GX BANK BERHAD

(Registration No. 202101014409 (1414709-A))
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024

GX Bank Berhad
Registration No. 202101014409 (1414709-A)
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 December 2024 RM'000	31 December 2023 RM'000
Assets			
Cash and short-term funds	9	410,852	450,958
Placement with banks	10	439,841	49,984
Financial investments at fair value through other comprehensive income ("FVOCI")	11	702,414	-
Loans and advances	12	4,730	-
Other assets	13	90,516	23,799
Statutory deposits with Bank Negara Malaysia	14	9,100	1,000
Property and equipment		4,673	4,183
Intangible assets		13,929	108
Tax recoverable		470	300
Total Assets		**1,676,525**	**530,332**
Liabilities			
Deposits from customers	15	1,319,216	195,370
Other liabilities	16	77,680	64,707
Total Liabilities		**1,396,896**	**260,077**
Net Assets		**279,629**	**270,255**
Equity			
Share Capital		720,000	495,100
Reserves		52,086	33,598
Accumulated losses		(492,457)	(258,443)
Total equity attributable to owners of the Bank		**279,629**	**270,255**
COMMITMENTS		44,311	-

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023

GX Bank Berhad
Registration No. 202101014409 (1414709-A)
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024

		Individual Quarter		Cumulative Quarter	
		31 December 2024	31 December 2023	31 December 2024	31 December 2023
	Note	RM'000	RM'000	RM'000	RM'000
Interest income		14,459	2,415	53,138	7,094
Interest expense		(7,602)	(319)	(41,783)	(319)
Net Interest Income	17	**6,857**	**2,096**	**11,355**	**6,775**
Fee and commission	18	842	(262)	(9,874)	(262)
Other income	19	703	250	953	261
Non-Interest income		**1,545**	**(12)**	**(8,921)**	**(1)**
Total operating income		**8,402**	**2,084**	**2,434**	**6,774**
Expenses					
- Staff costs	20	(27,744)	(41,399)	(105,337)	(91,928)
- Depreciation of property and equipment		(520)	(1,081)	(1,854)	(1,295)
- Amortisation of intangible assets		(418)	(7)	(450)	(18)
- Other operating expenses	21	(24,574)	(64,719)	(128,209)	(106,211)
Total operating expenses		**(53,256)**	**(107,206)**	**(235,850)**	**(199,452)**
Loss before allowances		(44,854)	(105,122)	(233,416)	(192,678)
Allowances for credit losses	22	(1,002)	(21)	(1,166)	(200)
Loss before tax		**(45,856)**	**(105,143)**	**(234,582)**	**(192,878)**
Income tax expense		-	(1,476)	-	(128)
Loss for the financial period		**(45,856)**	**(106,619)**	**(234,582)**	**(193,006)**
Other comprehensive (loss)/gain:					
Item that may be reclassified subsequently to statement of profit and loss					
Financial investments at fair value through other comprehensive income ("FVOCI")					
- net (loss)/gain on change of fair value		(598)	-	131	-
Total other comprehensive (loss)/gain		(598)	-	131	-
Total comprehensive loss for the financial period		(46,454)	(106,619)	(234,451)	(193,006)

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023

UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024

	Share Capital RM'000	Fair value Reserves RM'000	Capital Contribution Reserves RM'000	Accumulated Losses RM'000	Total Equity RM'000
2024					
At 1 January	495,100	-	33,598	(258,443)	270,255
Loss for the financial period	-	-	-	(234,582)	(234,582)
Other comprehensive gain	-	131	-	-	131
Total comprehensive gain/(loss) for the financial period	-	131	-	(234,582)	(234,451)
Transaction with owners, recorded directly in equity					
Issuance of ordinary shares (Note 6)	224,900	-	-	-	224,900
Shared-based payments*	-	-	18,357	568	18,925
Total contributions by and distributions to owners	224,900	-	18,357	568	243,825
At 31 December	**720,000**	**131**	**51,955**	**(492,457)**	**279,629**
2023					
At 1 January	220,038	-	-	(65,437)	154,601
Loss and total comprehensive loss for the financial period	-	-	-	(193,006)	(193,006)
Transaction with owners, recorded directly in equity					
Issuance of ordinary shares	275,062	-	-	-	275,062
Share-based payments	-	-	33,598	-	33,598
Total contributions by and distributions to owners	275,062	-	33,598	-	308,660
At 31 December	**495,100**	**-**	**33,598**	**(258,443)**	**270,255**

* The adjustment to the current year's retained earnings is due to the expiration of the option.

