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Siddhartha Investment Growth Scheme-2

**Auditor's Report & Financial Statements
for the FY 2081-82 (2024-25)**

B.K. Agrawal & Co.
Chartered Accountants

Member Crowe Global

Audit / Tax / Advisory



Independent Auditors' Report to the Stakeholders' of "Siddhartha Investment Growth Scheme - 2"

Opinion

We have audited the accompanying financial statements of M/s Siddhartha Investment Growth Scheme - 2, which comprise Statement of Financial Position as at Ashad 32, 2082 (July 16, 2025), Statement of Profit or Loss, Statement of Cash Flows and Statement of Changes in Equity, for the year then ended, and the Significant Accounting Policies and explanatory information dealt with by this report.

In our opinion, the accompanying financial statements read together with Significant Accounting Policies and Notes to the Accounts, present fairly, in all material respects, the financial position of the Scheme as on Ashad 32, 2082 (July 16, 2025), its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS).

Basis for Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Entity in accordance with the ICAN's Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Issues	Our Approach
Investment Valuation: The investment portfolio consists of listed and unlisted equities, including IPO equities. The investments are classified and valued in compliance with NFRS 9. The investments are stated as per the provisions stated on the Mutual Fund regulations and guidelines and valuation policy set out by Siddhartha Mutual Fund Investment Policy, 2022.	a) Review of the investment portfolio and its valuation, cross-reference against Nepal Stock Exchange close price as on 16 th July, 2025. b) Assessed the valuation of allotted but unlisted IPO investment using management's valuation workings. c) Evaluated the value of unlisted investments, referring the Net Asset Values (NAVs) on the respective websites. d) Assessed the nature of expected cash flow of the investment as well as the business model adopted by the management on the basis of available evidences and ensured the classification of investment is correct with the nature of cash flow and management intention of holding the investments.
Income Recognition: Income includes income from interest from bank deposits with bank and financial institutions and capital gain and dividend income from Investments made on securities and other incomes.	Our procedures included, among the others: <ul style="list-style-type: none"> - Analysis of the internal control environment with respect to the recognition and presentation of revenue recognition i.e. interest, dividend and capital gains. - Assessment of revenue recognition policy adopted by the company in compliance with relevant accounting standards; - Assessment of the basis for the interest rate of interest income, including automatic controls in the Scheme's IT systems, - Checking the revenue stream individually with manual calculations based on the relevant documents on sample basis



Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Nepal Financial Reporting Standards (NFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Scheme's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Scheme or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Scheme's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Scheme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on Other Legal and Regulatory Requirements

On the basis of our examination, we would like to further report that:

- i. We have obtained information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- ii. In our opinion, proper books of account as required by law have been kept by the Scheme so far as appears from our examination of such books;
- iii. In our opinion, the Statement of Financial Position, Statement of Profit or Loss, Statement of Cash Flows and Statement of Changes in Equity with Explanatory Notes dealt with by this report are in compliance with the provisions of the Securities Act, 2063, Mutual Fund Regulations, 2067 and Mutual Fund Guidelines, 2069 and are in agreement with the books of account maintained by the Scheme;
- iv. In our opinion, so far as appeared from our examination of the books, the business of the Scheme has been conducted satisfactorily and nothing has come to our attention that causes us to believe otherwise;
- v. The scheme has maintained the necessary internal control system;
- vi. We have not come across any cases where the Scheme has conducted activities against the interest of unitholders or the capital market;
- vii. The internal audit of the scheme is carried out as part of Fund managers' internal audit on periodic basis and the internal audit so carried out seems effective;
- viii. The scheme has invested its funds according to the Mutual Fund Regulation, 2067; and
- ix. To the best of our information and according to the explanations given to us and from our examination of the books of accounts of the Scheme necessary for the purposes of the audit, we have not come across cases where the Board of Directors or any employees of the Scheme have acted contrary to legal provisions relating to accounts, or committed any misappropriation or caused loss or damage to the Scheme or committed any accounting frauds in the Scheme.

Kathmandu
Date: August 8, 2025

P.K. Swarnkar

P.K. Swarnkar, FCA
Partner

For: **B.K. Agrawal & Co.**
Chartered Accountants

UDIN: 250811CA00103zVdpU



Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2
Fund Manager & Depository: Siddhartha Capital Limited

Statement of Financial Position
As at Ashad 32, 2082 (July 16, 2025)

ASSETS	Schedules	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Cash & Cash Equivalents	1	61,897,668	104,104,787
Other Financial Assets	2	5,142,178	54,148,000
Financial Assets at Fair Value through Profit/Loss	3	1,410,095,666	1,047,558,712
Financial Assets at Amortized Cost	4	37,726,350	45,926,993
Total Assets		1,514,861,862	1,251,738,492

CAPITAL AND LIABILITIES	Schedules	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Liabilities			
Current Liabilities	5	15,787,398	5,411,973
Total Liabilities		15,787,398	5,411,973
Capital			
Unit Holder's Capital	6	1,200,000,000	1,200,000,000
Reserves and Surplus	7	299,074,464	46,326,519
Total Capital		1,499,074,464	1,246,326,519
Total Capital & Liabilities		1,514,861,862	1,251,738,492
NAV Per Unit		12.49	10.39


Significant Accounting Policies
Notes to Accounts

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Schedules 1 to 13 form Integral part of Financial Statements

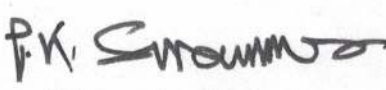
On Behalf of Siddhartha Capital Limited
(Fund Management Company)


Rupesh Raut
Head, Finance & Operations


Mukti Nath Subedi
Chief Operating Officer


Sandeep Karki
Chief Executive Officer

As per our attached report
of even date


P.K. Swarnkar, FCA
Partner
B.K. Agrawal & Co.
Chartered Accountants


Varun Kumar Todi
Director


Suresh Raj Maharjan
Director


Mohit Kedia
Chairman


Rishi Raj Gautam
Independent Director


Kiran Thapa
Independent Director



**Siddhartha
Capital Limited**
Investing happiness



Date: August 08, 2025
Place: Kathmandu, Nepal

Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2
Fund Manager & Depository: Siddhartha Capital Limited

Statement of Profit or Loss
For the year ended Ashad 32, 2082 (July 16, 2025)

Particular	Schedules	Year ended Ashad 32, 2082 (July 16, 2025) NPR	Year ended Ashad 31, 2081 (July 15, 2024) NPR
1. Income		141,158,681	58,383,020
1.1 Realised Income	8	141,158,681	58,383,020
1.2 Unrealised Income	9	-	-
2. Expenses		27,810,866	21,387,693
2.1 Annual Regular Expenses	10	27,810,866	21,387,693
Realised Profit/(Loss)		113,347,815	36,995,327
Net Unrealised Gain/(Loss) from Financial Assets Held at Fair Value through Profit or Loss (FVTPL)	11	139,400,130	3,956,586
Net Profit/(Loss) for the Year		252,747,945	40,951,913

