

MEDIA RELEASE

Judo Bank completes Round 3 capital raise, taking post-money valuation to over \$1 billion

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Judo Bank, Australia's first challenger bank focused on small and medium sized businesses, has completed a \$230 million third round (R3) capital raise, taking the post-money valuation of the bank to unicorn status at well over \$1 billion.

The bank's co-founder and co-CEO, David Hornery, said the capital raise had involved existing shareholders only, due to global economic uncertainty surrounding the COVID 19 pandemic.

"The support we've received for our third round, at an increased valuation to our second round capital raise last year, underscores the confidence and commitment our existing investors have in Judo, particularly at a time of extreme volatility in global markets, that has impacted all bank valuations," Mr. Hornery said.

"The additional capital supplements the strong lending and deposit growth Judo has achieved over the last 12 months, as well as the fully committed \$350 million Citi facility obtained earlier this year.

"It also adds to the combined \$500 million investment received by Judo from the Federal Government through the Australian Business Securitisation Fund and the Structured Finance Support Fund.

"We now have one of the strongest capitalised tier-1 ratios in the country, and intend on rapidly growing our national footprint, and expanding the products and services we offer to thousands of Australian SMEs, whose needs have long been ignored by the major banks."

Since launching in March 2018, Judo Bank has raised over \$750 million in capital from private and institutional investors globally, including Bain Capital Credit, Myer Family Investments, the Abu Dhabi Capital Group, Ironbridge, SPF Investment Management, OPTrust, and Tikehau Capital.

This Round follows the successful closure of Judo Bank's second-round equity raising at \$400 million - double the initial target of \$200 million - in July 2019.

Judo's first and second funding rounds - totaling a combined \$540 million – represented the largest amount of private investment raised by an Australian start-up ever.

Mr Hornery added: "The value of having a diverse group of substantial and sophisticated investors, that believe in Judo's commitment to the Australian SME market has never been more evident - nor come at a more important time."

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