

**Siddhartha Systematic Investment
Scheme
Naxal, Kathmandu**

Audited Financial Statements

Financial Year : 2081/82

Auditors:
N. B. S. M. & Associates
Chartered Accountants
Member of Moore Global

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS OF SIDDHARTHA SYSTEMATIC INVESTMENT SCHEME

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Siddhartha Systematic Investment Scheme ("the Mutual Fund" which comprise the statement of financial position as at Ashad 32, 2082 [July 16, 2025], the statement of profit or loss, the statement of other comprehensive income, the statement of changes in unit holders fund & the statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory notes.

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the Mutual Fund as at Ashad 32, 2082 (July 16, 2025) and its financial performance, changes in Unit Holders Fund and its cash flows for the year then ended on that date in accordance with Nepal Financial Reporting Standards (NFRSs) and comply with Securities Act 2063, Security Board Regulation 2064, Mutual Fund Regulations 2067, Mutual Fund Guidelines 2069 and other prevailing legislations.

Basis of Opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Mutual Fund in accordance with the Institute of Chartered Accountant of Nepal's code of ethics for professional accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

S.N	Key Audit Matters	Our Audit Approach and Response
1.	Investment Valuation	Our audit approach regarding valuation of investment, impairment, its accounting included:
	<ul style="list-style-type: none"> - Investment of Mutual fund comprises of investments in listed securities, initial public offerings, debentures and fixed deposits. The classifications, valuations and disclosures of the aforesaid investment shall be done in line with NFRS 9 Financial Instruments; NFRS 13 Fair Value Measurements; NFRS 7 Financial Instruments: Disclosures. 	<ul style="list-style-type: none"> - We ensured classifications and accounting of investments made by Fund and its valuation were in accordance to NFRS 9 and NFRS 13 issued by Accounting Standard Board of Nepal. - For the investment made on quoted equity instruments, we ensured that fair valuation has

- In view of significance of amount of investment and complexity involved in valuation and treatment of such investments, we have considered it as key audit matters in our audit.

been done at the closing transaction rate in NEPSE as on 32.03.2082.

2. Compliances

- Mutual Fund requires to comply with the Securities Act 2063, Mutual Fund Regulation 2067, Mutual Fund Guidelines 2069.
 - In view of Significance of Compliance that needs to be adhered, we have considered as key audit matters in our audit.
- Our audit approach regarding compliance with various laws and regulations includes the following among other things:
- Ensured the investment made by the fund in various securities were within the limit of threshold limit prescribed by Mutual Fund Regulations 2067 (fourth amendment).
 - Ensured the fees related to supervisor, Fund manager and Depository read with Section 23 of the regulations has been complied with.

Other Information

The directors are responsible for the other information presented in the Mutual Fund's annual report. Our opinion on the financial statements does not cover the other information and accordingly we do not express any form of assurance conclusion thereon. We have nothing to report in this respect.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Mutual Fund'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 Mutual Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's 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 decisions 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 evidences 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 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 evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Mutual Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 evidences obtained up to the date of our auditor's report. However, future events or conditions may cause the Mutual Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements, including the disclosures, represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Mutual Fund to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the Mutual Fund audit. We remain solely responsible for our audit opinion.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such comment.

Report on Other Legal and Regulatory Requirements

Based on our audit we further report that:

- a) The financial statement dealt by this report are prepared in accordance with Nepal Financial Reporting Standards (NFRS); Securities Act, 2063; Securities Board Regulations, 2064; Mutual Fund Regulations, 2067; Mutual Fund Guidelines, 2069 and other prevailing laws and are in agreement with the books of account maintained by the scheme.
- b) During our examination of the books of account of the scheme, we have not come across the cases where fund manager or any of the representative or staffs has acted contrary to the provision of law or caused loss or damage to the scheme.
- c) The fund manager has maintained the required internal control system.



- d) We have not come across any cases where the scheme has conducted any activities against the interest of unit holders and the capital market.
- e) The scheme has effective internal audit system.
- f) The funds under the scheme have been invested in accordance with the mutual fund regulations 2067.
- g) The operation of the scheme were found satisfactory.

For N. B. S. M. & Associates
Chartered Accountants

CA. Durga Prasad Grawali, FCA
Senior Partner
Date : 2025/07/27



Place: Kathmandu, Nepal

UDIN : 250730CA00461ASBJd

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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited

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

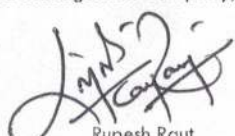
ASSETS	Schedule	Current Period NPR	Previous Period NPR
Cash & Cash Equivalents	1	116,222,805	59,337,453
Other Financial Assets	2	104,463,269	11,758,423
Financial Assets at Fair Value through Profit/Loss	3	1,608,041,740	692,461,731
Financial Assets at Amortized Cost	4	43,063,694	92,563,694
Total Assets		1,871,791,508	856,121,301


EQUITY AND LIABILITIES	Schedule	Current Period NPR	Previous Period NPR
Liabilities			
Current Liabilities	5	34,054,798	4,147,314
Total Liabilities		34,054,798	4,147,314
Equity			
Unit Holder's Capital	6	1,602,086,934	877,114,133
Reserves and Surplus	7	235,649,777	(25,140,146)
Total Equity		1,837,736,710	851,973,987
Total Capital & Liabilities		1,871,791,508	856,121,301
Total Issued Unit		160,208,693.36	87,711,413.32
NAV Per Unit		11.47	9.71

Significant Accounting Policies	12
Notes to Accounts	13

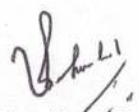
Schedules 1 to 13 form Integral part of Financial Statements