Significant Accounting Policies

12

Notes to Accounts

13

Schedules 1 to 13 form Integral part of Financial Statements

On Behalf of Siddhartha Capital Limited
(Fund Management Company)



Rupesh Raut
Head, Finance & Operations



Mukti Nath Subedi
Chief Operating Officer



Sandeep Karki
Chief Executive Officer

As per our attached report
of even date



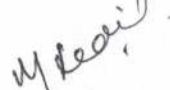
P.K. Swarnkar, FCA
Partner
B.K. Agrawal & Co.
Chartered Accountants



Varun Kumar Todi
Director



Suresh Raj Maharjan
Director



Mohit Kedia
Chairman



Rishi Raj Gautam
Independent Director



Kiran Thapa
Independent Director



Siddhartha
Capital Limited
Investing happiness



Date: August 08, 2025
Place: Kathmandu, Nepal

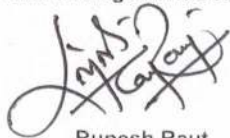
Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2
Fund Manager & Depository: Siddhartha Capital Limited

Statement of Cash Flows
For the year ended Ashad 32, 2082 (July 16, 2025)

Particulars	Year ended Ashad 32, 2082 (July 16, 2025) NPR	Year ended Ashad 31, 2081 (July 15, 2024) NPR
A. Cash Flows From Operating Activities	(50,407,762)	(65,589,042)
1. Cash Receipts	141,158,681	58,383,020
1.1 Interest Income from Financial Asset at Amortized Cost	5,776,052	11,233,590
1.2 Dividend Income from Financial Assets at FVTPL	12,442,303	7,682,085
1.3 Interest Income from Financial Asset at FVTPL	122,777,052	39,440,727
1.4 Other Income	163,274	26,618
2. Cash Payments	27,810,866	21,387,693
2.2 Annual Regular Expenses	27,810,866	21,387,693
Cash Flows before Changes in Working Capital	113,347,815	36,995,327
(Increase)/Decrease in Current Assets & Securities	(174,131,002)	(99,137,494)
Increase/(Decrease) in Current Liabilities	10,375,425	(3,446,875)
B. Cash Flows From Investing Activities	8,200,643	70,019,148
1. (Increase)/Decrease in Investments	8,200,643	70,019,148
C. Cash Flows from Financing Activities	-	(78,000,000)
1. Increase/(Decrease) in Unit Holder's Capital	-	-
2. Dividend Paid	-	(78,000,000)
D. Income/Expenses from changes in exchange rate on Cash and Bank Balances	-	-
E. Net Cash Flow For The Year from all activities (A+B+C+D)	(42,207,119)	(73,569,894)
F. Opening Cash and Bank Balance	104,104,787	177,674,681
G. Closing Cash and Bank Balance	61,897,668	104,104,787

On Behalf of Siddhartha Capital Limited
(Fund Management Company)


Rupesh Raut

Head, Finance & Operations


Mukti Nath Subedi

Chief Operating Officer


Sandeep Karki

Chief Executive Officer


Varun Kumar Todi

Director


Suresh Raj Maharjan

Director


Mohit Kedia

Chairman


Rishi Raj Gautam

Independent Director


Kiran Thapa

Independent Director



As per our attached report
of even date


P.K. Swarnkar, FCA

Partner

B.K. Agrawal & Co.
Chartered Accountants



Date: August 08, 2025
Place: Kathmandu, Nepal

Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2
Fund Manager & Depository: Siddhartha Capital Limited

Statement of Change in Unit Holder's Equity
For the year ended Ashad 32, 2082 (July 16, 2025)

Particulars	Unit Holder's Capital NPR	Realized Profit NPR	Unrealized Profit NPR	Total NPR
Balance as on Shrawan 1, 2080 (July 17, 2023)	1,200,000,000	172,013,767	(88,639,161)	1,283,374,606
Adjusted balance as on Shrawan 1, 2080 (July 17, 2023)	1,200,000,000	172,013,767	(88,639,161)	1,283,374,606
Net Profit (Loss) during the year	-	36,995,327	3,956,586	40,951,913
Issue of Unit Capital	-	-	-	-
Amount transferred to General Reserve	-	-	-	-
Dividend Paid of Last Year	-	(78,000,000)	-	(78,000,000)
Capital Reserve Fund	-	-	-	-
Balance as at Ashad 31, 2081 (July 15, 2024)	1,200,000,000	131,009,094	(84,682,575)	1,246,326,519
Balance as on Shrawan 1, 2081 (July 16, 2024)	1,200,000,000	131,009,094	(84,682,575)	1,246,326,519
Adjusted balance as on Shrawan 1, 2081 (July 16, 2024)	1,200,000,000	131,009,094	(84,682,575)	1,246,326,519
Net Profit (Loss) during the year	-	113,347,815	139,400,130	252,747,945
Issue of Unit Capital	-	-	-	-
Amount transferred to General Reserve	-	-	-	-
Dividend Paid of Last Year	-	-	-	-
Capital Reserve Fund	-	-	-	-
Balance as at Ashad 32, 2082 (July 16, 2025)	1,200,000,000	244,356,909	54,717,555	1,499,074,464

On Behalf of Siddhartha Capital Limited
(Fund Management Company)

[Signature]
Rupesh Raut
Head, Finance & Operations

[Signature]
Varun Kumar Todi
Director

[Signature]
Rishi Raj Gautam
Independent Director

[Signature]
Mukti Nath Subedi
Chief Operating Officer

[Signature]
Suresh Raj Maharjan
Director

[Signature]
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Independent Director

[Signature]
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Chief Executive Officer

[Signature]
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Chairman

Siddhartha
Capital Limited
Investing happiness

As per our attached report
of even date

[Signature]
P.K. Swarnkar, FCA
Partner
B.K. Agrawal & Co.
Chartered Accountants



Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2
Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts as at Ashad 32, 2082 (July 16, 2025)

Schedule 1: Cash & Cash Equivalents

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
1. Local Licensed Institutions	61,897,668	104,104,787
a. Call Accounts	61,897,668	104,104,787
At Siddhartha Bank Limited	13,690,308	28,189,842
At Himalayan Bank Limited	509,659	501,834
At Shine Resunga Development Bank Limited	297,096	14,791,272
At Kamana Sewa Bikas Bank Limited	1,989,663	1,960,030
At Garima Bikas Bank Limited	259,277	255,839
At Nepal Investment Mega Bank Limited	400,047	394,101
At Mahalaxmi Bikas Bank Limited	1,042,705	2,213,790
At Global Ime Bank Limited	22,777	22,512
At Jyoti Bikash Bank Limited	5,448,890	5,242,119
At Kumari Bank Limited	40,785	40,186
At Prime Commercial Bank Limited	126,135	10,118,107
At Citizens Bank International Limited	41,810	41,698
At Shangri-La Development Bank Limited	21,385	3,062,274
At NIC Aisa Bank Limited	1,997,675	15,254,175
At Muktinath Bikash Bank Limited	712,572	702,063
At Everest Bank Limited	14,135	11,437
At Reliance Finance Limited	10,975,282	10,757,927
At Manjushree Finance Limited	24,307,468	10,545,581
Total	61,897,668	104,104,787