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023

UNAUDITED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2024

	31 December 2024 RM'000	31 December 2023 RM'000
Cash flows from operating activities		
Loss before tax	(234,582)	(192,878)
Adjustments for:		
Depreciation of property and equipment	1,854	1,295
Amortisation of intangible assets	450	18
Interest expense on lease liability	83	91
Allowances for credit and other losses	1,166	200
Share based payments	20,171	24,956
Plant and equipment written off	154	-
Unrealised foreign exchange losses	519	313
Unwinding of discount on provision for reinstatement cost	18	14
Operating loss before working capital changes	(210,167)	(165,991)
Changes in working capital:		
Statutory deposits with Bank Negara Malaysia	(8,100)	(1,000)
Loans and advances	(4,937)	-
Other assets	(66,109)	(21,111)
Deposits from customers	1,123,846	195,370
Other liabilities	10,504	40,381
Cash generated from/(used in) operating activities	845,037	47,649
Income tax paid	(170)	(428)
Net cash generated from/(used in) operating activities	844,867	47,221
Cash flows from investing activities		
Additions to property and equipment	(2,498)	(3,225)
Additions to intangible assets	(14,271)	(126)
Net puchase of financial investments at FVOCI	(702,283)	-
Net cash used in investing activities	(719,052)	(3,351)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	224,900	275,062
Payment of lease liability	(947)	(469)
Net cash generated from financing activities	223,953	274,593
Net increase in cash and cash equivalents	349,768	318,463
Cash and cash equivalents at beginning of the period	501,142	182,679
Cash and cash equivalents at end of the period	850,910	501,142
Cash and cash equivalents comprise:		
Cash and short-term funds	410,910	451,142
Placement with banks	440,000	50,000
	850,910	501,142

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard ('MFRS') 134, 'Interim Financial Reporting' issued by Malaysian Accounting Standards Board ('MASB') and should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023.

The accounting policies and presentation adopted by the Bank for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following accounting standards, annual improvements and amendments to MFRS during the current financial period:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2024

- Amendment to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendment to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows and MFRS 7, Financial Instruments: Disclosures – Supplier Finance Arrangements*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Bank plans to apply the above mentioned accounting standards, interpretations and amendments:

- from the annual period beginning on 1 January 2024 for the amendments that are effective for annual periods beginning on or after 1 January 2024.
- from the annual period beginning on 1 January 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.

The initial application of the accounting standards, interpretations or amendments is not expected to have any material financial impacts to the interim financial statements of the Bank.

2. AUDITORS' REPORT

The auditors' report for the financial year ended 31 December 2023 was not subject to any qualification.

3. SEASONAL OR CYCLICAL FACTORS

The business operations of the Bank have not been affected by any material seasonal or cyclical factors.

4. EXCEPTIONAL OR UNUSUAL ITEMS

There were no exceptional or unusual items for the financial quarter and period ended 31 December 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years that have a material effect on the current financial quarter and period.

6. DEBT AND EQUITY SECURITIES

In November 2024, the Bank issued 112,450,000 ordinary shares at RM1.00 per share for cash totalling RM112,450,000.

In June 2024, the Bank issued 112,450,000 ordinary shares at RM1.00 per share for cash totalling RM112,450,000.

Other than above, there were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the current financial quarter and period ended 31 December 2024.

7. DIVIDEND PAID

No dividend was paid and declared during the financial period and the Directors do not recommend any dividend to be paid for the financial period.

8. SIGNIFICANT AND SUBSEQUENT EVENTS

There were no material events subsequent to the date of statement of financial positions that require disclosures to the unaudited condensed interim financial statements.