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


Varun Kumar Todi
Director


Suresh Raj Maharjan
Director

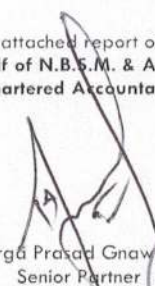

Mohit Kedia
Chairman


Rishi Raj Gautam
Independent Director


Kiran Thapa
Independent Director



As per our attached report of even date
On Behalf of N.B.S.M. & Associates,
Chartered Accountants


CA. Durga Prasad Gnawali, FCA
Senior Partner



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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited

Statement of Profit or Loss
For the period from Shrawan 1, 2081 to Ashadh 32, 2082

Particular	Schedule	Current Period NPR	Previous Period NPR
1. Income		110,051,338	36,492,745
1.1 Realized Income	8	109,976,493	36,484,403
1.2 Unrealized Income	9	74,845	8,342
2. Expenses		24,595,997	11,214,026
2.1 Annual Regular Expenses	10	24,595,997	11,214,026
Realised Profit / (Loss)		85,455,341	25,278,719
Net Unrealised Gain/(Loss) from Financial Assets Held at Fair Value through Profit or Loss (FVTPL)	11	104,345,819	37,233,856
Net Profit/ (Loss)		189,801,160	62,512,575

Schedules 1 to 13 form Integral part of Financial Statements

On Behalf of Siddhartha Capital Limited
(Fund Management Company)


Rupesh Raut

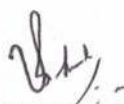
Head, Finance & Operations


Mukti Nath Subedi

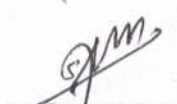
Chief Operating Officer


Sandeep Karki

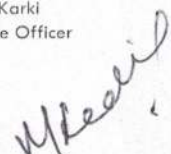
Chief Executive Officer


Varun Kumar Todi

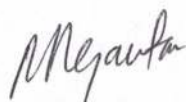
Director


Suresh Raj Maharjan

Director


Mohit Kedia

Chairman


Rishi Raj Gautam

Independent Director


Kiran Thapa

Independent Director



**Siddhartha
Capital Limited**
Investing happiness

As per our attached report of even date
On Behalf of N.B.S.M. & Associates,
Chartered Accountants

CA. Durga Prasad Grawali, FCA
Senior Partner



Date: July 27, 2025

Place: Kathmandu, Nepal

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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited

Statement of Cash Flow
For the period from Shrawan 1, 2081 to Ashadh 32, 2082

Particulars	Current Period NPR	Previous Period NPR
A. Cash Flows From Operating Activities	(788,576,211)	(357,800,324)
1. Cash Receipts	110,051,338	36,492,745
Interest Income from Financial Asset at Amortized Cost	7,321,258	9,454,909
Dividend Income from Financial Assets at FVTPL	9,504,771	3,441,228
Unrealised Income	74,845	8,342
Interest Income from Financial Asset at FVTPL	91,494,872	23,083,262
Other Income	283,965	14,564
Underwriting Fee	300,000	-
Exit Load Income	1,071,627	490,440
2. Cash Payments	24,595,997	11,214,026
2.1 Annual Regular Expenses	24,595,997	11,214,026
Cash Flows before Changes in Working Capital	85,455,341	25,278,719
(Increase)/Decrease in Current Assets & Securities	(903,939,036)	(384,721,904)
Increase/(Decrease) in Current Liabilities	29,907,484	1,642,861
B. Cash Flows From Investing Activities	49,500,000	(31,605,694)
1. (Increase)/Decrease in Investments	49,500,000	(31,605,694)
C. Cash Flows from Financing Activities	795,961,563	380,818,788
1. Increase/(Decrease) in Unit Holder's Capital	724,972,800	422,962,738
2. Increase/(Decrease) in Unit Capital Reserve	70,988,762	(42,143,950)
2. Dividend Paid	-	-
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)	56,885,352	(8,587,230)
F. Opening Cash and Bank Balance	59,337,453	67,924,683
G. Closing Cash and Bank Balance	116,222,805	59,337,453

On Behalf of Siddhartha Capital Limited
(Fund Management Company)


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Head, Finance & Operations


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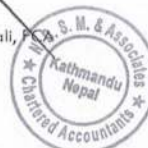

Kiran Thapa
Independent Director



**Siddhartha
Capital Limited**
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As per our attached report of even date
On Behalf of N.B.S.M. & Associates,
Chartered Accountants


C.A. Durga Prasad Grawali, FCA
Senior Partner



Date: July 27, 2025
Place: Kathmandu, Nepal

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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited


Statement of Change in Unit Holder's Equity
For the period from Shrawan 1, 2081 to Ashadh 32, 2082

Particulars	Unit Holder's Capital NPR	Unit Capital Reserve NPR	Realized Profit NPR	Unrealized Profit NPR	Total NPR
Balance as at Shrawan 1, 2080	454,151,395	(41,945,751)	21,648,770	(25,211,791)	408,642,624
Adjustment	-	-	-	-	-
Adjusted Balance as at Shrawan 1, 2080	454,151,395	(41,945,751)	21,648,770	(25,211,791)	408,642,624
Issue of Unit Capital	422,962,738	-	-	-	422,962,738
Dividend Paid during the year	-	-	-	-	-
Net Profit/(Loss) During the year	-	-	25,278,719	37,233,856	62,512,575
Dividend Paid of Last Year	-	-	-	-	-
Unit Capital Reserve Fund	-	(42,143,950)	-	-	(42,143,950)
Unit Advance	-	-	-	-	-
Balance as at Ashadh 31, 2081	877,114,133	(84,089,701)	46,927,489	12,022,065	851,973,987
Balance as at Shrawan 1, 2081	877,114,133	(84,089,701)	46,927,489	12,022,065	851,973,987
Adjustment	-	-	-	-	-
Adjusted Balance as at Shrawan 1, 2081	877,114,133	(84,089,701)	46,927,489	12,022,065	851,973,987
Issue of Unit Capital	724,972,800	-	-	-	724,972,800
Dividend Paid during the year	-	-	-	-	-
Net Profit/(Loss) During the year	-	-	85,455,341	104,345,819	189,801,160
Dividend Paid of Last Year	-	-	-	-	-
Unit Capital Reserve Fund	-	70,988,762	-	-	70,988,762
Unit Advance	-	-	-	-	-
Balance as at Ashadh 32, 2082	1,602,086,934	(13,100,938)	132,382,830	116,367,885	1,837,736,710

