Early Warning System

IFC-53091

MFP-CFLG GXBANK

Early Warning System

MFP-CFLG GXBANK

IFC-53091

Quick Facts

Countries	Malaysia
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2026-08-05
Borrower	CFLG GX Bank Berhad
Sectors	Finance, Industry and Trade
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 4.95 million
Project Cost (USD)	$ 110.00 million

Project Description

According to the Bank’s website, the proposed investment is an unfunded guarantee facility comprising a 90:10 pari-passu risk sharing on first loss tranche between IFC and GX Bank Berhad in Malaysia to support eligible micro, small and medium enterprises (MSME) portfolio of loans to be originated by the Bank, in the amount of up to approximately US$110 million in Malaysian Ringgit (MYR) equivalent. IFC’s maximum exposure under the first loss risk will be up to US$4.95 million in MYR equivalent. IFC’s catalytic investment will provide a de-risking instrument helping the Bank to scale lending to underserved MSMEs, including women-owned MSMEs and self-employed individuals for business purpose loans. The Project would be processed under IFC’s Catalytic First Loss Guarantee (CFLG) under the MSME Finance Platform, a programmatic approach to scale-up financing for MSMEs in eligible countries.

Early Warning System Project Analysis

The proposed investment is an unfunded guarantee facility between IFC and GXBank to support a loan portfolio of eligible MSMEs in Malaysia. The Bank’s portfolio includes clients in the food and beverage, wholesale and retail trade, and manufacturing sectors. The sub-projects supported by the Project will have medium/low E&S risks; therefore, the Project has been categorized as FI-2 in accordance with IFC’s Sustainability Policy.

The key E&S risks of the Project derive from the E&S risks associated with the sub-projects to be supported and the Bank’s capacity and systems in place to assess such E&S risks. Typical E&S risks associated with the Project may be related to labor and working conditions, occupational health and safety, and waste management.

Investment Description

- International Finance Corporation (IFC)

The proposed investment entails an unfunded guarantee facility comprising a 90:10 pari-passu risk sharing on first loss tranche between IFC and GXBank to support the Bank’s MSME loan portfolio of up to approximately US$110 million equivalent in MYR, where IFC’s maximum exposure under the first loss will be up to US$4.95 million equivalent in MYR.

IFC's Investment as Approved by the Board: Guarantee 4.95 million (USD)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- GX Bank Berhad (Financial Intermediary)

Private Actors Description

GXBank commenced operations in 2023 as the first digital bank in Malaysia approved by the Bank Negara Malaysia. GXBank is majority owned by GXS Bank Pte. Ltd., a digital bank in Singapore. The ultimate owner is Grab Holdings, listed on NASDAQ.

Contact Information

For Inquiries About the Project, Contact:

GX Bank Berhad
Kin Pui Hua
Head of Strategy
+60374983288
corpstrategy@gxb.my
Level 5, 1 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor
https://gxbank.my/

ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org