9. CASH AND SHORT-TERM FUNDS

	31 December 2024 RM'000	31 December 2023 RM'000
Cash and balances with banks and other financial institutions	135,910	166,142
Money at call and interbank placements maturing within one month	275,000	285,000
	410,910	451,142
Less: Allowance for expected credit loss ("ECL")	(58)	(184)
	410,852	450,958

Movement in allowances for ECL are as follows:

	Note	31 December 2024 RM'000	31 December 2023 RM'000
Balance at beginning of the financial year		184	-
Net (writeback of allowance)/ allowance for ECL	22	(126)	184
New financial assets originated		1,484	250
Financial assets derecognised		(1,958)	(142)
Transfer from deposits and placements with banks and other financial institutions		393	76
Net remeasurement of allowances		(45)	-
Balance at end of the financial period/year		58	184

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

10. PLACEMENT WITH BANKS

	31 December 2024 RM'000	31 December 2023 RM'000
Money at call and interbank placement maturing after one month	440,000	50,000
Less: Allowance for ECL	(159)	(16)
	439,841	49,984

Movement in allowances for ECL are as follows:

	Note	31 December 2024 RM'000	31 December 2023 RM'000
Balance at beginning of the financial year		16	-
Net allowance for ECL	22	143	16
New financial assets originated		529	152
Transfer to cash and short-term funds		(393)	(76)
Net remeasurement of allowances		7	(60)
Balance at end of the financial period/year		159	16

11. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	31 December 2024 RM'000	31 December 2023 RM'000
Money Market Instrument:		
Malaysian Government Securities	702,414	-

12. LOANS AND ADVANCES

	31 December 2024 RM'000	31 December 2023 RM'000
At amortised cost		
Unsecured loan	4,937	-
Gross loans and advances	4,937	-
Less: Allowance for ECL:		
- Stage 1 - 12 months ECL	(207)	-
Net loans and advances	4,730	-

(a) Gross loans and advances analysed by type of customer is as follows:

	31 December 2024 RM'000	31 December 2023 RM'000
Individuals	4,937	-
	4,937	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. LOANS AND ADVANCES (CONTINUED)

(b) Gross loans and advances analysed by geographical distribution is as follows:

	31 December 2024 RM'000	31 December 2023 RM'000
In Malaysia	4,937	-
	4,937	-

(c) Gross loans and advances analysed by interest rate sensitivity is as follows:

	31 December 2024 RM'000	31 December 2023 RM'000
Fixed rate	4,937	-
	4,937	-

(d) Gross loans and advances analysed by sector is as follows:

	31 December 2024 RM'000	31 December 2023 RM'000
Household	4,937	-
	4,937	-

(e) Gross loans and advances analysed by residual contractual maturity is as follows:

	31 December 2024 RM'000	31 December 2023 RM'000
Maturing within one year	981	-
Over one year to three years	1,467	-
Over three years to five years	2,489	-
	4,937	-

(f) Movements in allowances for ECL is as follow:

	Stage 1 12-month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
2024				
Balance at beginning of the financial year	-	-	-	-
Net allowance for ECL	207	-	-	207
New financial asset originated	207	-	-	207
Balance at end of the financial period/year	207	-	-	207

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. OTHER ASSETS

	31 December 2024 RM'000	31 December 2023 RM'000
Interest receivables	8,491	237
Deposits and prepayments	45,989	18,226
Other receivables	34,715	1,615
Deferred expenses	-	3,721
Amount due from related company	1,329	-
	90,524	23,799
Less: Allowance for ECL	(8)	-
	90,516	23,799

14. STATUTORY DEPOSITS WITH BANK NEGARA MALAYSIA

The non-interest bearing statutory deposits are maintained with Bank Negara Malaysia in compliance with Section 26(2)(c) and 26(3) of the Central Bank of Malaysia Act 2009, the amounts of which are determined as a set percentage of total eligible liabilities.

15. DEPOSITS FROM CUSTOMERS

All customer deposits as at 31 December 2024 are non-term deposits from retail customers payable on demand.