On Behalf of Siddhartha Capital Limited
(Fund Management Company)

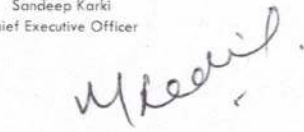

Rupesh Raut
Head, Finance & Operations


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Mohit Kedia
Chairman


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Independent Director


Kiran Thapa
Independent Director

 **Siddhartha Capital Limited**
Investing happiness

As per our attached report of even date
On Behalf of N.B.S.M. & Associates,
Chartered Accountants



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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited
As at Ashadh 32, 2082 (July 16, 2025)

Schedule 1: Cash & Cash Equivalents

Particulars	Current Period NPR	Previous Period NPR
a. Call Accounts		
At Siddhartha Bank Limited	37,787,667	11,892,863
At Muktinath Bikash Bank Limited	13,470,034	13,046
At Kamana Sewa Bikas Bank Limited	9,649,656	20,395,488
At Garima Bikas Bank Limited	35,385,739	15,601
At Siddhartha Bank Limited (Unit Collection)	83,400	1,015,732
At Siddhartha Bank Limited (SIP Fund Collection)	5,353,504	9,021,514
At Siddhartha Bank Limited (Unit Collection D.O.)	0.17	0.17
At Everest Bank Limited	18,805	22,787
At Siddhartha Bank Limited (Online Payment)	2,412,551	6,939,935
At Siddhartha Bank Limited (Distribution Center Biratnagar)	1,611,227	10,020,486
At Shine Resunga Development Bank Limited	10,450,221	-
b. Fixed Deposit Accounts (Up to 3 Months)	-	-
Total	116,222,805	59,337,453

Schedule 2: Other Financial Assets

Particulars	Current Period NPR	Previous Period NPR
Amount receivable from Brokers	102,428,046	9,858,210
Dividend Income Receivable	82,464	26,017
Interest Income Receivable	1,952,759	1,874,196
Total	104,463,269	11,758,423

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Siddhartha Mutual Fund
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Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited
As at Ashadh 32, 2082 (July 16, 2025)

