

Target Market Determination

Judo Capital Notes

Effective Period: From 23 October 2023 to the date of issue of the Capital Notes (**Issue Date**) as set out in the Prospectus.

Prepared by
Judo Capital Holdings Limited

ABN 71 612 862 727 (Judo or Issuer), the issuer of
Judo Capital Notes (Capital Notes).

Introduction

This document is Judo's target market determination (**TMD**) for the Capital Notes to be issued under the prospectus dated on or about 23 October 2023 (including any replacement or supplementary prospectus) (**Prospectus**) that is offered to 'retail clients' and 'wholesale clients' within the meaning of the Corporations Act 2001 (Cth) (**Corporations Act**) and associated regulations. Capitalised terms which are not defined in this TMD have the meanings given to them in the Prospectus.

The offer of Capital Notes is subject to the design and distribution requirements relating to financial products for retail clients in Pt 7.8A of the Corporations Act and associated regulations, and this TMD has been prepared in accordance with those requirements.

For Capital Notes which are issued to consumers who fall within the target market (see below) through Syndicate Brokers (defined below), Judo is the issuer only of Capital Notes. The relevant Syndicate Broker, which holds its own AFSL or is an authorised representative of an AFSL holder, is the distributor. This TMD is only relevant for the class of consumers described immediately below who are also 'retail clients' within the meaning of the Corporations Act. You should seek independent advice if you are unsure whether you fall within Judo's target market or if this TMD is relevant to you.

This document is **not** a prospectus or product disclosure statement and does not take into account any person's individual objectives, financial situation or needs. Investors who wish to apply for Capital Notes should read the Prospectus in its entirety and retail clients must seek personal guidance which takes into account their particular investment objectives, financial situation and needs from a qualified financial adviser who is licensed by ASIC to give such advice. Please go to www.judo.bank/capital-notes/ for information about the product and access to the Prospectus.

Description of Capital Notes

Capital Notes are known as "hybrid securities" as they have debt and equity-like characteristics. Their terms include a number of complex features that the Australian Prudential Regulation Authority (**APRA**) requires for bank hybrid securities, which are described in detail in the Prospectus.

Target Market

Capital Notes are designed for a class of investors who satisfy the Key Eligibility Requirement and whose likely objectives, financial situation and needs are aligned with the product's key attributes, as set out in the table below.

Key Eligibility Requirement

Capital Notes may only be offered to clients of Syndicate Brokers who are either a "wholesale client" or a "retail client" who has received personal advice that they are within the target market for the Capital Notes as described in this TMD and that an investment in Capital Notes is suitable for the retail client in light of their particular investment objectives, financial situation and needs (including financial and taxation issues). While Capital Notes may be offered to wholesale and retail clients, this TMD has been prepared for Qualifying Retail Clients (as defined below).

For the reasons set out in the tables below, Judo has assessed that Capital Notes, including their key attributes are likely to be consistent with the objectives, needs and financial position of investors within the target market.

Capital Notes have been designed for investors who:	Key attributes of Capital Notes that make this product appropriate for the target market:
<ul style="list-style-type: none"> ○ are seeking to acquire an investment product to generate income and are not seeking capital growth; 	<p>Investment objectives:</p> <ul style="list-style-type: none"> ○ Capital Notes are scheduled to pay quarterly cash distributions at the rate specified in the Prospectus, subject to the Issuer's discretion and certain other conditions. ○ Capital Notes are not designed to provide capital growth.
<ul style="list-style-type: none"> ○ are able to bear the risks associated with an investment in Capital Notes (in particular, the lack of certainty as to payment of distributions and the potential loss of some or all of the capital invested in Capital Notes); 	<p>Conditions to payment of distributions and risk of loss of capital invested:</p> <ul style="list-style-type: none"> ○ Capital Notes are subject to risks as summarised in the Prospectus. In particular: <ul style="list-style-type: none"> – Payment of scheduled distributions on Capital Notes is not guaranteed – it is subject to the Issuer's absolute discretion and APRA's required payment conditions. Distributions that are not paid do not accrue and will not be subsequently paid and investors will not receive any compensation. – The Issuer does not guarantee the return of capital on Capital Notes– an investor may lose some or all of the capital invested in Capital Notes and will not receive any compensation. For example, if conversion into ordinary shares does not occur for any reason and Judo has not otherwise issued ordinary shares required to be issued, the Capital Noteholders' rights under the relevant Capital Notes will be immediately and irrevocably terminated (written off) resulting in the Capital Noteholder losing all of the face value.
<ul style="list-style-type: none"> ○ are seeking to invest for the long term and do not require certainty as to repayment of their capital invested within a specific investment timeframe; and 	<p>Perpetual, convertible into ordinary shares and subject to write-off</p> <ul style="list-style-type: none"> ○ Capital Notes do not have any fixed maturity date and could remain on issue indefinitely if they are not converted into ordinary shares or redeemed. ○ In certain circumstances as described in the Prospectus, Capital Notes will be converted into ordinary shares in the Issuer or be written off.
<ul style="list-style-type: none"> ○ seek to have the ability to dispose of Capital Notes by sale on a licensed securities exchange at the price available on the exchange. 	<p>ASX Listing:</p> <ul style="list-style-type: none"> ○ Judo will apply for Capital Notes to be quoted on ASX. ○ However, there may not be a liquid market for Capital Notes, and investors who wish to dispose of their Capital Notes may not be able to do so at an acceptable price, or at all.

Investors Outside of the Target Market

Capital Notes are **not** designed for, and are **not** suitable for, an investor who:

- is seeking capital growth;
- requires certainty of return of investment within a specific timeframe;
- requires certainty of returns and repayment; or
- cannot afford not to receive a return or to lose some or all of the investment.

