

**BOOST BANK BERHAD (formerly known as Boost Berhad)**

(Incorporated in Malaysia)

Registration No. 202301007223 (1501144-T)

**INTERIM FINANCIAL STATEMENTS  
UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2024**

		As at 31 March 2024	As at 31 December 2023
	Note	RM'000	RM'000
<b>ASSETS</b>			
Cash and short-term funds		102,668	120,407
Financial investment at amortised cost	8	10,243	-
Other assets	9	26,173	24,020
Statutory deposits		1	-
Right-of-use assets		1,091	1,185
Plant and equipment		604	557
Intangible assets		24,738	21,142
<b>TOTAL ASSETS</b>		<b>165,518</b>	<b>167,311</b>
<b>LIABILITIES AND EQUITY</b>			
Deposits from customers	10	63	-
Other liabilities	11	25,486	45,404
Tax liabilities		179	403
Lease liabilities		1,146	1,138
<b>TOTAL LIABILITIES</b>		<b>26,874</b>	<b>46,945</b>
Share capital	6	215,000	185,000
Reserves		(76,356)	(64,634)
<b>TOTAL EQUITY</b>		<b>138,644</b>	<b>120,366</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>165,518</b>	<b>167,311</b>

*This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Bank for the financial period ended 31 December 2023.*

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**INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENT OF COMPREHENSIVE INCOME****FOR THE THREE MONTHS ENDED 31 MARCH 2024**

	Note	1st Quarter Ended		Three Months Ended	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
		RM'000	RM'000	RM'000	RM'000
Interest income	12	953	-	953	-
Interest expense	13	(8)	-	(8)	-
Net interest income		945	-	945	-
Other operating income	14	12	-	12	-
		957	-	957	-
Other operating expenses	15				
Personnel costs		(4,493)	-	(4,493)	-
Establishment costs		(5,579)	-	(5,579)	-
Marketing expenses		(2)	-	(2)	-
Administration and general expenses		(2,605)	-	(2,605)	-
<b>Loss before taxation</b>		<b>(11,722)</b>	-	<b>(11,722)</b>	-
Taxation		-	-	-	-
<b>Loss and total comprehensive loss for the financial period</b>		<b>(11,722)</b>	-	<b>(11,722)</b>	-

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**INTERIM FINANCIAL STATEMENTS  
UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

Note	Share capital	Non-Distributable Regulatory reserves	Accumulated losses	Total
	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 January 2024</b>	<b>185,000</b>	-	<b>(64,634)</b>	<b>120,366</b>
Total comprehensive loss for the financial period	-	-	<b>(11,722)</b>	<b>(11,722)</b>
Issuance of ordinary shares	<b>30,000</b>	-	-	<b>30,000</b>
Transfer from regulatory reserves	-	<b>2</b>	<b>(2)</b>	-
<b>Balance as at 31 March 2024</b>	<b>215,000</b>	<b>2</b>	<b>(76,358)</b>	<b>138,644</b>
<b>At 1 March 2023 (date of incorporation)</b>	(a) -	-	-	-
Total comprehensive loss for the financial period	-	-	-	-
Issuance of ordinary shares	<b>100,000</b>	-	-	<b>100,000</b>
<b>Balance as at 31 March 2023</b>	<b>100,000</b>	-	-	<b>100,000</b>

(a) Share capital at date of incorporation amounted to RM100.

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**INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENT OF CASH FLOWS****FOR THE THREE MONTHS ENDED 31 MARCH 2024**

	Note	Three Months Ended	
		31 March	31 March
		2024	2023
		RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation		(11,722)	-
Adjustments for non-operating and non-cash items:			
Depreciation of right-of-use assets		94	-
Depreciation of plant and equipment		3	-
Amortisation of other intangible assets		607	-
Amortisation of financial investment at amortised cost		8	-
Interest income		(961)	-
Interest expense		-	-
Lease interest		8	-
Operating loss before working capital changes		(11,963)	-
Changes in working capital:			
Net changes in operating assets		(2,028)	-
Net changes in operating liabilities		(19,855)	-
Cash used in operations		(33,846)	-
Lease interest paid		-	-
Interest income received from short-term funds		632	-
Net tax paid		(224)	-
Net cash used in operating activities		(33,438)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(50)	-
Purchase of other intangible assets		(4,203)	-
Purchases of financial investment at amortised cost		(10,048)	-
Interest income received from financial investment at amortised cost		-	-
Net cash used in investing activities		(14,301)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of ordinary shares	6	30,000	100,000
Lease principal payment		-	-
Net cash from financing activities		30,000	100,000
Net increase in cash and cash equivalents		(17,739)	100,000
Cash and cash equivalents:			
- At the beginning of the financial period		120,407	-
- At the end of the financial period		102,668	100,000
Cash and cash equivalents comprise the following:			
- Cash and short term funds		102,668	100,000

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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

**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 Boost Bank Berhad ('Bank') for the financial period 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 period ended 31 December 2023.