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

Particulars	Symbol	Current Period				Previous Period			
		Stock Qty	Per Unit Price	Value in NPR	Cost in NPR	Stock Qty	Per Unit Price	Value in NPR	Cost in NPR
A Equities Investments		6,142,199		1,566,294,160	1,450,325,652	2,521,910		679,175,383	667,988,442
1 Chandragiri Hills Limited	CGH	22,330	956.02	21,347,927	19,883,558	-	-	-	-
2 Crest Micro Life Insurance Limited	CREST	1,758	1,364.36	2,398,545	175,800	-	-	-	-
3 Global IME Laghubitta Bittiya Sanstha Ltd.	GILB	20,100	1,320.74	26,546,874	25,651,819	-	-	-	-
4 Gurans Laghubitta Bittiya Sanstha Limited	GLBSL	2,500	2,213.44	5,533,600	5,642,249	-	-	-	-
5 Guardian Micro Life Insurance Limited	GMLI	1,875	2,194.29	4,114,294	187,500	-	-	-	-
6 Garima Samridhi Yojana	GSY	1,000,000	9.95	9,950,000	10,000,000	-	-	-	-
7 Himalayan Life Insurance Limited	HLI	1	407.11	407	-	-	-	-	-
8 Kalika Laghubitta Bittiya Sanstha Limited	KMCDB	4,907	1,059.50	5,198,967	5,036,863	-	-	-	-
9 Kalika power Company Ltd	KPCL	44,865	542.62	24,344,646	24,185,844	-	-	-	-
10 MBL Equity Fund	MBLEF	499,900	9.93	4,964,007	4,999,000	-	-	-	-
11 Manjushree Finance Ltd.	MFIL	8,235	623.27	5,132,628	4,832,659	-	-	-	-
12 NESDO Sambridha Laghubitta Bittiya Sanstha Limited	NESDO	6,585	1,716.78	11,304,996	13,835,348	-	-	-	-
13 Nepal Infrastructure Bank Limited	NIFRA	42,953	281.63	12,096,853	12,360,254	-	-	-	-
14 NMB Hybrid Fund L-II	NMBHF2	1,000,000	9.06	9,060,000	10,000,000	-	-	-	-
15 Nepal Micro Insurance Company Limited	NMIC	1,758	1,559.40	2,741,425	175,800	-	-	-	-
16 Nerude Mirmire Laghubitta Bittiya Sanstha Limited	NMLBBL	11,090	700.35	7,766,882	8,991,197	-	-	-	-
17 Om Megashree Pharmaceuticals Limited	OMPL	1,406	1,517.76	2,133,971	140,600	-	-	-	-
18 Pure Energy Limited	PURE	1,125	871.71	980,674	112,500	-	-	-	-
19 Sahas Urja Limited	SAHAS	18,300	640.04	11,712,732	10,467,770	-	-	-	-
20 Trade Tower Limited	TTL	2,758	88.92	245,241	275,800	-	-	-	-
21 Citizen Life Insurance Company Limited	CLL	68,931	474.24	32,689,837	35,314,517	17,279	544.60	9,410,143	7,093,716
22 Kumari Sabal Yojana	KSY	250,000	10.00	2,500,000	2,500,000	250,000	10.00	2,500,000	2,500,000
23 Muktiarth Krishi Company Limited	MKCL	3,468	1,495.41	5,186,082	4,393,175	12,390	1,390.00	17,222,100	13,906,962
24 NIC Asia Growth Fund 2	NICGF2	500,000	9.52	4,760,000	5,000,000	500,000	8.20	4,100,000	5,000,000
25 NIBL Stable Fund	NIBLSTF	40,000	9.89	395,600	400,000	50,000	10.00	500,000	500,000
26 Sarbottam Cement Limited	SARBTM	29,776	865.81	25,780,359	22,698,371	13,208	806.50	10,652,252	9,567,795
27 Sana Kisan Bikas Laghubitta Bittiya Sanstha Limited	SKBBL	21,715	884.41	19,204,963	17,535,633	7,902	853.70	6,745,937	7,186,415
28 Sun Nepal Life Insurance Company Limited	SNLI	101,168	490.64	49,637,068	46,747,866	20,433	511.30	10,447,393	7,239,769
29 Sanima Middle Tamor Hydropower Limited	TAMOR	70,134	517.53	36,296,449	34,992,676	38,000	450.00	17,100,000	15,321,224
30 National Life Insurance Co. Ltd.	NLICL	60,293	623.58	37,597,509	33,825,882	64,674	595.00	38,481,030	38,100,255
31 SuryaJyoti Life Insurance Company Limited	SJLIC	15,517	446.69	6,931,289	8,317,463	20,817	429.90	8,949,228	11,158,383
32 Sanima Bank Limited	SANIMA	171,988	374.77	64,455,943	55,539,250	91,070	279.00	25,408,530	24,730,480
33 Prime Commercial Bank Ltd.	PCBL	127,067	276.31	35,109,883	35,059,489	24,762	221.80	5,492,212	8,516,090
34 Neco Insurance Limited	NIL	104,314	710.36	74,100,493	72,314,294	29,726	836.00	24,850,936	25,005,605
35 Kamana Sewa Bikas Bank Limited	KSBBL	128,699	500.69	64,438,302	52,807,275	81,150	416.00	33,758,400	31,076,223
36 Garima Bikas Bank Limited	GBBL	70,465	428.36	30,184,387	27,961,271	15,119	385.10	5,822,327	5,544,606
37 Lumbini Bikas Bank Ltd.	LBBL	18,462	480.69	8,874,499	7,784,959	54,601	416.60	22,746,777	21,974,898
38 NIC Asia Bank Ltd.	NICA	17,476	420.05	7,340,794	9,760,263	17,476	443.20	7,745,363	9,760,263
39 Chhimek Laghubitta Bittiya Sanstha Limited	CBBL	41,856	1,035.98	43,361,979	37,926,921	20,540	900.00	18,486,000	19,075,061
40 Nabil Bank Limited	NABIL	40,999	541.37	22,195,629	26,418,496	10,199	524.00	5,344,276	8,822,095
41 Everest Bank Limited	EBL	192,555	701.56	135,088,886	111,003,034	53,376	560.00	29,890,560	27,005,021
42 NIC ASIA Laghubitta Bittiya Sanstha Limited	NICLBSL	7,640	684.20	5,227,288	6,752,104	4,640	705.00	3,271,200	4,379,587
43 Shikhar Insurance Co. Ltd.	SICL	40,074	773.53	30,998,441	31,353,472	10,803	723.00	7,810,569	10,041,053
44 Standard Chartered Bank Limited	SCB	77,555	656.10	50,883,836	47,279,341	31,356	602.00	18,876,312	16,210,146
45 Shivam Cements Ltd	SHIVM	70,750	535.04	37,854,080	37,626,075	44,553	502.30	22,378,972	25,567,241
46 CEDB Holdings Limited	CHDC	19,501	2,641.99	51,521,447	29,364,109	12,729	1,159.00	14,752,911	10,003,613
47 Asian Life Insurance Co. Limited	AULIC	109,848	498.36	54,743,849	54,610,949	38,097	623.00	23,734,431	22,990,474
48 IME General Insurance Ltd.	IGI	26,387	556.99	14,697,295	14,840,273	34,123	558.00	19,040,634	19,457,515
49 Shine Resunga Development Bank Ltd.	SHINE	146,245	431.97	63,173,453	61,237,880	41,649	405.10	16,872,010	15,270,324
50 Api Power Company Ltd.	API	114,540	295.92	33,894,677	33,861,892	26,166	191.00	4,997,706	4,677,863
51 Nirdhan Urthan Laghubitta Bittiya Sanstha Limited	NUBL	49,208	768.71	37,826,682	37,634,214	5,365	711.90	3,819,344	4,961,259
52 Mountain Energy Nepal Limited	MEN	107,009	639.19	68,399,083	61,824,917	26,000	597.00	15,522,000	15,281,250
53 Global IME Bank Limited	GBIME	215,329	259.57	55,892,949	51,485,680	23,685	194.20	4,599,627	6,712,982

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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited
As at Ashadh 32, 2082 (July 16, 2025)