Schedule 2: Other Financial Assets

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Amount receivable from Brokers	-	36,057,029
Dividend Income Receivable	142,178	109,979
IPO/Auction/Right	5,000,000	17,980,992
Total	5,142,178	54,148,000



Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2
Fund Manager & Depository: Siddhartha Capital Limited






Schedules forming part of the Accounts as at Ashad 32, 2082 (July 16, 2025)

Schedule 3: Financial Assets at Fair Value through Profit/Loss

S. No.	Particulars	Symbol	As at Ashad 32, 2082 (July 16, 2025)			As at Ashad 31, 2081 (July 15, 2024)			
			Stock Qty	Per Unit Price	Value in NPR	Cost in NPR	Stock Qty	Per Unit Price	Value in NPR
A.	Listed Equities Investments		6,548,635		1,357,665,114	1,304,883,850		1,040,447,605	1,126,200,884
1	Chandragiri Hills Limited	CGH	25,000	956	23,900,500	26,480,042	-	-	-
2	Crest Micro Life Insurance Limited	CREST	1,757	1,364	2,397,181	175,700	-	-	-
3	Forward Microfinance Laghubitta Bittiya Sanstha Limited	FORWARD	26,951	1,294	34,870,821	36,799,836	-	-	-
4	Garima Bikas Bank Limited	GBBL	46,070	428	19,734,545	18,873,200	-	-	-
5	Ghalemdhi Hydro Limited	GHL	53,975	249	13,429,520	15,699,593	-	-	-
6	Guardian Micro Life Insurance Limited	GMLI	1,875	2,194	4,114,294	2,553,858	-	-	-
7	Green Ventures Limited	GVL	26,283	482	12,676,291	11,981,079	-	-	-
8	Himalayan 80-20	H8020	1,000,000	11.60	11,600,000	11,012,596	-	-	-
9	Hydorelectricity Investment and Development Company Limited Promoter	HIDCLP	24,853	211	5,233,048	5,236,522	-	-	-
10	ICFC Finance Limited	ICFC	8,002	641	5,125,841	4,862,324	-	-	-
11	Kaika power Company Ltd	KPCL	25,218	543	13,683,791	14,955,574	-	-	-
12	MBL Equity Fund	MBLEF	500,000	9.93	4,965,000	5,000,000	-	-	-
13	Mero Microfinance Bittiya Sanstha Ltd.	MERO	9,994	847	8,460,221	7,635,840	-	-	-
14	Mithila Laghubitta Bittiya Sanstha Limited	MLBBL	1,404	1,599	2,244,771	2,182,427	-	-	-
15	Muktinath Bikas Bank Ltd.	MNBBL	3,195	406	1,296,914	1,293,904	-	-	-
16	NMB Hybrid Fund L- II	NMBHF2	500,000	9.06	4,530,000	5,000,000	-	-	-
17	Nepal Micro Insurance Company Limited	NMIC	1,758	1,559	2,741,425	175,800	-	-	-
18	Nepal Reinsurance Company Limited	NRIC	4,000	1,260	5,040,440	5,260,218	-	-	-
19	Om Megashree Pharmaceuticals Limited	OMPL	1,406	1,518	2,133,971	140,600	-	-	-
20	Pure Energy Limited	PURE	1,125	872	980,674	112,500	-	-	-
21	RSDC Laghubitta Bittiya Sanstha Ltd.	RSDC	12,000	701	8,414,280	9,190,668	-	-	-
22	Sahas Urja Limited	SAHAS	81,313	640	52,043,573	44,240,666	-	-	-
23	Salt Trading Corporation	STC	3,226	5,290	17,065,540	19,297,874	-	-	-
24	Terhathum Power Company Limited	TPC	11,780	386	4,545,784	4,195,712	-	-	-
25	Trade Tower Limited	TTL	2,758	89	245,241	275,800	-	-	-
26	Kamana Sewa Bikas Bank Limited	KSBBL	84,414	501	42,265,246	35,922,833	40,246	416	16,742,336
27	Laxmi Sunrise Bank Limited	LSL	128,356	239	30,643,711	33,011,669	22,953	175	4,016,775
28	NIC ASIA Growth Fund-2	NICGF2	750,000	9.52	7,140,000	7,500,000	750,000	8	6,150,000
29	Nerude Mirmire Laghubitta Bittiya Sanstha Limited	NMLBBL	14,339	700	10,042,319	12,468,163	2,406	720	1,732,801
30	Sarbottam Cement Limited	SARBTM	42,172	866	36,512,939	34,245,643	15,974	807	12,883,031

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Schedule 3: Financial Assets at Fair Value through Profit/Loss

