

**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 30 JUNE 2024**

		As at 30 June 2024	As at 31 December 2023
	Note	RM'000	RM'000
<b>ASSETS</b>			
Cash and short-term funds		126,889	120,407
Financial investments at amortised cost	8	40,591	-
Other assets	9	23,004	24,020
Statutory deposits		1	-
Tax recoverable		12	-
Right-of-use assets		970	1,185
Plant and equipment		920	557
Intangible assets		27,377	21,142
<b>TOTAL ASSETS</b>		<b>219,764</b>	<b>167,311</b>
<b>LIABILITIES AND EQUITY</b>			
Deposits from customers	10	39,351	-
Other liabilities	11	26,020	45,404
Tax liabilities		-	403
Lease liabilities		1,066	1,138
<b>TOTAL LIABILITIES</b>		<b>66,437</b>	<b>46,945</b>
Share capital	6	245,000	185,000
Reserves		(91,673)	(64,634)
<b>TOTAL EQUITY</b>		<b>153,327</b>	<b>120,366</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>219,764</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 SIX MONTHS ENDED 30 JUNE 2024**

	Note	2nd Quarter Ended		Six Months Ended	
		30 June	30 June	30 June	30 June
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Interest income	12	1,081	574	2,034	574
Interest expense	13	(70)	-	(78)	-
Net interest income		1,011	574	1,956	574
Fee and commission expense	14	(1)	-	(1)	-
Other operating income	15	10	-	22	-
		1,020	574	1,977	574
Other operating expenses	16				
Personnel costs		(4,990)	-	(9,483)	-
Establishment costs		(7,266)	(2,702)	(12,845)	(2,702)
Marketing expenses		(1,444)	-	(1,446)	-
Administration and general expenses		(2,637)	(8,980)	(5,242)	(8,980)
<b>Loss before taxation</b>		<b>(15,317)</b>	<b>(11,108)</b>	<b>(27,039)</b>	<b>(11,108)</b>
Taxation		-	-	-	-
<b>Loss and total comprehensive loss for the financial period</b>		<b>(15,317)</b>	<b>(11,108)</b>	<b>(27,039)</b>	<b>(11,108)</b>

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**INTERIM FINANCIAL STATEMENTS  
UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 30 JUNE 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>(27,039)</b>	<b>(27,039)</b>
Issuance of ordinary shares	<b>60,000</b>	-	-	<b>60,000</b>
Transfer to regulatory reserves	-	<b>2</b>	<b>(2)</b>	-
<b>Balance as at 30 June 2024</b>	<b>245,000</b>	<b>2</b>	<b>(91,675)</b>	<b>153,327</b>
<b>At 1 March 2023 (date of incorporation)</b>	(a) -	-	-	-
Total comprehensive loss for the financial period	-	-	<b>(11,108)</b>	<b>(11,108)</b>
Issuance of ordinary shares	<b>100,000</b>	-	-	<b>100,000</b>
<b>Balance as at 30 June 2023</b>	<b>100,000</b>	-	<b>(11,108)</b>	<b>88,892</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 SIX MONTHS ENDED 30 JUNE 2024**

	Note	Six Months Ended	
		30 June 2024	30 June 2023
		RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Loss before taxation		(27,039)	(11,108)
Adjustments for non-operating and non-cash items:			
Depreciation of right-of-use assets		181	-
Depreciation of plant and equipment		9	-
Amortisation of other intangible assets		1,742	-
Amortisation of financial investment at amortised cost		36	-
Lease interest		15	-
Operating loss before working capital changes		(25,056)	(11,108)
Changes in working capital:			
Net changes in operating assets		1,015	(7,537)
Net changes in operating liabilities		19,914	454
Cash used in operations		(4,127)	(18,191)
Net tax paid		(415)	-
Net cash used in operating activities		(4,542)	(18,191)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of plant and equipment		(372)	-
Purchase of other intangible assets		(7,977)	(5,997)
Purchases of financial investment at amortised cost		(40,627)	-
Net cash used in investing activities		(48,976)	(5,997)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issuance of ordinary shares	6	60,000	100,000
Net cash from financing activities		60,000	100,000
Net increase in cash and cash equivalents		6,482	75,812
Cash and cash equivalents:			
- At the beginning of the financial period		120,407	-
- At the end of the financial period		126,889	75,812
Cash and cash equivalents comprise the following:			
- Cash and short term funds		126,889	75,812

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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 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.