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

Particulars	Symbol	Current Period				Previous Period			
		Stock Qty	Per Unit Price	Value in NPR	Cost in NPR	Stock Qty	Per Unit Price	Value in NPR	Cost in NPR
54 NMB Bank Limited	NMB	286,561	269.72	77,291,233	72,584,777	36,000	218.00	7,848,000	7,658,761
55 Siddhartha Premier Insurance Limited	SPIL	58,511	840.35	49,169,719	48,254,432	22,727	859.90	19,542,947	17,213,752
56 Unilever Nepal Limited	UNL	610	46,340.00	28,267,400	22,665,559	340	47,328.00	16,091,520	10,081,526
57 Sagarmatha Lumbini Insurance Co. Limited	SAICO	45,102	726.09	32,748,111	33,694,579	42,475	727.00	30,879,325	31,666,770
58 Citizens Super 30 Mutual Fund	C30MF	-	-	-	-	400,000	10.00	4,000,000	4,000,000
59 NLG Insurance Company Ltd.	NLG	-	-	-	-	9,795	794.90	7,786,046	7,833,111
60 Prabhu Insurance Ltd.	PRIN	-	-	-	-	38,476	826.00	31,781,176	29,828,840
61 Nepal SBI Bank Limited	SBI	-	-	-	-	124,059	328.00	40,691,352	37,274,925
62 Himalayan Power Partner Ltd.	HPPL	-	-	-	-	8,798	306.00	2,692,188	4,402,641
63 Nepal Life Insurance Co. Ltd.	NLIC	-	-	-	-	2,629	619.00	1,627,351	2,229,818
64 Nepal Reinsurance Company Limited	NRIC	-	-	-	-	6,495	698.00	4,533,510	5,972,341
65 Citizens Bank International Limited	CZBIL	-	-	-	-	26,365	193.50	5,101,628	5,000,557
66 Machhapuchhre Bank Limited	MBL	-	-	-	-	33,054	200.00	6,610,800	8,565,758
67 Soaltee Hotel Limited	SHL	-	-	-	-	21,600	442.00	9,547,200	9,541,003
68 United Idi-Mardi and R.B. Hydropower Limited	UMRH	-	-	-	-	10,000	430.00	4,300,000	4,486,738
69 Life Insurance Corporation (Nepal) Limited	LICN	-	-	-	-	8,800	1,438.00	12,654,400	13,487,821
70 Muktimath Bikas Bank Ltd.	MNBBL	-	-	-	-	7,691	367.00	2,822,597	3,035,803
71 Sanima Mai Hydropower Ltd.	SHPC	-	-	-	-	24,503	339.50	8,318,769	9,205,533
72 Prabhu Bank Limited	PRVU	-	-	-	-	6,215	163.70	1,017,396	1,864,577
B IPO Equities Investments		14,989		9,563,712	9,503,596	9,858		8,990,496	8,990,496
1 Reliance Spinning Mills, Unlisted		9,858	912.00	8,990,496	8,990,496	9,858	912.00	8,990,496	8,990,496
2 Sanvi Energy Limited, Unlisted share		2,021	122.35	247,269	202,100	-	-	-	-
3 Bikash Hydropower Company Limited, unlisted share		2,462	110.24	271,411	246,200	-	-	-	-
4 Him Star Urja Company Limited, Unlisted Share		648	84.16	54,536	64,800	-	-	-	-
C Unlisted Equities Investments		61,178		32,183,869	31,844,608	7,045		4,295,852	3,460,728
1 Kalika power Company Ltd	KPCL	1750	542.62	949,585	943,391	-	-	-	-
2 Neco Insurance Limited	NIL	6042	710.36	4,291,995	4,188,536	-	-	-	-
3 Asian Life Insurance Co. Limited	AUCL	50696	498.36	25,264,859	25,203,524	-	-	-	-
4 National Life Insurance Co. Ltd.	NLICL	2690	623.58	1,677,430	1,509,157	-	-	-	-
5 Prabhu Insurance Ltd.	PRIN	-	-	-	-	1,733	826.00	1,431,458	1,343,523
6 CEDB Hydropower Development Company Limited	CHDC	-	-	-	-	140	1,159.00	162,260	110,025
7 Sun Nepal Life Insurance Company Limited	SNLI	-	-	-	-	4,863	511.30	2,486,452	1,723,046
8 Nepal Reinsurance Company Limited	NRIC	-	-	-	-	309	698.00	215,682	284,134
Grand Total		6,218,366		1,608,041,740	1,491,673,856	2,538,813		692,461,731	680,439,665

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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited
As at Ashadh 32, 2082 (July 16, 2025)

Schedule 4: Financial Assets at Amortized Cost

Particulars	Current Period NPR	Previous Period NPR
Investment in Fixed Deposit (Above 3 Months)	-	50,000,000
Investment in Bond and Debenture	43,063,694	42,563,694
Total	43,063,694	92,563,694

Schedule 4(A): Investment in Fixed Deposit (Above 3 Months)

Particulars	Current Period NPR	Previous Period NPR
Kaman Sewa Bikas Bank Limited	-	30,000,000
Siddhartha Bank Limited	-	10,000,000
Shine Resunga Development Bank Limited	-	10,000,000
Total	-	50,000,000

Schedule 4(B): Investment in Bond & Debenture

Particulars	Current Period NPR	Previous Period NPR
10.25% Civil Debenture 2088	2,143,000	2,143,000
11% KBL Debenture 2089	3,158,000	3,158,000
10.30% Standard Chartered Bank Nepal Limited Rinptra	5,000,000	5,000,000
11.25% Global IME Bank Debenture 2084/85	5,000,000	5,000,000
11% Mahalaxmi Debenture 2089	3,304,000	3,304,000
11% LBBL Debenture 2089	2,353,000	2,353,000
9% Nepal Sbi Bank Debenture 2089	1,000,000	1,000,000
10% Citizens Bank Debenture 2090	5,000,000	5,000,000
10% Prime Debenture 2088	9,566,694	9,566,694
10% Nimb Debenture 2090	6,039,000	6,039,000
9% ICFC Finance Limited Debenture 2088	500,000	-
Total	43,063,694	42,563,694

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Siddhartha Mutual Fund
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Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited
As at Ashadh 32, 2082 (July 16, 2025)

Schedule 5: Current Liabilities

Particulars	Current Period NPR	Previous Period NPR
TDS Payables	172,640	75,596
Fund Management, Depository and Supervisor fee Payable	6,999,537	3,250,325
Audit Fee Payable	84,750	83,625
Provision for Reporting Expenses	35,000	29,000
Provision for Audit Expenses	5,000	3,000
Sundry Payables-CDS	132,650	67,790
Unit Redemption Payables	307,561	627,010
Unit Purchase Refund Payables	659,528	10,968
Unit Purchase Advance	1,431,675	-
Provision for Agent Commission	10,000	-
Total	34,054,798	4,147,314

