could reasonably be expected to affect the entity's cash flows, access to finance or cost of capital over the short, medium or long term
Climate-sensitive sector	A sector assessed as having heightened exposure to climate-related transition risks, considering industry and regulatory guidance, as well as relative financed emissions intensity compared with the portfolio average.
CO_2e/carbon dioxide equivalent	A unit of measurement for greenhouse gas emissions, which expresses them as the amount of carbon dioxide that would cause the same level of warming
Company	Judo Capital Holdings Limited (ACN 612 862 727)
COO	Chief Operating Officer
Corporations Act or *Corporations Act 2001*	*Corporations Act 2001* (Cth)
Cost-to-income ratio or CTI ratio	Total expenses divided by net banking income

Appendices continued

Term	Meaning
CRO	Chief Risk Officer
CTI	Cost-to-income
Current reporting period	The year or 12-month period covered by the Report (for this Report, FY26)
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
DOSA	Direct online savings account
ECL	Expected credit losses
ESG	Environmental, social and governance
ExCo or 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 Leadership Team
ELT	Executive Leadership Team
Financed emissions	Greenhouse gas emissions associated with lending and investment activities (treated as Scope 3 Category 15 "Investments" for financial institutions)
Financed emissions intensity	Emissions associated with lending and investments, expressed relative to GLA
FTE	Full-time equivalent
FY	Financial year
GHG/greenhouse gases	Gases that contribute to the greenhouse effect and global warming. Common GHGs include carbon dioxide (CO_2), methane (CH4) and nitrous oxide (N_2O)
GHG Protocol	The Greenhouse Gas Protocol, a widely used global framework for measuring and reporting greenhouse gas emissions
GLA	Gross loans and advances
Global warming potential (GWP)	A factor that allows different greenhouse gases to be compared based on how much heat they trap in the atmosphere relative to CO_2
High-impact industries	Industries associated with higher climate-related transition risk and GHG emissions intensity relative to other sectors, forming a subset of Judo's climate-sensitive sectors. These include coal mining, oil and gas extraction, metal ore mining; mineral sands mining; oil and gas supply and distribution; and electricity generation, transmission or distribution.
HoH	Half on half
IAM	Integrated Assessment Model; a model that combines inputs across climate, energy and economic systems to explore pathways and outcomes
ICAAP	Internal Capital Adequacy Assessment Process
IE&D	Inclusion, equity and diversity
IFRS	International Financial Reporting Standards
IPCC	Intergovernmental Panel on Climate Change, a UN body that assesses climate science and publishes climate scenarios and assessment reports
IPO	Initial public offering
ISA	Intermediated savings account
JEDI	Judo Employee Delight Index, Judo's industry-first weekly engagement tracking tool
Judo Extended Value (JEV)	Judo Extended Value is the market value of the asset less a deduction for possible deterioration over time or at recovery, and is set internally for each allowable asset type.

Term	Meaning
Judo Grows	Judo's short-term incentive plan
Judo Grows+	Judo's long-term incentive plan
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 615 895 561), and where the context requires, the business conducted by those entities, unless otherwise stated
KMP	Key Management Personnel
Location-based (Scope 2)	A method for calculating Scope 2 emissions using average grid emission factors for the location where electricity is consumed.
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
Market-based (Scope 2)	A method for calculating Scope 2 emissions reflecting contractual arrangements and instruments (for example, renewable energy purchases), in line with GHG Protocol Scope 2 Guidance.
MD	Managing Director
MLH	Minimum Liquidity Holdings under the Minimum Liquidity Holdings regime where APRA requires Judo to hold a minimum buffer in cash and eligible securities
NCDs	Negotiable certificates of deposit
Net Zero	A state where greenhouse gas emissions are balanced by removals, resulting in no net contribution to climate change
NGFS	Network for Greening the Financial System, a group of central banks and supervisors that develops climate scenarios and guidance for climate risk analysis
NIM	Net Interest Margin
NM	Not meaningful
Nominations Committee or NOMCO	The sub-committee of the Board that has membership, responsibilities and duties set out in the Corporate Governance section of this Report
Non-Executive Director or NED	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
PBT	Profit before tax
PCAF	Partnership for Carbon Accounting Financials, an industry initiative that provides methodologies for measuring and reporting financed emissions
Physical risk	Climate-related risk arising from acute events (for example, floods, bushfires) or chronic changes (for example, rising sea levels, long-term temperature increases)
People, Culture & Remuneration Committee or PCRC	The sub-committee of the Board that has membership, responsibilities and duties set out in the Corporate Governance section of this Report
Premium priced options or PPOs	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

Appendices continued

Term	Meaning
RBA	Reserve Bank of Australia
RCP	Representative Concentration Pathway; a greenhouse-gas concentration (radiative forcing) trajectory used in climate modelling
Risk Committee	The sub-committee of the Board that has membership, responsibilities and duties set out in the Corporate Governance section of this Report
RMF	Risk Management Framework
RMS	Risk Management Strategy
ROE	Return on equity
RWA	Risk-weighted asset
Scope 1 emissions	Direct greenhouse gas emissions from sources owned or controlled by an entity
Scope 2 emissions	Indirect greenhouse gas emissions from the generation of purchased or acquired electricity, steam, heating, cooling and similar energy consumed by an entity
Scope 3 emissions	Other indirect greenhouse gas emissions across the value chain (upstream and downstream), beyond Scope 2
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
SSP	Shared Socioeconomic Pathway; a set of assumptions about future global societal and economic developments used alongside RCPs in climate modelling
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 RWA
Total provision coverage ratio	Total impairment provision balance divided by the end-of-period loan book
Transition risk	Climate-related risk arising from the transition to a lower-emissions economy (for example, changes in policy and regulation, technology, market preferences and reputational factors)
Value chain	The full range of activities, resources and relationships related to an entity's business model, including upstream and downstream activities
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
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Melbourne

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