**2 Auditors' Report**

The auditors' report for the financial period 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 three months ended 31 March 2024, other than as disclosed below:

Bank Negara Malaysia ("BNM") had vide its letter dated 8 January 2024 notified RHB Bank Berhad ("RHB") and Boost Holdings Sdn Bhd ("BHSB") that BNM is satisfied with the outcome of the operational readiness review of the Bank and the Ministry of Finance ("MOF") has agreed to the issuance of the physical digital banking licence to the Bank and for the said licence to take effect on 15 January 2024. The Bank has since received the physical digital bank licence which is effective on 15 January 2024. With the receipt of the license, the Bank is expected to commence its banking operations in the financial year ending 2024.

**5 Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial period that have a material effect for the three months ended 31 March 2024.

**6 Changes in Debt and Equity Securities**

There were no issuances, repurchases and repayments of debt and equity securities for the three months ended 31 March 2024, other than as disclosed below:

- (a) On 16 February 2024 the Bank increased its issued and paid up share capital from RM185,000,185 to RM206,500,185 via the issuance of 21,500,000 new ordinary shares at RM1.00 per share arising from the rights issue of RM1.00 per share; and
- (b) On 15 March 2024 the Bank increased its issued and paid up share capital from RM206,500,185 to RM215,000,185 via the issuance of 8,500,000 new ordinary shares at RM1.00 per share arising from the rights issue of RM1.00 per share.

**7 Dividend Paid and Proposed Dividend**

No dividend was paid by the Bank during the three months ended 31 March 2024.

No dividend has been declared for the first quarter ended 31 March 2023.

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

**8 Financial Investments at Amortised Costs**

	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>At amortised cost</b>		
<b><u>Money market instruments:</u></b>		
Malaysian Government Securities	10,243	-

**9 Other Assets**

	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Other receivables	1,002	42
Deposits	214	209
Prepayments	24,957	23,769
	<b>26,173</b>	<b>24,020</b>

**10 Deposits from Customers**

	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>(a) By type of deposits</b>		
Savings deposits	63	-
<b>(b) By type of customers</b>		
Individuals	63	-

**11 Other Liabilities**

	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Other creditors and accruals	24,951	36,023
Amount due to holding company	-	-
Amounts due to related companies	535	9,381
	<b>25,486</b>	<b>45,404</b>

(a) Amount due to immediate holding company represents RM24, which is unsecured, interest free and repayable on demand.

(b) Amounts due to related companies are unsecured, interest free and repayable on demand.

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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

1st Quarter Ended		Three Months Ended	
31 March	31 March	31 March	31 March
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

**12 Interest Income**

Deposit placements with banks and other financial institutions	735	-	735	-
Financial investments at amortised costs	36	-	36	-
Others	182	-	182	-
	<u>953</u>	<u>-</u>	<u>953</u>	<u>-</u>

1st Quarter Ended		Three Months Ended	
31 March	31 March	31 March	31 March
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

**13 Interest Expense**

Deposits from customers	(a)	-	-	-	-
Lease interest		8	-	8	-
		<u>8</u>	<u>-</u>	<u>8</u>	<u>-</u>

(a) Interest expense for deposits from customers represent RM67.

1st Quarter Ended		Three Months Ended	
31 March	31 March	31 March	31 March
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

**14 Other Operating Income**

Other income		12	-	12	-
- net foreign exchange gain		<u>12</u>	<u>-</u>	<u>12</u>	<u>-</u>

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

	1st Quarter Ended		Three Months Ended	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>15 Other Operating Expenses</b>				
<u>Personnel costs</u>				
- Salaries, bonus, wages and allowances	3,873	-	3,873	-
- Defined contribution plan	323	-	323	-
- Other staff related costs	297	-	297	-
	<u>4,493</u>	<u>-</u>	<u>4,493</u>	<u>-</u>
<u>Establishment costs</u>				
- Amortisation of other intangible assets	607	-	607	-
- Depreciation of plant and equipment	3	-	3	-
- Depreciation of right-of-use assets	94	-	94	-
- Information technology expenses	4,813	-	4,813	-
- Insurance	62	-	62	-
	<u>5,579</u>	<u>-</u>	<u>5,579</u>	<u>-</u>
<u>Marketing expenses</u>				
- Others	2	-	2	-
	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
<u>Administration and general expenses</u>				
- Legal and professional fees	88	-	88	-
- Others	2,517	-	2,517	-
	<u>2,605</u>	<u>-</u>	<u>2,605</u>	<u>-</u>
	<u><u>12,679</u></u>	<u><u>-</u></u>	<u><u>12,679</u></u>	<u><u>-</u></u>



**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

**16 Capital Adequacy Ratio**

Bank Negara Malaysia ('BNM') guidelines on capital adequacy requires the Bank to maintain an adequate level of capital to withstand any losses which may result from credit and other risks associated with financing operations. The capital adequacy ratio is computed based on the eligible capital in relation to the total risk-weighted assets as determined by BNM.