Schedule 6: Unit Holder's Capital

Particulars	Current Period NPR	Previous Period NPR
Seed Capital	247,500,000	150,000,000
Siddhartha Bank Limited	165,000,000	100,000,000
Siddhartha Capital Limited	82,500,000	50,000,000
Capital Raised from General Public	1,354,586,934	727,114,133
Total Unit Holder's Capital	1,602,086,934	877,114,133
Total	1,602,086,934	877,114,133

Schedule 7: Reserves and Surplus

Particulars	Current Period NPR	Previous Period NPR
Unit Capital Reserve Fund	(13,100,938)	(84,089,701)
Accumulated Profit/ Loss		
Realised Profit / Loss	132,382,830	46,927,489
Unrealised Profit / Loss	116,367,885	12,022,065
Total	235,649,777	(25,140,146)

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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited
For the period from Shrawan 1, 2081 to Ashadh 32, 2082

Schedule 8: Realized Income

Particulars	Current Period NPR	Previous Period NPR
Interest Income from Financial Asset at Amortized Cost		
Interest from Fixed Deposit	682,332	3,686,751
Interest from Call Deposit	2,145,887	1,772,002
Interest from Debentures/Bonds	4,493,038	3,996,155
Dividend Income from Financial Assets at Fair value through Profit or Loss	9,504,771	3,441,228
Net Gain/Loss from Financial Assets at Fair value through Profit or Loss	91,494,872	23,083,262
Exit Load Incomes	1,071,626.62	490,440
Other Income	283,965.48	14,564.28
Underwriting Fee	300,000.00	-
Total	109,976,493	36,484,403

Schedule 9: Unrealized Income

Particulars	Current Period NPR	Previous Period NPR
Dividend Income Accrued	74,845	8,342
Total	74,845	8,342

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

Siddhartha Systematic Investment Scheme
Fund Manager & Depository: Siddhartha Capital Limited
For the period from Shrawan 1, 2081 to Ashadh 32, 2082

Schedule 10: Annual Regular Expenses

Particulars	Current Period NPR	Previous Period NPR
Credit Rating Expenses	67,841	55,368
AMC of Software-CDS	20,000	20,000
Reporting Expenses	289,630	155,425
Scheme Audit Fee	84,750	84,750
Scheme Audit Expenses	5,000	6,395
Fund Management Fee	19,263,817	8,470,971
Fund Depository Fee	2,568,509	1,129,463
Fund Supervisor Fee	620,867	376,427
Other Expenses	3,946	4,203
AMC of Software-NEPSE (QII)	5,000	10,000
PCS Software Annual Charge	149,160	135,600
Registration Fee-SEBON	1,000,000	500,000
Notice Publication Expenses	16,950	-
Agent Commission	42,372	26,480
SIP Reminder SMS Expenses	129,905	88,944
CDS Annual Fee	300,000	150,000
Audit Fee For Financial Projection	28,250	-
Total	24,595,997	11,214,026

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

Particulars	Current Period NPR	Previous Period NPR
1. Secondary Market Value Appreciation	115,968,508	11,186,941
2. IPO/Right/Bonus Value Appreciation	399,377	835,124
Less: Unrealised income upto previous year	12,022,065	(25,211,791)
Total	104,345,819	37,233,856

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Siddhartha Mutual Fund

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

Siddhartha Systematic Investment Scheme (Open-Ended Mutual Fund)

Fund Manager & Depository: Siddhartha Capital Limited

As at Ashadh 32, 2082 (16 July 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 Regulation, 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 fifth scheme of the Siddhartha Mutual Fund, Siddhartha Systematic Investment Scheme (SSIS)'s allotment was made on Shrawan 7 2078 with initial base fund size of NPR. 200,000,000 (NPR Two Hundred Million Only). The trading (sale/re-purchase of units) of SSIS was started from Kartik 7, 2078 (October 24, 2021). With the increase in the fund size throughout the period, the fund has obtained approval from Securities Board of Nepal (SEBON) to increase the fund size and the approved existing fund size is NPR. 2,000,000,000 (NPR Two Billion Only). The timeline detail of approval received from SEBON for increment in fund size of SSIS is as follows:

S.N.	Nepali Date	English Date	Remarks
1.	Kartik 7, 2078	October 24, 2021	Approval from SEBON for fund size of 500 million from 200 million.
2.	Bhadra 31, 2080	September 16, 2023	Approval from SEBON for fund size of 1.00 billion from 500 million.
3.	Aswin 22, 2081	October 8, 2024	Approval from SEBON for fund size of 1.50 billion from 1.00 billion.
4.	Baisakh 26, 2082	May 09, 2025	Approval from SEBON for fund size of 2.00 billion from 1.50 billion.

Being an open-ended mutual fund scheme, SSIS has no maturity period. SSIS is not listed in NEPSE and its trading is being facilitated by SCL.

SSIS has obtained Permanent Account Number (PAN) from Inland Revenue office on Poush 2, 2078 and its PAN number is 201386923.

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.

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[Circular stamp: H. S. M. & Associates, Chartered Accountants, Kathmandu, Nepal]

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 extend 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 Ashadh, 2082	16 th July, 2025
Statement of Profit or Loss	1 st Shrawan, 2081 to 32 nd Ashadh, 2082	16 th July, 2024 to 16 th July 2025
Statement of Cash flows	32 nd Ashadh, 2082	16 th July, 2025
Statement of changes in Equity	1 st Shrawan, 2081 to 32 nd Ashadh, 2082	16 th July, 2024 to 16 th July 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 Systematic Investment Scheme (SSIS) 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 July 27, 2025 (11th Shrawan 2082).

