

MEDIA RELEASE

Judo Bank confirms major new investors following \$284m Round 4 capital raising.

February 17, 2020

Australia's first challenger bank for small and medium-sized businesses (SMEs), Judo Bank, announced today that it has successfully completed settlement for its \$284 million Round 4 (R4) capital raise, welcoming six new investors.

Judo's co-founder and co-CEO, David Hornery, said that over 60 per cent of the funds raised had come from new domestic and international investors, while over 70 per cent of the largest existing investors had further committed to Judo Bank as part of Round 4.

Mr Hornery said the latest capital raising values Judo on a post-money valuation at more than \$1.6 billion, representing an increase of over 60 per cent in value over the last seven months alone.

"The final tally for our Round 4 capital raise was \$284 million, with the breadth and depth of demand coming in at the very top end of our expectations," he said.

"Given this raise was completed during some of the most challenging market conditions in a generation, due to COVID-19, we are absolutely delighted with this result.

"Judo has a proven track record of growth since inception and importantly is now generating profits – one of the very few new banks anywhere in the world that has gone into profitability in the space of just three years.

"We have furthered our support for Australian SMEs during the COVID period, growing business lending by 80 per cent since March, based on APRA figures.

"Round 4 builds on our third funding round completed in May 2020, bringing the total amount raised in the last seven months to over \$510 million, underscoring the depth and consistency of support for Judo.

"In addition to the ongoing commitment shown of our existing investors, one of the most pleasing aspects of this round was the demand shown by new investors both domestically and internationally, with a significant portion of the total equity raised coming from new institutional investors, including for the first time, one of Australia's largest industry super funds, UniSuper.

"The other new investors who have taken part in the raise include major international alternative investment manager, Magnetar Capital, as well as Moore Strategic Ventures."

Simon Hudson, Head of Equities at UniSuper, said: "Judo Bank's relationship banking model and dedication to small businesses has the potential to be very successful for all the right reasons. UniSuper is excited to invest and promote competition in this space, and we believe Judo Bank's values are very much aligned with our own. As they continue to execute their strategy, we're very confident this will benefit UniSuper members and all Judo's stakeholders."

Alan Shaffran, Senior Portfolio Manager and European Head at Magnetar, said: "As a high-growth Australian challenger bank, Judo has strong fundamentals, a quality leadership team and a differentiated position in the Australian market. Through our investment, we're proud to support Judo as it continues to execute on its strategic vision and further its reach and impact with the SMEs it serves."

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MEDIA ENQUIRIES:

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