The Bank will apply the following amendments below to published standards from:-

- (a) Financial year beginning on/after 1 January 2027
  - MFRS 18, *Presentation and Disclosure in Financial Statements*

The above adoption is not expected to give rise to material financial impact to the Bank.

**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 six months ended 30 June 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 was officially launched on 6 June 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 six months ended 30 June 2024.

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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

**6 Changes in Debt and Equity Securities**

There were no issuances, repurchases and repayments of debt and equity securities for the six months ended 30 June 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;
- (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;
- (c) 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;
- (d) On 17 May 2024, the Bank increased its issued and paid up share capital from RM224,500,185 to RM234,000,185 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; and
- (e) On 14 June 2024, the Bank increased its issued and paid up share capital from RM234,000,185 to RM245,000,000 via the issuance of 10,999,815 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 declared or paid by the Bank during the six months ended 30 June 2024.

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

**8 Financial Investments at Amortised Cost**

	As at 30 June 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	40,591	-

**9 Other Assets**

	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Other receivables	365	42
Deposits	214	209
Prepayments	22,425	23,769
	<b>23,004</b>	<b>24,020</b>

**10 Deposits from Customers**

	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
<b>(a) By type of deposits</b>		
Savings deposits	39,351	-
<b>(b) By type of customers</b>		
Individuals	39,351	-

**11 Other Liabilities**

	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Other creditors and accruals	20,839	36,023
Amount due to holding company	(a) 4,634	-
Amounts due to related companies	(b) 547	9,381
	<b>26,020</b>	<b>45,404</b>

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

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

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

2nd Quarter Ended		Six Months Ended	
30 June	30 June	30 June	30 June
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

**12 Interest Income**

Deposit placements with banks and other financial institutions	893	550	1,628	550
Financial investments at amortised costs	112	-	148	-
Others	76	24	258	24
	<u>1,081</u>	<u>574</u>	<u>2,034</u>	<u>574</u>

2nd Quarter Ended		Six Months Ended	
30 June	30 June	30 June	30 June
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

**13 Interest Expense**

Deposits from customers	63	-	63	-
Lease interest	7	-	15	-
	<u>70</u>	<u>-</u>	<u>78</u>	<u>-</u>

2nd Quarter Ended		Six Months Ended	
30 June	30 June	30 June	30 June
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

**14 Fee and Commission Expense**

Fee expense	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
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2nd Quarter Ended		Six Months Ended	
30 June	30 June	30 June	30 June
2024	2023	2024	2023
RM'000	RM'000	RM'000	RM'000

**15 Other Operating Income**

Other income				
- net foreign exchange gain	10	-	22	-
	<u>10</u>	<u>-</u>	<u>22</u>	<u>-</u>



**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
<b>16 Other Operating Expenses</b>				
<u>Personnel costs</u>				
- Salaries, bonus, wages and allowances	4,147	-	8,020	-
- Defined contribution plan	384	-	707	-
- Other staff related costs	459	-	756	-
	<u>4,990</u>	<u>-</u>	<u>9,483</u>	<u>-</u>
<u>Establishment costs</u>				
- Amortisation of other intangible assets	1,135	-	1,742	-
- Depreciation of plant and equipment	6	-	9	-
- Depreciation of right-of-use assets	87	-	181	-
- Information technology expenses	5,934	2,702	10,747	2,702
- Repair and maintenance	18	-	18	-
- Water and electricity	1	-	1	-
- Insurance	85	-	147	-
	<u>7,266</u>	<u>2,702</u>	<u>12,845</u>	<u>2,702</u>
<u>Marketing expenses</u>				
- Advertisements and publicity	231	-	231	-
- Others	1,213	-	1,215	-
	<u>1,444</u>	<u>-</u>	<u>1,446</u>	<u>-</u>
<u>Administration and general expenses</u>				
- Legal and professional fees	13	8,941	101	8,941
- Others	2,624	39	5,141	39
	<u>2,637</u>	<u>8,980</u>	<u>5,242</u>	<u>8,980</u>
	<u>16,337</u>	<u>11,682</u>	<u>29,016</u>	<u>11,682</u>