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 Regulation and Guidelines. The Net Asset Value is calculated on per unit basis in daily and monthly periods and published the same on its website: www.siddharthacapital.com. Net Assets value (NAV) includes unit capital, 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 Assets held at Fair value through Profit or Loss (FVTPL), Assets measured at Amortized cost, other financial instruments, 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 accrued expenses and other payables which arise directly from its operations.

In accordance with NFRS-9; Financial Instruments: Recognition and Measurement, the Fund's advance and dividend 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.

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.

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 and dividend receivable from investment.

ii. Financial instruments classified as 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 regulation or convention in the marketplace.

Investments are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially 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

The asset is measured at the amount recognized at the initial recognition minus principal repayments, plus or minus the cumulative amortization of any difference between that initial amount and the maturity amount, and any loss allowance. 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.

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 financial assets.

Subsequent to initial recognition, all financial assets and financial liabilities 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 2.13 of Schedule 12.

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.

- Interest on interest bearing accounts (call accounts) and other fixed income investments (Fixed Deposit and Debenture) is recognized on a day-to-day basis as it is accrued. Interest on call accounts is booked based on the interest rates provided by the bank on a regular interval.
- Dividend income from investments made on securities is recognized as realized when right to receive is established and booked under accrued dividend income. Once the dividend amount is received in bank account, accrued dividend income is transferred to realized dividend income.
- Profit or loss on sale of investments is recognized on trade date. The cost of investments sold is determined on "weighted average cost basis".
- Other income of miscellaneous nature is accounted for when it is probable that the economic benefits associated with the transaction 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.

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

2.12 Expenses

All expenses are accounted on an accrual basis.

2.13 Fair Value Measurement

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

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 2.10 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.

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

2.14 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:

- a. 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.
- b. Cost of investments includes brokerage, transaction charges, and any other charge customarily included in the broker's note.
- c. Equities which are traded frequently shall be valued at closing market price.
- d. 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.
- e. 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.
- f. IPO investments are valued as advance for application amount till allotment at exact amount applied for. After allotment till listing or till trading is not commenced, IPO investment are valued at the value derived using valuation model which is 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.

- g. 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.
- h. 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.
- i. In case of bonus shares, valuation shall be done based on market price after the book close date.
- j. Bonds, Debentures and Treasury Bills shall be valued at cost of acquisition.
- k. Bank Deposit shall be valued considering all the accrued interest for the period.
- l. Other market instruments/investments are valued at cost of acquisition.

2.15 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.

[Handwritten signatures and initials]



Siddhartha Mutual Fund

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

Siddhartha Systematic Investment Scheme (Open-Ended Mutual Fund)

Fund Manager & Depository: - Siddhartha Capital Limited

As at Ashadh 32, 2082 (16 July, 2025)

Schedule: 13 – Notes to the Accounts

1 Unit Capital

Unit Ownership Detail	%	Unit Capital
1.1 Seed Capital		
Siddhartha Bank Limited	10.30	165,000,000
Siddhartha Capital Limited	5.15	82,500,000
1.2 Other Unit holders	84.55	1,354,586,934
Total	100	1,602,086,934

2 Reserve and Surplus

Reserve and Surplus comprises of net realized income of NPR. 132,382,830 (NPR. One Hundred Thirty-Two Million Three Hundred Eighty-Two Thousand Eight Hundred Thirty Only) till the end of this year, net unrealized profit of NPR. 116,367,885 (NPR. One Hundred Sixteen Million Three Hundred Sixty-Seven Thousand Eight Hundred Eighty-Five Only) and negative capital reserve fund of NPR. 13,100,938 (NPR. Thirteen Million One Hundred Thousand Nine Hundred Thirty-Eight Only). The accumulated profits amount to NPR 248,750,715 (NPR. Two Hundred Forty-Eight Million Seven Hundred Fifty Thousand Seven Hundred Fifteen Only).

3 Income Tax

Income Tax Act 2058 has prescribed Mutual Funds as non-taxable entity and thus TDS has not been deducted on its income. Similarly, no corporate tax has been provisioned or deposited. TDS are filed by scheme itself.

4 Compliance relating to Investment Threshold

Investment Threshold of Mutual Fund Regulation 2067 has been complied throughout the fiscal year 2081-82 and as on Ashadh End 2082.

5 IPO valuation

After allotment till listing or till trading is not commenced, IPO investments are valued using valuation model which is 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 Citizens Saving Bonds as discount factor. However, IPO issued at premium and through book building shall be valued at issue price and awarded bid price respectively. As on Ashadh end 2082, the following IPO investments are valued at the rate determined under this method:

S.N.	Company	Valuation Rate
1	Reliance Spinning Mills Limited	912
2	Sanvi Energy Limited	122.35
3	Bikash Hydropower Company Limited	110.24
4	Him Star Urja Company Limited	84.16



6 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.

7 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.

Listed Equities Investments and Right/Bonus Shares yet to be Listed shown in Schedule 3 of Financial Statements have been valued using this method except mentioned in point no. 7 (ii) below.

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 Point 2.13 of Schedule 12 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.

8 Fund Management, Depository and Supervisor Fee

Fund management, depository and Supervisor Fee are calculated and recognized as per the Mutual Fund Regulation 2010 (amended). The fund management and depository fee has been calculated at the rate of 1.50% and 0.20% p.a. respectively for FY 2081/82. The total fees charged are as follows:

Fund Management Fee	Depository Fee	Supervisor Fee
NPR. 19,263,817	NPR. 2,568,509	NPR. 620,867

9 Cash and Cash Equivalents:

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

Financial Institution	Amount
Everest Bank Limited	18,805
Garima Bikas Bank Limited	35,385,739
Kamana Sewa Bikas Bank Limited	9,649,656
Muktinath Bikash Bank Limited	13,470,034
Shine Resunga Development Bank Limited	10,450,221
Siddhartha Bank Limited	47,248,349
Total	116,222,805

10 Reconciliation Status

The Bank Account has duly been reconciled.

