

**“XACBANK” REPORT ON UTILIZATION OF USE OF PROCEEDS**  
(As of 30 June 2023)



**1. Utilization plan for the use of proceeds**

XacBank has successfully traded 52,700,000 shares to the public through its IPO, raising total of MNT 35,667,900,000. The total direct costs associated with the IPO has amounted to MNT 1,628,905,180 which was deducted from the proceeds in accordance with IFRS and regulation. The net proceeds are expected to be utilized for the growth of its loan and lease portfolio as per Prospectus. Costs and expenses directly associated with the IPO are:

- Underwriting fees to “Rhinos Investment SC LLC” and “Ulzii and Co Capital SC LLC”;
- Business valuation fee to “BDO Audit LLC” as per Article 2.1 of Securities Admission Rule of FRC;
- Audit Letter fee of to “E&Y Mongolia Audit LLC” as per Article 3.1.4 of Securities Admission Rule of FRC;
- Legal Opinion fee of to “B&P LLP” as per Article 2.1 of Securities Admission Rule of FRC;
- Registration and primary trading fee to MSE;
- Registration and primary trading fee SCD;
- Registration and primary trading fee other regulators.

Net proceeds after deducting direct costs associated with the offer is MNT 34,038,994,820.

**2. Utilization status**

Target segment	Target in percentage	Net Proceed to be utilized for the target segment	Utilization* status as 30 June 2023
Retail loans	66%	22,465,736,581	17,836,323,782
Corporate loans	19%	6,467,409,016	410,959
Finance leases	15%	5,105,849,223	2,738,483,452
<b>Total</b>	<b>100%</b>	<b>34,038,994,820</b>	<b>20,575,218,193</b>

\* Outstanding balance of loans and leases

Net un-utilized amount is MNT 13,463,776,627.

XacBank