The capital adequacy ratios of the Bank are as follows:

	<b>As at 31 March 2024</b>
	<b>RM'000</b>
<b><u>Common Equity Tier I ('CET I')/</u></b>	
<b><u>Tier I Capital</u></b>	
Share capital	215,000
Retained profits	(76,358)
	<u>138,642</u>
Less:	
- Intangible assets	(24,738)
<b>Total CET I Capital and Total Tier I Capital</b>	<u><b>113,904</b></u>
<b><u>Tier II Capital</u></b>	
General provision ^	2
<b>Total Tier II Capital</b>	<u><b>2</b></u>
<b>Total Capital</b>	<u><u><b>113,906</b></u></u>
<b><u>Capital ratios</u></b>	
Before/After proposed dividends:	
CET I Capital Ratio	203.418%
Tier I Capital Ratio	203.418%
Total Capital Ratio	<u><u>203.422%</u></u>

^ Pursuant to BNM's policy document on Financial Reporting, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS 9 'Financial Instruments' and regulatory reserves, to the extent they are ascribed to non-credit-impaired exposures, determined under standardised approach for credit risk.

Includes the qualifying regulatory reserves of the Bank of RM2,140 (2023: RM Nil) .

As the Bank is required to comply with the BNM's capital adequacy requirements upon the effective date its license on 15 January 2024, no comparative figures are presented.

The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

	<b>As at 31 March 2024</b>
	<b>RM'000</b>
Credit risk	54,225
Market risk	-
Operational risk	1,770
<b>Total risk-weighted assets</b>	<u><u><b>55,995</b></u></u>

The total risk-weighted assets of the Bank are computed based on BNM's Licensing Framework for Digital Banks and BNM's Capital Adequacy Framework (Basel II - Risk Weighted Assets).

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

**17 Capital Commitments**

	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
Authorised and contracted for:		
- Plant and equipment	538	538
- Intangible assets	3,722	4,164
	<b>4,260</b>	<b>4,702</b>

**18 Significant Related Party Disclosures**

(a) Related parties and relationships

The related parties of, and their relationship with the Company are as follows:

<b>Related parties</b>	<b>Relationships</b>
Boost Holdings Sdn. Bhd. ("BHSB")	Immediate holding company
Axiata Digital Capital Sdn. Bhd. ("ADC")	Related company
Axiata Digital eCode Sdn. Bhd. ("ADE")	Related company
RHB Bank Berhad ("RHB")	Entity with significant influence
Key management personnel	The key management personnel of the Company represents <ul style="list-style-type: none"> <li>- all Directors of the Company; and</li> <li>- Members of the Executive Committee ('EXCO')</li> </ul>
Related parties of key management personnel (deemed as related to the Company)	(i) Close family members and dependents of key management personnel; and  (ii) Entities that are controlled, jointly controlled or significant influenced, by or for which significant voting power in such entity resides with, directly or indirectly by key management personnel or its close family members.

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

**18 Significant Related Party Disclosures (Continued)**

(b) Significant related party balances and transactions

In addition to related party disclosures mentioned elsewhere in the interim financial statements, set out below are other significant related party transactions and balances.

All related party transactions are entered into in the normal course of business at agreed terms between the related parties.

	<b>Immediate holding company</b>	<b>Related companies</b>	<b>Entity with significant influence</b>	<b>Key management personnel</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>01.01.2024 to 31.03.2024</u></b>				
<b><u>Income</u></b>				
Interest income	-	-	182	-
<b><u>Expenses</u></b>				
Interest expense	-	-	-	-
Secondment arrangement	-	-	450	-
Contracts entered on behalf prior to incorporation, charged under the Shareholders Agreement	-	(7)	-	-
Outsourced services	1,966	-	-	-
Resource augmentation	-	53	-	-
Engagement of services	-	62	-	-
	<u>1,966</u>	<u>108</u>	<u>450</u>	<u>-</u>

(a) Interest expense for key management personnel represent RM11.

**01.03.2023 (date of incorporation) to 31.03.2023**

There is no related party transaction during the financial period from 1 March 2023 (date of incorporation) to 31 March 2023.

**As at 31 March 2024**

<b><u>Amounts due from</u></b>				
Cash and short-term funds	-	-	9,061	-
<b><u>Amounts due to</u></b>				
Deposits from customers	-	-	-	10
Other liabilities	7,327	755	1,659	-
	<u>7,327</u>	<u>755</u>	<u>1,659</u>	<u>10</u>

**As at 31 December 2023**

<b><u>Amounts due from</u></b>				
Cash and short-term funds	-	-	85,293	-
<b><u>Amounts due to</u></b>				
Other liabilities	5,361	9,825	1,812	-

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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

**18 Significant Related Party Disclosures (Continued)**

(c) Key management personnel

The remuneration of Directors and other members of key management are as follows:

	Three Months Ended	
	31 March 2024	31 March 2023
	RM'000	RM'000
Short term employee benefits:		
- Fees	160	-
- Salary and other remuneration	1,420	-
- Contribution to EPF	115	-
	<u>1,695</u>	<u>-</u>

**19 Events Subsequent to Balance Sheet Date**

On 15 April 2024 the Bank increased its issued and paid up share capital from RM215,000,185 to RM224,500,185 via the issuance of 9,500,000 new ordinary shares at RM1.00 per share arising from the rights issue of RM1.00 per share.