S. No.	Particulars	Symbol	As at Ashad 32, 2082 (July 16, 2025)				As at Ashad 31, 2081 (July 15, 2024)			
			Stock Qty	Per Unit Price	Value in NPR	Cost in NPR	Stock Qty	Per Unit Price	Value in NPR	Cost in NPR
31	Sun Nepal Life Insurance Company Limited	SNLI	37,209	491	18,256,224	14,983,791	50,838	511	25,993,469	22,067,151
32	Chhimek Laghubitta Bittiya Sanstha Limited	CBBL	27,465	1,036	28,453,191	24,210,364	19,801	900	17,820,900	17,605,052
33	Everest Bank Limited	EBL	156,024	702	109,460,197	87,310,735	85,230	560	47,728,800	43,917,998
34	Himalayan Distillery Limited	HDL	1,518	1,237	1,877,068	3,045,697	1,320	1,384	1,826,880	3,045,697
35	National Life Insurance Co. Ltd.	NLIL	72,639	624	45,296,228	49,112,142	89,576	595	53,297,720	66,986,558
36	Neco Insurance Limited	NIL	39,174	710	27,827,643	26,796,851	21,406	836	17,895,416	16,965,930
37	Nepal Life Insurance Co. Ltd.	NLIC	43,582	773	33,687,579	47,334,408	39,620	619	24,524,780	47,334,408
38	Nirdhan Uthhan Laghubitta Bittiya Sanstha Limited	NUBL	39,822	769	30,611,570	35,336,765	36,322	712	25,857,632	32,460,210
39	NMB Bank Limited	NMB	224,584	270	60,574,796	67,535,658	97,407	218	21,234,726	34,072,413
40	Sana Kisan Bikas Laghubitta Bittiya Sanstha Limited	SKBBL	15,171	884	13,417,384	9,825,828	22,357	854	19,086,171	14,329,554
41	Sanima Bank Limited	SANIMA	159,342	375	59,716,601	46,898,706	196,563	279	54,841,077	48,983,962
42	Shine Resunga Development Bank Ltd.	SHINE	73,234	432	31,634,891	33,457,062	51,253	405	20,762,590	17,862,704
43	Standard Chartered Bank Limited	SCB	75,225	656	49,355,123	44,032,569	63,055	602	37,959,110	32,911,522
44	Unilever Nepal Limited	UNL	490	46,340	22,706,600	14,533,339	420	47,328	19,877,760	11,044,501
45	Himalayan Life Insurance Limited	HLI	57,841	407	23,547,650	28,964,988	31,439	391	12,292,649	18,772,288
46	Asian Life Insurance Co. Limited	ALICL	46,371	498	23,109,452	22,128,875	47,736	623	29,739,528	30,744,403
47	Mountain Energy Nepal Limited	MEN	85,169	639	54,439,173	49,661,942	31,430	597	18,763,710	18,023,136
48	CEDB Holdings Limited	CHDC	28,939	2,642	76,456,549	56,199,212	11,970	1,159	13,873,230	10,687,461
49	Sagarmatha Lumbini Insurance Co. Limited	SALICO	60,836	726	44,172,411	47,387,488	37,545	727	27,295,215	29,333,510
50	SHIVAM CEMENTS LTD	SHVM	83,413	535	44,629,292	53,822,299	69,236	502	34,777,243	50,218,656
51	Api Power Company Ltd.	API	200,054	296	59,199,980	57,680,519	70,139	191	13,396,549	14,384,716
52	Nepal SBI Bank Limited	SBI	50,669	440	22,293,347	19,299,862	104,662	328	34,329,136	33,042,387
53	National Laghubitta Bittiya Sansha Limited	NMFB	15,517	1,400	21,724,576	20,690,605	14,123	1,409	19,899,307	21,630,558
54	Siddhartha Premier Insurance Limited	SPIL	61,123	840	51,364,713	53,853,503	73,872	860	63,522,533	64,052,693
55	Sunrise Focused Equity Fund	SFEF	1,000,000	10.04	10,040,000	10,000,000	1,000,000	8	8,240,000	10,000,000
56	Prabhu Smart Fund	PRSF	500,000	11.47	5,735,000	5,000,000	500,000	10	4,805,000	5,000,000
57	Kumari Sabal Yojana	KSJ	-	-	-	-	250,000	10	2,500,000	2,500,000
58	Laxmi Value Fund 2	LVF2	-	-	-	-	450,000	9	4,158,000	4,500,000
59	Mukthinath Krishi Company Limited	MKCL	-	-	-	-	2,280	1,390	3,169,200	1,467,776
60	NIBL Stable Fund	NIBLSTF	-	-	-	-	500,000	10	5,000,000	5,000,000
61	NLG Insurance Company Ltd.	NLG	-	-	-	-	4,401	795	3,498,355	3,453,492
62	Sagarmatha Jalabidhyut Company Limited	SMJC	-	-	-	-	15,354	406	6,233,724	5,932,064
63	Suryodaya Womi Laghubitta Bittiya Sanstha Limited	SWMF	-	-	-	-	5,104	945	4,823,280	4,818,126
64	Sanima Middle Tamor Hydropower Limited	TAMOR	-	-	-	-	44,498	450	20,024,100	18,027,433
65	Taragaon Regency Hotel Limited	TRH	-	-	-	-	175	807	141,225	141,464
66	United Modi Hydropower Ltd.	UMHL	-	-	-	-	24,400	256	6,246,400	7,256,510
67	UNIVERSAL POWER COMPANY LTD	UPCL	-	-	-	-	27,181	206	5,602,004	6,419,276
68	Global IME Bank Limited	GBIME	-	-	-	-	67,353	194	13,079,953	14,774,407
69	Life Insurance Corporation (Nepal) Limited	LICN	-	-	-	-	20,485	1,438	29,457,430	26,787,254



Handwritten signatures and initials: *JS*, *N*, *M*, *mtgubedi*, *mtgubedi*

Schedule 3: Financial Assets at Fair Value through Profit/Loss

S. No.	Particulars	Symbol	As at Ashad 32, 2082 (July 16, 2025)				As at Ashad 31, 2081 (July 15, 2024)			
			Stock Qty	Per Unit Price	Value in NPR	Cost in NPR	Stock Qty	Per Unit Price	Value in NPR	Cost in NPR
70	Mahalaxmi Bikas Bank Ltd.	MLBL	-	-	-	-	12,480	352	4,392,960	6,272,196
71	NIC Asia Bank Ltd.	NICA	-	-	-	-	52,008	443	23,049,946	26,511,554
72	Prabhu Bank Limited	PRVU	-	-	-	-	128,842	164	21,091,435	30,752,478
73	Prime Commercial Bank Ltd.	PCBL	-	-	-	-	150,800	222	33,447,440	41,465,103
74	Lumbini Bikas Bank Ltd.	LBBL	-	-	-	-	66,088	417	27,532,261	28,856,194
75	Citizens Bank International Limited	CZBIL	-	-	-	-	21,369	194	4,134,902	6,171,301
76	Sanima Mai Hydropower Ltd.	SHPC	-	-	-	-	5,960	340	2,023,420	2,035,305
77	Himalayan Power Partner Ltd.	HPPL	-	-	-	-	50,703	306	15,515,118	23,011,883
78	Liberty Energy Company Limited	LEC	-	-	-	-	31,809	201	6,393,609	12,283,557
79	National Hydro Power Company Limited	NHPC	-	-	-	-	44,250	163	7,208,325	11,218,149
80	Jyoti Bikas Bank Limited	JBBL	-	-	-	-	13,554	314	4,255,956	5,306,052
81	Kumari Dhanabridhi Yojana	KDBY	-	-	-	-	250,000	10	2,417,500	2,500,000
82	Global IME Balanced Fund-1	GIBF1	-	-	-	-	125,000	9	1,137,500	1,250,000
83	NMB Sulav Investment Fund - 2	NSIF2	-	-	-	-	250,000	10	2,515,000	2,500,000
84	Sanima Growth Fund	SAGF	-	-	-	-	300,000	10	3,042,000	3,000,000
85	NIBL Growth Fund	NIBLGF	-	-	-	-	700,000	11	7,448,000	7,000,000
86	RBB Mutual Fund 2	RMF2	-	-	-	-	250,000	10	2,375,000	2,500,000
87	Prabhu Insurance Ltd.	PRIN	-	-	-	-	24,268	826	20,045,368	18,502,114
88	Citizens Super 30 Mutual Fund	C30MF	-	-	-	-	1,300,000	10	13,000,000	13,000,000
89	Chirkhwa Hydropower Limited	CKHL	-	-	-	-	16,095	607	9,764,837	9,603,270
90	Citizen Life Insurance Company Limited	CLI	-	-	-	-	23,205	545	12,637,443	9,464,212
91	Kaika Laghubitta Bittiya Sanstha Ltd	KMCDB	-	-	-	-	1,600	1,200	1,919,840	1,956,365
B.	IPO Equities Investments		524,847		23,554,234	23,494,092	-	-	-	-
1	Reliance Spinning Mills Limited		19,716	912	17,980,992	17,980,992	-	-	-	-
2	Sanvi Energy Limited		2,021	122	247,269	202,100	-	-	-	-
3	Prabhu Systematic Investment Scheme		500,000	10	5,000,000	5,000,000	-	-	-	-
4	Bikash Hydropower Company Limited		2,463	110	271,521	246,300	-	-	-	-
5	Him Star Urja Company Limited		647	84	54,452	64,700	-	-	-	-
C.	Unlisted Equities Investments		60,953		28,876,318	27,000,169	13,066		7,111,107	6,040,403
1	Neco Insurance Limited	NIL	2,742	710	1,947,807	1,875,656	-	-	-	-
2	Terhathum Power Company Limited	TPC	21,880	386	8,443,273	7,793,054	-	-	-	-
3	Asian Life Insurance Co. Limited	ALICL	22,922	498	11,423,408	10,938,692	-	-	-	-
4	National Life Insurance Co. Ltd.	NLICL	3,632	624	2,264,843	2,455,641	-	-	-	-
5	Sun Nepal Life Insurance Company Limited	SNLI	9,777	491	4,796,987	3,937,126	11,885	511	6,076,801	5,158,899
6	Samaj Laghubittya Bittiya Sanstha Limited	SAMAJ	-	-	-	-	28	2,926	81,928	2,448
7	Prabhu Insurance Ltd.	PRIN	-	-	-	-	1,153	826	952,378	879,056
Grand Total			7,134,435		1,410,095,666	1,355,378,111	8,841,227		1,047,558,712	1,132,241,287

Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2
Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts as at Ashad 32, 2082 (July 16, 2025)

Schedule 4: Financial Assets at Amortized Cost

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Investment in Fixed Deposits	10,000,000	18,000,000
Investment in Bond and Debenture	26,492,000	26,492,000
Interest Income Receivable	1,234,350	1,434,993
Total	37,726,350	45,926,993

Schedule 4(A): Investment in Fixed Deposits

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Manjushree Finance Limited	10,000,000	3,000,000
ICFC Finance Limited	-	10,000,000
Shangri-La Development Bank Limited	-	5,000,000
Total	10,000,000	18,000,000

Schedule 4(B): Investment in Bond & Debenture

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
10.25% MBL Debenture 2085	5,000,000	5,000,000
10.25% Prabhu Bank Debenture 2086	2,500,000	2,500,000
10% Laxmi Bank Debenture 2086	2,500,000	2,500,000
10.25% KBL Debenture 2086	5,000,000	5,000,000
10.35% ADBL Debenture 2083	1,307,000	1,307,000
12% ICFC Debenture 2083	400,000	400,000
12% Goodwill Debenture 2083	833,000	833,000
10% Nepal SBI Bank Debenture 2086	500,000	500,000
10.25% Citizen Debenture 2086	952,000	952,000
10% Prime Debenture 2088	5,000,000	5,000,000
10.5% Himalayan Bank Ltd Bond 2086	2,500,000	2,500,000
Total	26,492,000	26,492,000

Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts as at Ashad 32, 2082 (July 16, 2025)

Schedule 5: Current Liabilities

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
TDS Payables	117,947	104,412
Fund Management, Depository and Supervisor fee Payable	6,277,806	5,189,936
Audit Fee Payable	83,625	83,625
Provision for Reporting Expenses	35,000	29,000
Provision for Audit Expenses	5,000	5,000
Payable to Broker	9,268,021	-
Total	15,787,398	5,411,973

Schedule 6: Unit Holder's Capital

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Seed Capital Investment of Siddhartha Bank Limited	210,000,000	210,000,000
Seed Capital Investment of Siddhartha Capital Limited	43,359,700	43,359,700
Capital Raised from General Public	946,640,300	946,640,300
Total	1,200,000,000	1,200,000,000

Schedule 7: Reserves and Surplus

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
1. Accumulated Profit/ Loss		
1.1. Realised Profit / (Loss)	244,356,909	131,009,094
1.2. Unrealised Profit / (Loss)	54,717,555	(84,682,575)
Total	299,074,464	46,326,519



Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts as at Ashad 32, 2082 (July 16, 2025)

Schedule 8: Realised Income

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Interest Income from Financial Asset at Amortized Cost	5,776,052	11,233,590
Dividend Income from Financial Assets at Fair value through Profit or Loss	12,442,303	7,682,085
Net Gain/Loss from Financial Assets at Fair value through Profit or Loss	122,777,052	39,440,727
Other Income	163,274	26,618
Total	141,158,681	58,383,020

Schedule 9: Unrealised Income

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
Interest Income Accrued	-	-
Total	-	-



Siddhartha Mutual Fund
(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme 2
Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts as at Ashad 32, 2082 (July 16, 2025)

Schedule 10: Annual Regular Expenses

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
NEPSE Listing Fee	50,000	50,000
CDS Annual Fee	150,000	150,000
Credit Rating Expenses	92,815	126,093
AMC of Software-CDS	20,000	20,000
AMC of Software-NEPSE (QII)	5,000	10,000
Reporting Expenses	299,235	165,694
Scheme Audit Fee	84,750	84,750
Fund Management Fee	21,473,464	17,555,239
Fund Depository Fee	2,863,129	2,340,699
Fund Supervisor Fee	650,054	733,723
Other Expenses	1,973,259	9,640
PCS Software Annual Charge	149,160	135,600
Notice Publication Expenses	-	6,255
Total	27,810,866	21,387,693

Schedule 11: Net Unrealised Gain/(Loss) from Financial Assets Held at Fair Value through Profit or Loss (FVTPL)

Particulars	As at Ashad 32, 2082 (July 16, 2025) NPR	As at Ashad 31, 2081 (July 15, 2024) NPR
1. Secondary Market Value Appreciation	52,781,264	(85,753,279)
Less: Unrealised income upto previous year	(84,682,575)	(88,639,161)
2. IPO/Right/Bonus Value Appreciation	1,936,291	1,070,704
Total	139,400,130	3,956,586



Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

Schedule: 12 - Significant Accounting Policies

1. Overview of the Scheme:

Siddhartha Mutual Fund is the first Mutual Fund in Nepal registered with Securities Board of Nepal (SEBON) as per Mutual Fund Regulations, 2010. Siddhartha Bank Limited (SBL) is the Fund Sponsor and Siddhartha Capital Limited (SCL) a subsidiary of SBL is the Fund Manager and Depository of the fund.

