

ANNUAL REPORT

March 31, 2024

NICHOLAS FUND, INC.

CONSISTENCY *in a world of change*



NICHOLAS FUND, INC.

May 2024

Dear Fellow Shareholders:

For the year ending March 31, 2024, the Nicholas Fund (the “Fund”) returned 34.93%, exceeding the Standard & Poor’s 500 Index (the “Index”) return of 29.88%, and the Russell 1000 Growth Index of 39.00%. The Fund compared favorably to peer funds as indicated by the Morningstar Large Cap Growth category return of 36.45% over the same period. The Fund’s positioning and strategy remains focused on investing in companies offering higher quality financial characteristics with reasonable valuations, which we believe generally have withstood adverse effects from extreme or unexpected market volatility as compared to companies exposed by higher valuations and greater fundamental uncertainty.

Returns for Nicholas Fund, Inc. and selected indices are provided in the chart below for the period ended March 31, 2024. As of March 31, 2024, Nicholas Fund ranked within the top 63% (out of 1,191 funds), based on total returns, for the 1-year period in the Morningstar Large Growth Category. Additionally, the Fund ranked in the top 3% (out of 1,111), 36% (out of 1,037) and 73% (out of 807) for the three-, five- and ten-year periods then ended, respectively.

	Average Annual Total Return				
	1 Year	3 Year	5 Year	10 Year	50 Year
Nicholas Fund, Inc.	34.93%	13.74%	16.04%	12.13%	12.76%
Standard & Poor’s 500 Index	29.88%	11.49%	15.05%	12.96%	10.84%
Russell 1000 Growth Index	39.00%	12.50%	18.52%	15.98%	n/a
Consumer Price Index	3.48%	5.63%	4.19%	2.84%	3.82%
Ending value of \$10,000 invested in Nicholas Fund, Inc.	\$13,493	\$14,713	\$21,041	\$31,411	\$4,044,624
Fund’s Expense Ratio (from 07/29/23 Prospectus):	0.71%				

Performance data quoted represents past performance and is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by visiting www.nicholasfunds.com/returns.html.

Unusually favorable market conditions and high returns may not be sustainable or repeated in the future.

The Fund’s returns are reduced by expenses while the market indices are not. The ending values above illustrate the performance of a hypothetical \$10,000 investment made in the Fund over the timeframes listed. Assumes reinvestment of dividends and capital gains. Returns shown do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. These figures do not imply any future performance.

For the one-year period ended March 31, 2024, the Fund’s relative performance met our expectations by exceeding the S&P 500 Index and capturing the majority of the significant upside move of the Russell 1000 Index. The Fund’s performance benefitted from its relative sector weights and positive security selection as compared to the S&P 500 for the one-year period ended March 31, 2024. The relative overweight positions in the Consumer Discretionary and Materials sectors, along with underweights in the Consumer Staples, Information Technology and Real Estate sectors were additive. Sectors detracting from relative performance included Communication Services, Financial and cash. Stock selection was a key driver for excess returns over the Index. Stocks held in the portfolio that provided positive relative contribution over the past year included Alphabet Inc., CrowdStrike Holdings, Inc., Chipotle Mexican Grill, Inc., Copart, Inc., and Cintas Corporation. Stocks having a negative impact on relative performance

included NVIDIA Corporation, Microsoft Corporation and Apple Inc. The underperformance from NVIDIA, Microsoft and Apple was primarily related to an underweight position relative to the Index. The continued rally of technology stocks was a large reason for the outsized market return over the past twelve months. Technology stocks began their rally in early 2023 and continued to post a sector return in the Index of 46.02% for the twelve months ended March 31, 2024. Individual technology stocks held in the Fund that contributed to this move included NVIDIA (+225.40%), CrowdStrike Holdings (+133.56%), Lam Research Corporation (+85.24%) and Advanced Micro Devices, Inc. (+84.15%).

As of March 31, 2024, the portfolio held 60 stocks and ended the quarter with approximately 5% cash. The largest sector weights were Information Technology 28%, Health Care 16%, Consumer Discretionary 14%, Financials 13%, and Industrials 9%. The Weighted Average Market Cap was \$563.3 billion, and the Forward P/E was 26.85x. The P/E was moderately higher than the S&P 500 (21.92x) due to a variance in sector and security weights, primarily in Technology.

