

# Media Release

## Judo welcomes Federal Government SME funding package

November 14, 2018

Australia's fastest growing alternative lender to small and medium sized enterprises, Judo Capital, has welcomed today's announcement by the Federal Government of a \$2 billion fund to help provide loans to SMEs.

Co-founder and co-CEO of Judo, David Hornery, said the Government's decision confirmed what small business clients had been telling Judo since the company opened its doors officially earlier this year.

"Small businesses are crying out for capital at a time when they are being practically starved of funding to the tune of \$80 billion<sup>1</sup> by incumbent banks, especially as the banks continue to concentrate on home lending," Mr Hornery said.

"The power of competition will drive much needed sustainable change in the sector, and today's announcement is hugely welcomed. It again demonstrates the Government's pro-competitive stance.

"It is now a clear test of the broader fund management sector, as to whether they will follow the Government's lead ... It will be well past due."

Mr Hornery said the announcement was in line with Judo's own experience so far.

"It will provide the next step in breaking the uncompetitive and often discriminatory stranglehold that incumbent banks have had on the business lending market," he said.

"For too long, small business owners – which help create more than a third of the jobs in the Australian economy - have been forced to use their own homes as security for loans, or accept extortionate interest rates.

"This has got to change.

"Lenders such as Judo are turning the tables in favour of SMEs to ensure they get the funding and the service they desperately need and deserve."

<sup>1</sup>SME Banking Insights Report, *East and Partners*, 2018.

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### ABOUT JUDO

Judo Capital is challenging the one-size-fits-all approach to transform SME lending in Australia. Built from the ground up by a small group of deeply experienced and highly credentialed banking professionals, Judo has been modelled on the successful challenger banks in the UK and US. Judo formally launched in March 2018 to provide a genuine alternative for small- and medium-sized businesses to access the funding they need and deserve. Headquartered in Melbourne, Judo has a team of close to 50 with plans to roll out nationally in the coming months. Judo has lodged with APRA (Australia's banking regulator) its formal application for a full banking license, expected in December 2018 or January 2019. For more information on Judo, please visit [www.judocapital.com.au](http://www.judocapital.com.au)