As the fund manager and depository, SCL shall ensure management of the schemes operated under Siddhartha Mutual Fund along with its depository functions. The registered office of SCL is situated at Narayanchaur Naxal, Kathmandu.

There are five Fund Supervisors of Siddhartha Mutual Fund as per Mutual Fund Regulations, 2010 and they are:

1. Dr. Ram Krishna Timilsina
2. Mr. Radha Krishna Poudel
3. Mr. Pratap Prasad Pradhan
4. Mr. Bishow Prakash Pandit
5. Mr. Surya Prasad Bhandari

The fourth scheme of the Siddhartha Mutual Fund, Siddhartha Investment Growth Scheme-2 (SIGS-2) started its operation from Bhadra 09, 2076 (August 26, 2019). SIGS-2 is a close end scheme with base fund size of NPR. 1,200 million and maturity period of 10 years (i.e. Bhadra 09, 2076 – Bhadra 08, 2086). It was listed in NEPSE on Ashoj 08, 2076 (September 25, 2019) with stock symbol "SIGS2".

SIGS-2 has obtained Permanent Account Number (PAN) from Inland Revenue office on Poush 2, 2078 and its PAN number is 201386907.

2. Basis of Preparation of Financial Statement and Significant Accounting Policies:

The Financial Statements are in conformity with Nepal Financial Reporting Standards (NFRS) i.e. the financial statements are prepared on the basis of fair value measurement of assets and liabilities. The management has prepared the financial statement on an orderly realization basis.

The principle accounting policies adopted in preparation of financial statements which have been consistently applied unless otherwise stated.

2.1 Statement of Compliance:

The Financial Statements have been prepared in accordance with Nepal Financial Reporting Standards comprising of Nepal Financial Reporting Standards and Nepal Accounting Standards (hereafter referred as NFRS), laid down by the Institute of Chartered Accountants of Nepal to the extent applicable and in compliance with the requirements of Securities Act, 2063; Mutual Fund Regulations, 2010; and Mutual Fund Guidelines, 2012.

2.2 Reporting Period

The Scheme follows the Nepalese financial year based on the Nepalese calendar. The corresponding dates for the English calendar are as follows:

Relevant Financial Statement	Nepalese Calendar Date/Period	English Calendar Date/Period
Statement of Financial Position	32 nd Ashad, 2082	16 th July, 2025
Statement of Profit or Loss	1 st Shrawan, 2081 to 32 nd Ashad, 2082	16 th July, 2024 to 16 th July 2025
Statement of Cash flows	32 nd Ashad, 2082	16 th July, 2025
Statement of changes in Equity	1 st Shrawan, 2081 to 32 nd Ashad, 2082	16 th July, 2024 to 16 th July 2025

Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

2.3 Responsibility for Financial Statements

The Board of Directors of Siddhartha Capital Limited is responsible for the preparation and presentation of Financial Statements of Siddhartha Investment Growth Scheme 2 (SIGS 2) being the Fund Manager of the SSIS as per the provisions of the Mutual Fund Regulation, 2067.

2.4 Approval of Financial Statements by Directors

The Scheme's Financial Statements for FY 2081/82 were approved by the Board of Directors (BoDs) of SCL, being the Fund Management and Depository Company for the Siddhartha Mutual Fund by BOD meeting dated August 08, 2025).

2.5 Functional and Presentation Currency:

The Financial Statements are presented in Nepalese Rupees (NPR) and is the functional and presentation currency of the fund. Financial information presented in financial statement are rounded to the nearest Nepalese Rupees and has been shown in actual figure, unless otherwise stated.

2.6 Reporting Pronouncements:

The company has, for the preparation of financial statements, adopted the Nepal Financial Reporting Standards (NFRS) pronounced by ASB as effective on September 13, 2013. NFRS conform, in all material respect, to International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2.7 Net Asset Value (NAV):

The Net Asset Value (NAV) calculation is done on the basis of market value of the total investment plus other current assets and deducting the same by the current liabilities in compliance with Mutual Fund Regulations and Guidelines. The Net Asset Value is calculated on per unit basis in weekly and monthly periods and the same is published on SCL website: www.siddharthacapital.com. Net Assets value (NAV) includes unit holder's fund, realized gain and unrealized gain. The total value of NAV is reflected as Equity in statement of financial position.

2.8 Cash & Cash Equivalents:

Cash and Cash Equivalents include cash in hand, balances with banks and money at call and at short notice. These are subject to insignificant risk of changes in their fair value.

2.9 Financial Instruments:

The Fund's principal financial assets comprise of Assets held at fair value through profit and loss, Assets measured at Amortized cost, other financial assets and cash and cash equivalents. The main purpose of these financial instruments is to generate a return on the investment made by unit holders. The Funds' principal financial liabilities comprise of accrued expenses and other payables which arise directly from its operations.

In accordance with NFRS-9; Financial Instruments: Recognition and Measurement, the Fund's prepaid, advances and receivables are classified as 'Other Financial Assets'. Equity securities are classified as fair value through profit and loss. Debentures and Fixed Deposits are classified as assets measured at amortized cost. The amount attributable to unit holders is classified as equity and payables are designated as 'other financial liabilities' at amortized cost.

Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

a. Classification

i. Financial Assets measured at amortized cost

Held to Maturity Financial Assets are non-derivative financial assets with fixed or determinable payments and fixed maturities which the fund has the intention and ability to hold to maturity. After the initial measurement, held to maturity financial investments are subsequently measured at amortized cost using the effective interest rate, less impairment. The amortization is included in 'realized interest income' in the Statement of Profit or Loss. The losses arising from impairment of such investments are recognized in the Statement of Profit and Loss.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments and fixed maturities that are not quoted on an active market. Receivables mainly represent payment made for applying right shares, dividend receivable from investment and receivable from brokers for sale of shares.

ii. Financial instruments classified at fair value through profit or loss

Financial assets, held for trading are recorded in the statement of financial position at fair value. Changes in fair value are recognized through profit or loss. This classification includes quoted equity securities held for trading. The dividend income from the quoted equity securities is recorded in the profit or loss.

b. Recognition / De-recognition

All financial assets and liabilities are initially recognized on the trade date, i.e. the date on which the fund becomes a party to the contractual provisions of the instrument. This includes 'regular way trade'. Regular way trade means purchases or sales of financial assets that required delivery of assets within the time frame generally established by regulations or convention in the market place.

Investments are derecognized when the rights to receive cash flows from the investments have expired or the Fund has substantially transferred all risks and rewards of ownership.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

Realized gains and realized losses on de-recognition are determined using the weighted average method and are included in the profit or loss in the period in which they arise. The realized gain is the difference between an instrument's weighted average cost and disposal amount.

Cost of purchase of instruments includes transaction cost on such purchases, while disposal value is calculated net of transaction cost involved on such disposal.

c. Measurement

i. Financial Assets measured at amortized cost

Assets are measured initially at fair value plus transaction costs and subsequently amortized using the effective interest rate method, less impairment losses if any. Such assets are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. If evidence of impairment exists, an impairment loss is recognized in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

If in a subsequent period the amount of an impairment loss recognized on a financial asset carried at amortized cost decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through profit or loss.



Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

ii. Financial assets and liabilities held at fair value through profit or loss

At initial recognition, the Fund measures a financial asset at its fair value including transaction costs of those financial assets.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the statement of profit and loss within net gains/(losses) on financial instruments held at fair value through profit or loss in the period in which they arise.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of financial assets and liabilities traded in active markets is subsequently based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs. The quoted market price used for financial assets held by the Fund is the closing price.

The fair value of financial assets and liabilities that are not traded in an active market are determined using valuation techniques.

Further details on how the fair values of financial instruments are determined are disclosed in point 6 of Schedule 13.

d. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

2.10 Realized Income:

Realized income includes income from interest from bank deposits with bank and financial institutions and capital gain and dividend income from Investments made on securities and other incomes.

- Dividend income is recognized as realized when right to receive is established.
- Profit or loss on sale of investments is recognized on trade date. The cost of investments sold is determined on "weighted average cost basis".
- Interest on interest bearing and other fixed income investments is recognized as realized as and when such interest income becomes accrued as it is earned.
- Other income of miscellaneous nature is accounted for when it is probable that the economic benefits associated with the transactions will flow to the entity.

2.11 Unrealized Income:

Unrealized incomes are the income that are booked based upon the valuation gain from the investments made on securities, both on secondary market as well as on primary market. Unrealized appreciation/depreciation, on marking the investments is recognized on the balance sheet date and accordingly reckoned for determination of net surplus/deficit for the period.

Further, on purchase of fixed income investments, interest paid for the period from the last interest due date up to the date of purchase is not treated as a cost of purchase but is treated as interest recoverable. Similarly, interest received at the time of sale for the period from the last interest due date up to the date of sale is not treated as part of sale value but is treated as interest recovered.

These incomes are directly credited to the Unrealized Profit/ (Loss) as a fund which shall not be used for return distribution or other related purposes.

Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

2.12 Expenses:

All expenses are accounted on an accrual basis.

2.13 Valuation of Investments:

The investments are stated as per the provisions stated on the Mutual Fund regulations and guidelines and valuation policy set out by Siddhartha Mutual Fund Investment Policy, 2022. Accordingly, investments have been valued as follows:

- Investments are accounted for on trade date and off-market transactions including acquisitions through private placement/ private treaty are accounted when scheme obtains the enforceable obligation/right.
- Cost of investments includes brokerage, transaction charges, and any other charge customarily included in the broker's note.
- Equities which are traded frequently shall be valued at closing market price.
- Equities which are not traded frequently i.e. which are listed but not transacted for more than 30 days and trading has been suspended including merger and acquisition shall be valued at 180 days closing average price as provided by NEPSE.

In case where 180 days closing average price of ordinary shares is not found in NEPSE, then price shall be taken at cost of acquisition or last found 180 days closing average price whichever is lower.

- In case of Promoter Shares, where 180 days closing average price is not found in NEPSE, then price shall be taken at 50% of the publicly traded share price for promoter shares that are not traded publicly and in case of publicly traded promoter share, price shall be taken at cost of acquisition or last found 180 days closing average price whichever is lower.
- IPO investments are valued as advance for application amount till allotment at exact amount applied for.

After allotment of IPO till listing or if listed but not traded, IPO investment is valued using valuation model which is the value derived from sum of 50% of latest Net Worth published by the company and 50% based on the earning capitalization, based on the projections of the company by considering latest interest rate of the government bonds as discount factor.

However, IPO issued at premium and through book building shall be valued at issue price and awarded bid price respectively.

- In case of right shares announcement, if the management has an intention to apply for right shares, investments shall be valued with increase in corresponding units eligible for right share on ex-book close date and subsequent amount shall be booked under provision for the amount to be invested for right shares, until the right is issued. The eligible right share shall be valued based on market price.
- In case of auction shares, investments are valued as advance for application amount till allotment at exact amount applied for. Further, after allotment till listing, the valuation shall be done based on market price.
- In case of bonus shares, valuation shall be done based on market price after the book close date.
- Bonds, Debentures and Treasury Bills shall be valued at cost of acquisition.
- Bank Deposit shall be valued considering all the accrued interest for the period.
- Other market instruments/investments are valued at cost of acquisition.

2.14 Provisions

Provisions are created when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.



Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

Schedule: 13 - Notes to the Accounts

1 Unit Holder's Capital:

Unit Ownership Detail	Status	%	Unit Capital
Siddhartha Bank Limited	Fund Sponsor	17.50%	210,000,000
Siddhartha Capital Limited	Fund Manager & Depository	3.61%	43,359,700
General Public		78.89%	946,640,300
Total		100%	1,200,000,000

2 Reserve and Surplus:

Reserve and Surplus comprises of net realized income of NPR. 244,356,909 (NPR. Two Hundred Forty-Four Million Three Hundred Fifty-Six Thousand Nine Hundred Nine Only) and net unrealized loss of NPR. 54,717,555 (NPR. Fifty-Four Million Seven Hundred Seventeen Thousand Five Hundred Fifty-Five Only).

3 Income Tax:

Section 10 of Income Tax Act 2058 has prescribed Mutual Funds as non-taxable entity. Accordingly, no income tax has been provided. Similarly, no income tax return is required to be submitted according to section 96 of the said act.

4 Compliance relating to Investment Threshold:

Investment threshold of Mutual Fund Regulations, 2010 has been complied throughout the fiscal year and as on Ashad End 2082.

5 Use of Estimates:

The Fund makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

6 Fair value measurement:

The Fund measures and recognizes the following assets and liabilities at fair value on a recurring basis:

The Fund has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period:

NFRS 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- (c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

i. Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets is based on their quoted market prices at the end of the reporting period without any deduction for estimated future selling costs.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from NEPSE and are traded frequently.



Siddhartha
Capital
Investment Corporation



Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2

Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

ii. Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques.

The Fund values its investments in accordance with the accounting policies set out in Note 2.13 to the financial statements. For the majority of its investments, the Fund relies on information provided by independent pricing services for the valuation of its investments.

7 Fund Management, Depository and Supervisor Fee:

Fund management, Depository and Supervisor Fee are calculated and recognized as per the Mutual Fund Regulations 2010. The fund management and depository fee has been calculated at the rate of 1.50% and 0.2% respectively of Quarterly Average of Weekly Gross NAV. The total fees charged during the period are as follows:

Fund Management Fee	Depository Fee	Supervisor Fee
NPR. 21,473,464.06	NPR. 2,863,128.54	NPR. 650,054.03

8 Reconciliation Status:

The Bank Account has duly been reconciled.