For the year ending March 31, 2024, the primary macro drivers for the stock market included Federal Reserve (Fed) policy changes, inflation, economic growth expectations and stock valuations. Fed Chairman Powell performed a dramatic pivot in the 4Q23 suggesting the path to lower interest rates was likely in 2024. The market began to price in 150 to 175 basis points of easing by the end of 2024. Even as the Fed began to preach caution, stocks continued to rally in the first quarter of 2024, spurred on by a resilient consumer and strong earnings growth. The market adjusted to the new backdrop of rates staying higher for longer, economic growth moderating and better than expected earnings growth. Over the next year many of the same factors will be key to how the markets will perform, including economic growth, inflation, Fed policy and earnings growth. Expectations are for economic growth to weaken under the weight of interest rates, the Fed will likely begin to cut rates by late 2024 and earnings growth will moderate in upcoming quarters presenting a more difficult comparison for investors. This outlook would most likely lead to more moderate equity returns in the upcoming quarters and favor companies with more consistent earnings power and higher quality characteristics.

We continue to view the market cautiously for many of the reasons cited above. With this scenario we continue to pursue investments in companies with resilient business models, strong balance sheets and proven management teams that we believe are better positioned to withstand market volatility ahead.

Thank you for your continued support.

Sincerely,



David O. Nicholas
Lead Portfolio Manager



Michael L. Shelton
Co-Portfolio Manager



Jeffrey J. Strong
Co-Portfolio Manager

Mutual fund investing involves risk. Principal loss is possible. Investing in small- and medium-sized companies involves greater risks than those associated with investing in large company stocks, such as business risk, stock price fluctuations and liquidity.

Earnings growth is not representative of the Fund's future performance.

Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice.

Please refer to the Schedule of Investments in the report for complete Fund holdings information. Fund holdings and sector allocations are subject to change and should not be considered a recommendation to buy or sell any security. Current and future holdings are subject to risk.

The S&P 500 Index is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Russell 1000® Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Consumer Price Index represents changes in prices of all goods and services purchased for consumption by urban households. One cannot invest directly in an index. Each Morningstar Category average represents a universe of funds with similar investment objectives.

Morningstar Rankings represent a fund's total return percentile rank relative to all funds in the same Morningstar Category for the same time period. The highest (or most favorable) percentile rank is 1%, and the lowest (or least favorable) percentile rank is 100%. It is based on Morningstar total return, which includes both income and capital gains or losses and is not adjusted for sales charges or redemption fees. Fund performance used within the rankings, reflects certain fee waivers, without which, returns and Morningstar rankings would have been lower.

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Basis Point One-hundredth of a percentage point. For example, 50 basis points equals .50%.

Forward Price to Earnings (P/E) Ratio is a stock's current price over its "predicted" earnings per share.

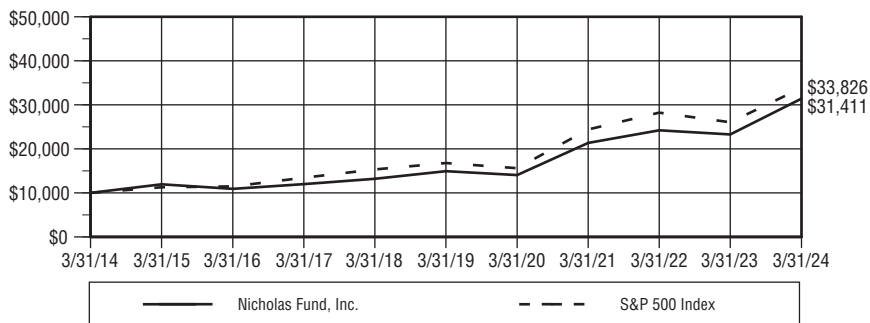
Weighted Average Market Cap is the average firm market capitalization weighted by security weight. Market Capitalization is the number of common shares outstanding multiplied by the current market price per common share.

Must be preceded or accompanied by a prospectus.

The Nicholas Funds are distributed by Quasar Distributors, LLC.

COMPARISON OF CHANGE IN VALUE OF \$10,000 INVESTMENT IN NICHOLAS FUND, INC. AND S&P 500 INDEX (unaudited)

The line graph which follows compares the initial account value and subsequent account value at the end of each of the most recently completed ten fiscal years of the Fund, to the same investment over the same periods in the S&P 500 Index. The graph assumes a \$10,000 investment in the Fund and the index at the beginning of the period.