Distribution Conditions

- Capital Notes can only be issued through a Syndicate Broker (as described in the Prospectus), who holds an AFSL or is exempted from an AFSL, and:
 - has adequate policies and processes in place regarding the provision of personal advice (if applicable) and the identification of wholesale clients or Qualifying Retail Clients (see below); and
 - have been engaged having regard to their credentials and standing in the market for securities of this kind, including their ability to comply with this TMD.
- Capital Notes can only be issued to an investor who is a retail client if the investor is a Qualifying Retail Client. An investor is a **"Qualifying Retail Client"** if the investor is a retail client who:
 - a Syndicate Broker reasonably believes has received personal advice from a qualified financial adviser in relation to the acquisition of Capital Notes; and
 - applies for Capital Notes via a Syndicate Broker during the "Offer Period" (as described in the Prospectus).

The Issuer has assessed the distribution conditions are appropriate and will make it likely that investors who acquire Capital Notes are in the target market described in this TMD.

Distributor Reporting Requirements

Distributors of Capital Notes (including Syndicate Brokers and other regulated persons) must provide to the Issuer the information in the tables below, in writing:

Complaints	
Reporting time	As soon as practicable, and in any case, by no later than 7:00pm (Sydney time) on the last day of the relevant reporting period.
Reporting periods	<ul style="list-style-type: none"> ○ Reporting Period 1: the period commencing on the date of the lodgement of the initial prospectus with ASIC and concluding at 5:00pm (Sydney time) on the business day prior to the Initial Review Date (defined below); and ○ Reporting Period 2: the period commencing immediately after the conclusion of Reporting Period 1 and concluding at 5:00pm (Sydney time) on the last day of the Offer Period.
Required detail	<ul style="list-style-type: none"> ○ Details of any complaints received during the reporting period to the extent the information is not subject to legal professional privilege or confidentiality obligations and is permitted to be disclosed under the <i>Privacy Act 1988</i> (Cth) and other applicable laws. ○ If any complaints have been received during the reporting period, this detail will include the number of complaints, the substance of the complaint, including the circumstances giving rise to, and the nature of, the complaint and the outcome of the complaint.
Significant Dealings	
Reporting time	See reporting time and reporting period for complaints.
Required detail	<ul style="list-style-type: none"> ○ The date on which or the date range over which the dealing occurred; ○ A description of the dealing; ○ An explanation of why the dealing is considered significant; ○ An explanation of why the dealing is considered to be inconsistent with the TMD (e.g., where an allocation of Capital Notes to a retail client that is not a Qualifying Retail Client may occur); ○ How the dealing was identified (e.g., through monitoring, complaints etc); and ○ Detail of any steps that have been or will be taken in relation to the significant dealing.
Regulator Feedback	
Reporting time	See reporting time and reporting period for complaints
Required detail	Any significant feedback received in writing from a regulator which relates to the suitability of Capital Notes or the requirements applying to distribution of Capital Notes except to the extent that the information is subject to legal professional privilege or confidentiality obligations, or is proprietary information or its provision would breach applicable law including the <i>Privacy Act 1988</i> (Cth).

Review of Target Market Determination

This TMD will be reviewed prior to Issue Date as follows:

Initial review	The last day of the period of 14 calendar days commencing on the first day of the Offer Period (Initial Review Date).
Subsequent review	The date falling 2 business days prior to the Issue Date.
Review triggers	<p>In addition to the 'Initial review' and 'Subsequent review' noted immediately above, this TMD will be reviewed prior to the issue of the Capital Notes should any of the following events occur that reasonably suggest that the TMD is no longer appropriate:</p> <ul style="list-style-type: none">• a material, unexpected increase in complaints received about the product;• a material change to the product or its distribution;• a change in law or other regulatory requirement (including a change in relevant industry code, an AFCA determination or a court decision, or ASIC, APRA or other regulatory guidance) materially affecting the product;• the issue of a regulatory order or direction (including the use by ASIC of its Product Intervention Powers) that expressly states or directly implies that this TMD is no longer appropriate; or• any other event occurs or information is received (for example, a significant dealing in the product) that reasonably suggests the TMD is no longer appropriate.

Important Information

This TMD is not a recommendation, opinion or advice that any person acquire the product or is within the target market for the product. It does not summarise the terms or risks of the product and is not an offer of, or invitation to apply for, the product to any person in Australia or elsewhere. It does not set out all obligations of regulated persons in relation to the product or this TMD. This TMD relates to retail clients and it does not regulate dealings with wholesale clients. Please go to www.judo.bank/capital-notes/ for information about the product and access to the Prospectus.

Investors who wish to apply for Capital Notes should read the Prospectus in its entirety and retail clients must seek personal guidance which takes into account their particular investment objectives, financial situation and needs from a Syndicate Broker who is licensed by ASIC to give such advice. Capital Notes are complex, involve increased risks compared to other less risky and less complex bank investments such as deposits and may not be suitable for all investors.

All information in this TMD is of a general nature only and does not take into account your individual objectives, financial situation or specific needs. Past performance is not an indication of future performance. Eligibility criteria, fees and charges and terms and conditions apply to the Capital Notes. If you received this TMD electronically you can obtain, free of charge, a paper copy of this TMD by contacting the Judo Capital Notes Offer Information Line on 1800 754 866. For more information on the Judo Capital Notes, please visit www.judo.bank/capital-notes/ or contact the Judo Capital Notes Offer Information Line on 1800 754 866 (Monday to Friday 8:30am to 5:30pm, Sydney time).