11 Recognition of bonus shares

Bonus shares are recognized on the basis of our holding as on book close date based on the rate proposed by the respective company. These shares are valued as per the Mutual Fund Investment Policy as mentioned in point 2.13 of Schedule 12.

12 Recognition of Right shares

Right shares are recognized on the basis of our holding as on book close date based on the rate proposed by the respective company. These shares are valued as per the Mutual Fund Investment Policy and as mentioned in point 2.13 of Schedule 12.

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

Sector	Investment this FY		Investment for Previous FY
	Amount	%	%
Commercial Banks	448,259,151	27.88%	22.91%
Development Banks	176,620,641	10.98%	11.85%
Finance	5,132,628	0.32%	0.00%
Hotels And Tourism	21,347,927	1.33%	1.38%
Hydro Power	176,170,388	10.96%	7.64%
Investment	63,618,300	3.96%	2.15%
Life Insurance	215,055,086	13.37%	15.57%
Manufacturing And Processing	103,026,305	6.41%	8.39%
Microfinance	161,972,230	10.07%	4.67%
Mutual Fund	21,679,607	1.35%	1.60%
Non-Life Insurances	208,747,480	12.98%	20.67%
Others	6,411,997	0.40%	3.17%
Total	1,608,041,740	100%	100%

14 Net Assets Attributable to Unit Holders

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 capital, capital reserve 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 Net Assets Value of Fund is subject to daily changes in Market Price of Share at Nepal Stock Exchange.

NAV as on reporting date is NPR. 11.47.

15 Distributions

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

16 Related Party Transaction:

Related Parties:

a. **Fund Sponsor:** Siddhartha Bank Limited

b. **Fund Manager and Depository:** Siddhartha Capital Limited, a subsidiary of the Fund Sponsor.



c. Fund Supervisors:

- i. Dr. Ram Krishna Timilsina
- ii. Mr. Radha Krishna Poudel
- iii. Mr. Pratap Prasad Pradhan
- iv. Mr. Bishwo Prakash Pandit
- v. Mr. Surya Prasad Bhandari

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

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

None

f. Key Management Personnel

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:

- i. Unit Holding of Siddhartha Bank Limited amounts to NPR. 165,000,000 (NRR. One Hundred Sixty-Five Million Only).
- ii. Unit Holding of Siddhartha Capital Limited amounts to NRs. 82,500,000 (NRR. Eighty-Two Million Five Hundred Thousand Only).
- iii. Siddhartha Bank Limited has made an additional investment in Seed Capital for 6.5 million units amounting NPR 71,953,392 (Seventy-One Million Nine Hundred Fifty- Three Thousand Three Hundred Ninety-Two Only) during FY 2081-82 at an average NAV of NPR 11.07.
- iv. Siddhartha Capital Limited has made an additional investment in Seed Capital for 3.25 million units amounting NPR 35,976,703.48 (Thirty-Five Million Nine Hundred Seventy-Six Thousand Seven Hundred Three Only) during FY 2081-82 at an average NAV of NPR 11.07.
- v. Siddhartha Systematic Investment Scheme have earned interest amounting to NPR. 1,513,978 (NPR. One Million Five Hundred Thirteen Thousand Nine Hundred Seventy-Eight Only) from Siddhartha Bank Limited during this fiscal year.
- vi. Fund Management and Depository Fee incurred by Siddhartha Systematic Investment Scheme to Siddhartha Capital Limited amounts to NPR. 19,263,817 (NPR. Nineteen Million Two Hundred Sixty-Three Thousand Eight Hundred Seventeen Only) and NPR. 2,568,509 (Two Million Five Hundred Sixty-Eight Thousand Five Hundred Nine Only) respectively.
- vii. Supervisor Fee incurred by Siddhartha Systematic Investment Scheme to Fund Supervisors amounts to NPR. 620,867 (NPR. Six Hundred Twenty Thousand Eight Hundred Sixty-Seven Only). Detail of transaction is as below:

Name	Amount
Dr. Ram Krishna Timilsina	147,825
Mr. Radha Krishna Poudel	118,260
Mr. Pratap Prasad Pradhan	118,260
Mr. Bishwo Prakash Pandit	118,260
Mr. Surya Prasad Bhandari	118,260
Total	620,867

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

17 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.

18 Contingent Liability

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

19 Proposed Dividend and Distribution

The Board of Directors of the fund management company, Siddhartha Capital Limited, held on July 27, 2025 have declared 8% dividend (including tax) for F/Y 2081/82 to all unit holders whose names appeared in the Unit Holders List as on the Record Date, i.e., July 27, 2025 from net realized profit up to F/Y 2081/82. For determination of unit holders eligible for the dividend, the Register of Unit Holders was closed on **July 27, 2025**.

On Behalf of Siddhartha Capital Limited
(Fund Management Company)

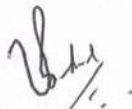


Rupesh Raut
Head, Finance & Operations



Mukti Nath Subedi
Chief Operating Officer

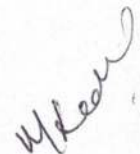
Sandeep Karki
Chief Executive Officer



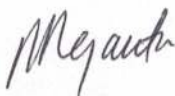
Varun Kumar Todi
Director



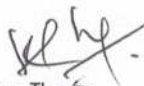
Suresh Raj Maharjan
Director



Mohit Kedia
Chairman



Rishi Raj Gautam
Independent Director



Kiran Thapa
Independent Director

As per our attached report of even date
On Behalf of N.B.S.M. & Associates,
Chartered Accountants

CA. Durga Prasad Ghawali, FCA
Senior Partner



Date: July 27, 2025
Place: Kathmandu, Nepal



Siddhartha
Capital Limited
Investing happiness