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

**17 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 30 June 2024</b>
	<b>RM'000</b>
<b><u>Common Equity Tier I ('CET I')/ Tier I Capital</u></b>	
Share capital	245,000
Accumulated losses	(91,675)
	<u>153,325</u>
Less:	
- Intangible assets	(27,377)
<b>Total CET I Capital, Total Tier I Capital and Total Capital</b>	<u><u>125,948</u></u>
 <u>Capital ratios</u>	
Before/After proposed dividends:	
CET I Capital Ratio	241.868%
Tier I Capital Ratio	241.868%
Total Capital Ratio	<u><u>241.868%</u></u>

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 30 June 2024</b>
	<b>RM'000</b>
Credit risk	48,366
Market risk	-
Operational risk	3,707
<b>Total risk-weighted assets</b>	<u><u>52,073</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 SIX MONTHS ENDED 30 JUNE 2024**

**18 Capital Commitments**

	<b>As at 30 June 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
Authorised and contracted for:		
- Plant and equipment	<b>314</b>	538
- Intangible assets	<b>3,220</b>	4,164
	<b>3,534</b>	4,702

**19 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 <ul style="list-style-type: none"> <li>(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.</li> </ul>

**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

**19 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.

	<u>Immediate holding company</u>	<u>Related companies</u>	<u>Entity with significant influence</u>	<u>Key management personnel</u>
	RM'000	RM'000	RM'000	RM'000
<b><u>01.01.2024 to 30.06.2024</u></b>				
<b><u>Income</u></b>				
Interest income	-	-	258	-
<b><u>Expenses</u></b>				
Interest expense	-	-	-	2
Secondment arrangement	-	-	900	-
Contracts entered on behalf prior to incorporation, charged under the Shareholders Agreement	(33)	(7)	-	-
Outsourced services	3,851	-	-	-
Resource augmentation	-	153	-	-
Engagement of services	-	325	-	-
	<u>3,818</u>	<u>471</u>	<u>900</u>	<u>2</u>
<b><u>01.03.2023 (date of incorporation) to 30.06.2023</u></b>				
<b><u>Income</u></b>				
Interest income	-	-	574	-
<b><u>Expenses</u></b>				
Contracts entered on behalf prior to incorporation, charged under the Shareholders Agreement	4,740	7,512	-	-
<b><u>As at 30 June 2024</u></b>				
<b><u>Amounts due from</u></b>				
Cash and short-term funds	-	-	17,769	-
<b><u>Amounts due to</u></b>				
Deposits from customers	-	-	-	54
Other liabilities	8,582	1,169	2,109	-
	<u>8,582</u>	<u>1,169</u>	<u>2,109</u>	<u>54</u>
<b><u>As at 31 December 2023</u></b>				
<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 SIX MONTHS ENDED 30 JUNE 2024**

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

(c) Key management personnel

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

	<b>Six Months Ended</b>	
	<b>30 June 2024</b>	<b>30 June 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Short term employee benefits:		
- Fees	346	-
- Salary and other remuneration	3,593	-
- Contribution to EPF	248	-
- Benefits-in-kind	267	-
	<u>4,454</u>	<u>-</u>

**20 Credit Exposure Arising from Transactions with Connected Parties**

Credit exposures with connected parties as per Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties are as follows:

	<b>Six Months Ended</b>	
	<b>30 June 2024</b>	<b>30 June 2023</b>
Outstanding credit exposures with connected parties (RM'000)	<u>-</u>	<u>-</u>
Percentage of outstanding credit exposures with connected parties as proportion of total credit exposures	<u>0.00%</u>	<u>0.00%</u>
Percentage of outstanding credit exposures with connected parties which is impaired or in default	<u>0.00%</u>	<u>0.00%</u>

The credit exposures above are derived based on Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties, which are effective on 1 January 2008.

As at 30 June 2024, the Bank has no credit transactions with connected parties.