	31 December 2024 RM'000	31 December 2023 RM'000
Individuals	1,319,216	195,370

16. OTHER LIABILITIES

	31 December 2024 RM'000	31 December 2023 RM'000
Accruals	41,622	36,014
Lease liabilities	2,413	1,562
Amounts due to related companies	15,967	5,209
Provision for reinstatement cost	636	271
Other payables	13,505	21,651
Allowance for ECL on loan commitment	933	-
Deferred revenue	2,604	-
	77,680	64,707

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. NET INTEREST INCOME

	Individual Quarter		Cumulative Quarter	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Interest income				
Balance and placements with banks	8,992	2,373	40,964	7,052
Financial investment at FVOCI	5,132	-	11,605	-
Loans and advances	72	-	72	-
Other interest earning assets	263	42	497	42
Total interest income	14,459	2,415	53,138	7,094
Interest expense				
Deposits from customers	(7,602)	(319)	(41,783)	(319)
Total interest expense	(7,602)	(319)	(41,783)	(319)
Net interest income	**6,857**	**2,096**	**11,355**	**6,775**

18. FEE AND COMMISSION

	Individual Quarter		Cumulative Quarter	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Net fee expense	773	(262)	(9,949)	(262)
Bancassurance commission	69	-	75	-
	842	(262)	(9,874)	(262)

19. OTHER INCOME

	Individual Quarter		Cumulative Quarter	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Government grants	-	-	-	11
Realised losses from sale/redemption of financial investments at FVOCI	(99)	-	(99)	-
Other income	802	250	1,052	250
	703	250	953	261

20. STAFF COSTS

	Individual Quarter		Cumulative Quarter	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Salaries, bonuses & other costs	24,614	21,630	79,523	62,567
Contributions to State Funds	1,773	1,351	6,211	4,405
Share based payments	1,357	18,418	19,603	24,956
	27,744	41,399	105,337	91,928

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. OTHER OPERATING EXPENSES

	Individual Quarter		Cumulative Quarter	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Information technology expenses	18,581	27,293	84,225	50,474
Professional and consultancy expenses	887	19,754	5,259	34,875
Marketing expenses	1,945	12,678	12,328	12,795
Auditors' remuneration	197	18	430	130
Others	2,964	4,976	25,967	7,937
	24,574	64,719	128,209	106,211

22. ALLOWANCES FOR CREDIT LOSSES

	Individual Quarter		Cumulative Quarter	
	31 December 2024 RM'000	31 December 2023 RM'000	31 December 2024 RM'000	31 December 2023 RM'000
Allowance/(writeback)				
Cash and short-term funds	(211)	46	(126)	184
Placement with banks	71	(25)	143	16
Loans and advances	207	-	207	-
Provision for commitment	934	-	934	-
Other assets	1	-	8	-
	1,002	**21**	**1,166**	**200**

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. CAPITAL ADEQUACY

	31 December 2024 RM'000	31 December 2023 RM'000
Tier 1 capital		
Paid-up ordinary share capital	720,000	495,100
Accumulated losses	(492,457)	(258,443)
Other reserves	52,086	33,598
	279,629	270,255
Less: Regulatory deductions	(13,929)	(108)
Total Common Equity Tier 1 (CET 1) and Tier 1 Capital	265,700	270,147
Tier 2 capital		
Expected credit losses	-	-
Regulatory reserve	-	-
Total Tier 2 capital	-	-
Total capital base	**265,700**	**270,147**
Capital ratios		
CET 1 Capital Ratio	103.616%	324.054%
Tier 1 Capital Ratio	103.616%	324.054%
Total Capital Ratio	103.616%	324.054%

Breakdown of risk-weighted assets for each risk component are as follows:

	31 December 2024 RM'000	31 December 2023 RM'000
Credit risk	209,422	75,055
Market risk	39,600	3,726
Operational risk	7,406	4,584
Total risk-weighted assets	256,428	83,365
Credit risk-weighted assets breakdown:		
- subject to 20% risk weight	118,529	47,010
- subject to 75% risk weight	3,703	-
- subject to 100% risk weight	87,190	28,045