The Fund's average annual total returns for the one-, five- and ten-year periods ended on the last day of the most recent fiscal year are as follows:

	One Year Ended March 31, 2024	Five Years Ended March 31, 2024	Ten Years Ended March 31, 2024
Average Annual Total Return	34.93%	16.04%	12.13%

Past performance is not predictive of future performance, and the above graph and table do not reflect deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.

Financial Highlights (NICSX)

For a share outstanding throughout each period

	Years Ended March 31,				
	2024	2023	2022	2021	2020
NET ASSET VALUE, BEGINNING OF PERIOD	\$75.77	\$80.56	\$80.14	\$56.53	\$65.11
INCOME (LOSS) FROM INVESTMENT OPERATIONS					
Net investment income ⁽¹⁾32	.21	.15	.33	.33
Net gain (loss) on securities (realized and unrealized)	25.06	(3.43)	10.51	28.49	(3.33)
Total from investment operations	25.38	(3.22)	10.66	28.82	(3.00)
LESS DISTRIBUTIONS					
From net investment income	(.32)	(.19)	(.20)	(.34)	(.34)
From net capital gain	(5.58)	(1.38)	(10.04)	(4.87)	(5.24)
Total distributions	(5.90)	(1.57)	(10.24)	(5.21)	(5.58)
NET ASSET VALUE, END OF PERIOD	<u>\$95.25</u>	<u>\$75.77</u>	<u>\$80.56</u>	<u>\$80.14</u>	<u>\$56.53</u>
TOTAL RETURN	34.93%	(3.86)%	13.42%	51.97%	(5.90)%
SUPPLEMENTAL DATA:					
Net assets, end of period (millions)	\$4,177.7	\$3,256.2	\$3,582.6	\$3,353.3	\$2,370.2
Ratio of expenses to average net assets . . . . .	.70%	.71%	.71%	.71%	.72%
Ratio of net investment income to average net assets . . . . .	.39%	.30%	.18%	.46%	.49%
Portfolio turnover rate	10.67%	15.61%	11.49%	16.74%	15.36%

(1) Computed based on average shares outstanding.

The accompanying notes to financial statements are an integral part of these highlights.

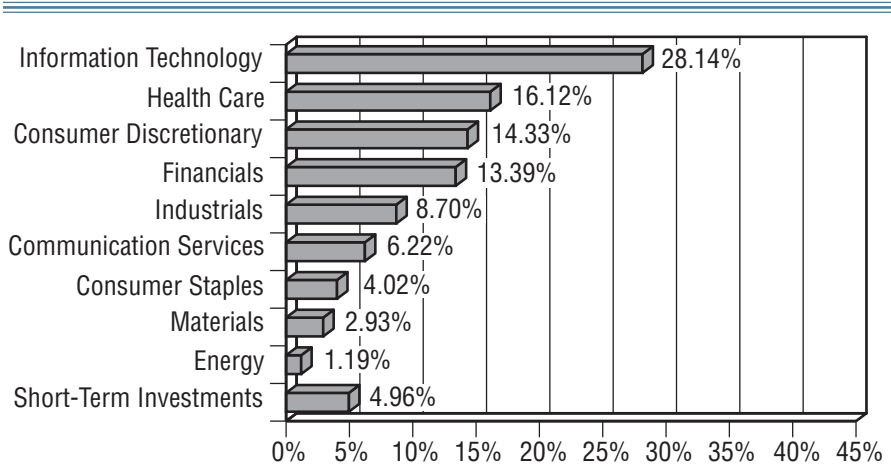
Top Ten Equity Portfolio Holdings

March 31, 2024 (unaudited)

Name	Percentage of Net Assets
Alphabet Inc. Class C	4.77%
Microsoft Corporation	4.60%
Amazon.com, Inc.	3.26%
Apple Inc.	2.40%
O'Reilly Automotive, Inc.	2.25%
Home Depot, Inc.	2.10%
NVIDIA Corporation	2.07%
DexCom, Inc.	2.03%
Mastercard Incorporated Class A	1.98%
Salesforce, Inc.	1.92%
Total of top ten	27.38%

Sector Diversification (as a percentage of portfolio)

March 31, 2024 (unaudited)



Fund Expenses

For the six month period ended March 31, 2024 (unaudited)

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including management fees and other operating expenses. The following table is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with those of other mutual funds.

