ASX Announcement

2026 Full Year Result

18 August 2026

Judo reports FY26 PBT growth of 34% and reaffirms FY27 outlook

Judo Capital Holdings Limited (ASX:JDO) ("Judo Bank", "Judo" or "Bank") today reported its financial and operating performance for the full year ended 30 June 2026.

- Profit before tax (PBT) of $168.1m, up 34%; pre-provision profit up 42%, reflecting strong revenue growth and operating leverage
- Return on equity (ROE) improved 110bps to 6.4% with stronger profitability
- Continued above system lending growth, with gross loans and advances (GLA) of $14.7bn, up 18% year on year, at the top end of FY26 guidance
- Deposit balances grew by 24% to $12.2bn, as Judo expanded its deposit offering with the launch of two new at-call products
- Net interest margin (NIM) was 3.13% for FY26, and 3.23% for 2H26, both above guidance
- Cost-to-income ratio (CTI) improved 710bps to 45.3%, demonstrating ongoing operating leverage
- Impairment charge of $117.7m; 90+ days past due (DPD) and impaired assets ratio of 2.90% of GLA
- Strong capital position with CET1 ratio of 12.4%
- FY27 guidance reaffirmed: PBT $210m - $220m, representing PBT growth of 25% - 31% vs FY26, with ROE to be circa 8%

Financial Highlights	FY26 Result	FY25 Result	Change
Statutory NPAT ($m)	$111.1	$86.4	29%
PBT ($m)	$168.1	$125.6	34%
GLA ($bn)	$14.7	$12.5	18%
Deposits ($bn)	$12.2	$9.9	24%
NIM (%)	3.13%	2.93%	20bps
CTI ratio (%)	45.3%	52.4%	(710bps)
CET1 ratio (%)	12.4%	13.1%	(70bps)
Earnings per share (EPS) (cps)	9.9	7.7	29%
ROE (%)	6.4%	5.3%	110bps

Result overview

Judo delivered FY26 profit before tax of $168.1m, up 34%, with pre-provision profit increasing 42% and return on equity improving by 110 basis points to 6.4%. The result reflects continued growth in the loan book, strong NIM performance and the delivery of operating leverage, partly offset by higher impairment expenses.

Net interest margin increased to 3.13%, up 20 basis points from FY25, and improved from 3.03% in 1H26 to 3.23% in 2H26. Cost-to-income ratio improved 710 basis points to 45.3%, reflecting revenue growth significantly outpacing expense growth in FY26.

Judo's lending book grew 18% to end the year at $14.7bn, at the top end of FY26 guidance, and well above system growth[1]. This performance was supported by a team of 173 experienced bankers serving SME customers across 32 locations nationwide. Judo's lending NPS of +58 remained sector leading.

Deposits increased 24% to $12.2bn, representing 71% of total funding. During the year, Judo expanded its award-winning deposit franchise through the launch of the Intermediated Savings Account (ISA) and Direct Online Savings Account (DOSA).

Impairment expense increased during the year to $117.7m, at the low end of the revised guidance provided in June 2026, primarily reflecting higher specific provisions associated with new impaired loans. 90+ DPD and impaired assets ratio was 2.90% of GLA as at 30 June 2026, lower than previously guided.

Judo remained well capitalised with a CET1 ratio of 12.4% as at 30 June 2026, above Judo's management operating range 11.0% - 12.0%[2].

CEO commentary

"FY26 has been another year of genuine momentum for Judo. While the increase in specific provisions late in the year was disappointing, the underlying performance of the Bank has remained strong, with record revenue, continued operating leverage, strong deposit growth and lending at the top end of guidance. We have continued to deliver above-system growth, underpinned by our customer value proposition of smarter judgement, faster decisions, and stronger relationships.

Since starting Judo ten years ago, our team has worked with a clear purpose to build an SME business bank from the ground up. We now have nearly 600 employees, 4,800 SME lending customers, and 63,000 depositors. We have built a sustainable business which is producing strong growth and increasing profitability.

While we have made significant progress, we are not complacent. We will continue to adapt and adjust our settings and processes to strengthen the Bank and support our ongoing scaling.

Our net interest margin has continued to improve as we have grown into our at-scale funding stack. A higher mix of deposits combined with a maturing wholesale funding portfolio, has translated to lower overall funding costs. Pleasingly, we have now reached the significant milestone of deposits being more than 70% of our total funding. As a result, our NIM is expected to remain broadly stable in FY27, at a level that is higher than any other listed ADI, reflecting the superior economics of our specialist SME-focused business model[3].

With major investments in our core technology platforms behind us, we are now focused on delivering operating leverage and driving our return on equity. As we continue to scale the loan book, we are seeing more of our revenue growth translate to profit growth. Our cost to income ratio has improved significantly to now be the lowest in the sector[3], and will keep improving as we scale. We have achieved this while also maintaining our sector leading net promoter scores and employee engagement scores.

Small and medium-sized businesses are the engine room of the Australian economy. Every dollar we lend to an SME is a dollar backing a business that employs people, invests in its community and drives economic growth and innovation in Australia. That is not incidental to our strategy – it is the reason Judo exists.

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

[2] Judo's management CET1 target range 11.0% – 12.0% in normal operating conditions

[3] Peer comparison based on latest reported figures for the majors and regional banks from each bank's most recent result announcements

We remain highly confident in our business model. We have a proven customer value proposition, our balance sheet remains strong, and we remain on course to deliver a return on equity in the low-to-mid teens. I thank the Judo team for their unwavering focus on our vision to build a world-class business bank."

Economic outlook and FY27 guidance

Momentum in the domestic economy has eased through 2026 amid policy tightening, geopolitical uncertainty and higher energy prices. However, while growth has slowed, labour markets remain resilient and business credit demand has remained strong.

Oil price shocks have driven a renewed rise in business costs. While some businesses have passed on higher costs, many are yet 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[4]	Circa 8%

Investor conference call

Chief Executive Officer, Chris Bayliss, and Chief Financial Officer, Andrew Leslie, will host a live investor webcast at 10:00am AEST on 18 August 2026, to present Judo Bank's 2026 Full Year Result.

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

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Authorised for release by the Judo Board.

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