9 Cash and Cash Equivalents:

The detail of bank balance on various financial institutions are listed below:

Particular	Amount
Siddhartha Bank Limited	13,690,308
Himalayan Bank Limited	509,659
Shine Resunga Development Bank Limited	297,096
Kamana Sewa Bikas Bank Limited	1,989,663
Garima Bikas Bank Limited	259,277
Nepal Investment Mega Bank Limited	400,047
Mahalaxmi Bikas Bank Limited	1,042,705
Global Ime Bank Limited	22,777
Jyoti Bikash Bank Limited	5,448,890
Kumari Bank Limited	40,785
Prime Commercial Bank Limited	126,135
Citizens Bank International Limited	41,810
Shangri-La Development Bank Limited	21,385
NIC Aisa Bank Limited	1,997,675
Muktinath Bikash Bank Limited	712,572
Everest Bank Limited	14,135
Reliance Finance Limited	10,975,282
Manjushree Finance Limited	24,307,468
Total	61,897,669



Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

10 Summary of concentration of Sectoral Investment including IPO/Bonus/ Right Share:

Sector	Investment this FY		% Investment for Previous FY
	Amount	%	
Commercial Banks	370,318,776	26.26%	27.68%
Development Banks	94,931,596	6.73%	6.92%
Finance	5,125,841	0.36%	0.00%
Hotels And Tourism	23,900,500	1.69%	0.01%
Hydro Power	219,034,627	15.53%	10.43%
Investment	81,689,596	5.79%	1.30%
Life Insurance	168,893,843	11.98%	18.21%
Manufacturing And Processing	125,840,861	8.92%	8.20%
Microfinance	158,239,132	11.22%	8.56%
Mutual Fund	10,735,000	0.76%	5.89%
Non-Life Insurance	128,053,999	9.08%	12.50%
Others	6,266,355	0.44%	0.30%
Trading	17,065,540	1.21%	0.00%
Total	1,410,095,666	100.00%	100%

11 Net Assets Attributable to Unit Holders (Equity):

Each unit represents a right to an individual share in the Fund and does not extend to a right to the underlying assets of the Fund. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Fund. The Fund considers its net assets attributable to unit holders as capital (which includes unit holder's fund, realized and unrealized gain), notwithstanding net assets attributable to unit holders are classified as a liability. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily changes in Market Price of Shares at Nepal Stock Exchange.

NAV as on reporting date is NPR. 12.49.

12 Distributions:

The distributions to Unit holders are recognized in statement of changes in equity.

13 Related Party Transactions:

Related Parties:

- Fund Sponsor:**
Siddhartha Bank Limited
- Fund Manager and Depository:**
Siddhartha Capital Limited, a subsidiary of the fund sponsor.
- Fund Supervisors:**
 - Dr. Ram Krishna Timilsina
 - Mr. Bishwo Prakash Pandit
 - Mr. Radha Krishna Poudel
 - Mr. Pratap Prasad Pradhan
 - Mr. Surya Prasad Bhandari



Siddhartha Mutual Fund

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Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

d. Shareholders holding substantial interest in the Fund Management Company:

- i. Siddhartha Bank Limited

e. Subsidiaries of Major Shareholders of Fund Management Company with whom transacted:

- i. None

f. Key Management Personnel:

- i. None

The Scheme has entered into transactions with related parties which are required to be disclosed in accordance with Accounting Standard – on 'Related Party Disclosures'.

The transactions entered into during the year with the related parties are as under:

- Unit Holding of Siddhartha Bank Limited amounts to NRs. 210,000,000 (NPR. Two Hundred Ten Million Only).
- Unit Holding of Siddhartha Capital Limited amounts to NRs. 43,359,700 (NRR. Forty -Three Million Three Hundred Fifty-Nine Thousand Seven Hundred Only).
- Siddhartha Investment Growth Scheme 2 have earned interest amounting to NPR. 1,138,374.58 (NPR. One Million One Hundred Thirty-Eight Thousand Three Hundred Seventy-Four & 58/100 Only) from Siddhartha Bank Limited.
- Fund Management and Depository Fee incurred by Siddhartha Investment Growth Scheme-2 to Siddhartha Capital Limited amounts to NPR. 24,336,592.60 (NPR. Twenty-Four Million Three Hundred Thirty-Six Thousand Five Hundred Ninety-Two & 60/100 Only)
- Supervisor Fee incurred by Siddhartha Investment Growth Scheme 2 to Fund Supervisors amounts to NPR. 650,054.03 (NPR. Six Hundred Fifty Thousand Fifty-Four & 03/100 Only). Detail of transaction is as below:

Name	Amount (NPR)
Dr. Ram Krishna Timilsina	154,775
Mr. Bishwo Prakash Pandit	123,820
Mr. Radha Krishna Poudel	123,820
Mr. Pratap Prasad Pradhan	123,820
Mr. Surya Prasad Bhandari	123,820
Total	650,055

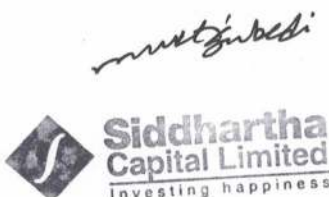
Other small transactions are considered insignificant and hence are not disclosed.

14 Reporting:

The Fund Manager has been reporting its Fund Management Activities to its Board and the Fund Supervisor on regular basis while the statutory reports are also forwarded in line with the prevailing regulations/guidelines on mutual funds.

15 Contingent Liability:

There is no Contingent liability in respect of Underwriting Commitments, Uncalled liability on partly paid shares and other commitments.



Siddhartha Mutual Fund

(A Mutual Fund Registered by Siddhartha Bank Limited under Mutual Fund Regulations, 2010)

Siddhartha Investment Growth Scheme -2 Fund Manager & Depository: Siddhartha Capital Limited

Schedules forming part of the Accounts for the year ended Ashad 32, 2082 (July 16, 2025)

16 Regrouping/Rearrangement of Previous Year's Figures:

Previous year's figures have been regrouped/rearranged wherever necessary.

17 Proposed Dividend and Distribution:

The Board of Directors of the fund management company, Siddhartha Capital Limited, held on August 08, 2025 have proposed 20% dividend including tax from the accumulated profit till F/Y 2081/82.

On Behalf of Siddhartha Capital Limited
(Fund Management Company)

As per our attached report
of even date



Rupesh Raut
Head, Finance & Operations



Mukti Nath Subedi
Chief Operating Officer



Sandeep Karki
Chief Executive Officer



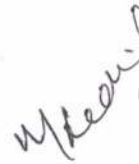
P.K. Swarnkar, FCA
Partner
B.K. Agrawal & Co.
Chartered Accountants



Varun Kumar Todi
Director



Suresh Raj Maharjan
Director



Mohit Kedia
Chairman



Rishi Raj Gautam
Independent Director



Kiran Prapa
Independent Director



Siddhartha
Capital Limited
Investing happiness

Date: August 08, 2025

Place: Kathmandu, Nepal