The example is based on an investment of \$1,000 made at the beginning of the period and held for the entire period.

The first line of the table below provides information about the actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

The second line of the table below provides information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund with other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as wire fees. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

	Beginning Account Value 09/30/23	Ending Account Value 03/31/24	Expenses Paid During Period* 10/01/23 – 03/31/24
Actual	\$1,000.00	\$1,249.70	\$3.94
Hypothetical (5% return before expenses)	1,000.00	1,021.50	3.54

* Expenses are equal to the Fund’s six-month annualized expense ratio of 0.70%, multiplied by the average account value over the period, multiplied by 183 then divided by 366 to reflect the one-half year period.

Schedule of Investments

March 31, 2024

Shares or Principal Amount		Value
COMMON STOCKS — 94.96%		
Communication Services – Media & Entertainment — 6.22%		
1,308,450	Alphabet Inc. Class C*	\$ 199,224,597
693,645	Trade Desk, Inc. Class A*	60,638,446
		<u>259,863,043</u>
Consumer Discretionary – Consumer Discretionary Distribution & Retail — 10.32%		
755,110	Amazon.com, Inc.*	136,206,742
229,105	Home Depot, Inc.	87,884,678
83,176	O'Reilly Automotive, Inc.*	93,895,723
657,130	TJX Companies Inc.	66,646,125
88,800	Ulta Beauty Inc.*	46,431,744
		<u>431,065,012</u>
Consumer Discretionary – Consumer Services — 4.01%		
22,900	Chipotle Mexican Grill, Inc.*	66,565,033
178,045	McDonald's Corporation	50,199,788
554,560	Starbucks Corporation	50,681,238
		<u>167,446,059</u>
Consumer Staples – Consumer Staples Distribution & Retail — 1.84%		
105,000	Costco Wholesale Corporation	76,926,150
Consumer Staples – Food, Beverage & Tobacco — 2.18%		
195,000	Constellation Brands, Inc. Class A	52,993,200
545,040	Mondelez International, Inc. Class A	38,152,800
		<u>91,146,000</u>
Energy – Energy — 1.19%		
1,700,000	Enterprise Products Partners L.P.	49,606,000
Financials – Banks — 1.53%		
319,170	JPMorgan Chase & Co.	63,929,751
Financials – Financial Services — 10.03%		
491,620	Fiserv, Inc.*	78,570,708
446,792	Global Payments Inc.	59,718,219
395,000	Intercontinental Exchange, Inc.	54,284,850
171,510	Mastercard Incorporated Class A	82,594,071
164,740	S&P Global, Inc.	70,088,633
265,030	Visa Inc. Class A	73,964,572
		<u>419,221,053</u>
Financials – Insurance — 1.82%		
227,270	Aon Plc Class A	75,844,544

The accompanying notes to financial statements are an integral part of this schedule.

Schedule of Investments (continued)

March 31, 2024

Shares or Principal Amount		Value
COMMON STOCKS — 94.96% (continued)		
Health Care – Health Care Equipment & Services — 8.81%		
605,000	Alcon AG	\$ 50,390,450
1,110,000	Boston Scientific Corporation*	76,023,900
610,160	DexCom, Inc.*	84,629,192
183,615	Laboratory Corporation of America Holdings	40,112,533
163,895	Stryker Corporation	58,653,104
117,760	UnitedHealth Group Incorporated	58,255,872
		<u>368,065,051</u>
Health Care – Pharmaceuticals, Biotechnology & Life Sciences — 7.30%		
832,410	Astrazeneca PLC Sponsored ADR	56,395,778
83,685	Eli Lilly and Company	65,103,583
383,977	Merck & Co., Inc.	50,665,765
1,128,695	Sanofi Sponsored ADR	54,854,577
134,363	Thermo Fisher Scientific Inc.	78,093,119
		<u>305,112,822</u>
Industrials – Capital Goods — 5.32%		
1,005,000	Fastenal Company	77,525,700
650,000	Fortive Corp.	55,913,000
235,705	Honeywell International Inc.	48,378,451
151,040	Illinois Tool Works Inc.	40,528,563
		<u>222,345,714</u>
Industrials – Commercial & Professional Services — 3.33%		
102,725	Cintas Corporation	70,575,157
1,182,245	Copart, Inc.*	68,475,630
		<u>139,050,787</u>
Information Technology – Semiconductors & Semiconductor Equipment — 7.48%		
223,311	Advanced Micro Devices, Inc.*	40,305,402
55,960	KLA Corporation	39,091,977
42,410	Lam Research Corporation	41,204,284
95,585	NVIDIA Corporation	86,366,783
372,750	Skyworks Solutions, Inc.	40,376,280
373,740	Texas Instruments Incorporated	65,109,245
		<u>312,453,971</u>
Information Technology – Software & Services — 18.26%		
124,705	Accenture Plc Class A	43,224,000
106,995	Adobe Incorporated*	53,989,677
177,195	Atlassian Corp Class A*	34,572,516
158,260	Cadence Design Systems, Inc.*	49,263,173

The accompanying notes to financial statements are an integral part of this schedule.

Schedule of Investments (continued)

March 31, 2024

Shares or Principal Amount		Value
COMMON STOCKS — 94.96% (continued)		
Information Technology – Software & Services — 18.26% (continued)		
144,425	CrowdStrike Holdings, Inc. Class A*	\$ 46,301,211
456,475	Microsoft Corporation	192,048,162
133,550	Palo Alto Networks, Inc.*	37,945,561
80,000	Roper Technologies, Inc.	44,867,200
266,065	Salesforce, Inc.	80,133,457
83,460	ServiceNow, Inc.*	63,629,904
97,030	Synopsys, Inc.*	55,452,645
224,590	Workday, Inc. Class A*	61,256,923
		<u>762,684,429</u>
Information Technology – Technology Hardware & Equipment — 2.40%		
583,760	Apple Inc.	<u>100,103,165</u>
Materials – Materials — 2.92%		
202,240	Sherwin-Williams Company	70,244,019
190,310	Vulcan Materials Company	51,939,405
		<u>122,183,424</u>
	TOTAL COMMON STOCKS	
	(cost \$1,693,808,873)	<u>3,967,046,975</u>
SHORT-TERM INVESTMENTS — 4.97%		
Money Market Deposit Account — 1.02%		
\$42,874,495	U.S. Bank Money Market, 5.24%	<u>42,874,495</u>
Money Market Fund — 1.32%		
55,000,000	Morgan Stanley Institutional Liquidity Funds Government Portfolio (Institutional Class), 7-day net yield, 5.222%	<u>55,000,000</u>
U.S. Government Securities — 2.63%		
55,000,000	U.S. Treasury Bill 04/02/2024, 1.323%	54,992,024
55,000,000	U.S. Treasury Bill 05/02/2024, 4.903%	54,749,957
		<u>109,741,981</u>
	TOTAL SHORT-TERM INVESTMENTS	
	(cost \$207,620,212)	<u>207,616,476</u>
	TOTAL INVESTMENTS	
	(cost \$1,901,429,085) – 99.93%	4,174,663,451
	OTHER ASSETS, NET OF LIABILITIES – 0.07%	<u>3,070,374</u>
	TOTAL NET ASSETS	
	(basis of percentages disclosed above) – 100%	<u>\$4,177,733,825</u>

* Non-income producing security.

The accompanying notes to financial statements are an integral part of this schedule.

Statement of Assets and Liabilities

March 31, 2024

ASSETS

Investments in securities at value (cost \$1,901,429,085)	\$4,174,663,451
Receivables —	
Investment securities sold	4,161,687
Dividend and interest	1,806,454
Capital stock subscription	727,803
Total receivables	<u>6,695,944</u>
Other	208,052
Total assets	<u>\$4,181,567,447</u>

LIABILITIES

Payables —	
Due to adviser —	
Management fee	2,280,858
Accounting and administrative fee	39,706
Total due to adviser	<u>2,320,564</u>
Capital stock redemption	1,379,389
Other payables and accrued expense	133,669
Total liabilities	<u>3,833,622</u>
Total net assets	<u>\$4,177,733,825</u>

NET ASSETS CONSIST OF

Paid in capital	\$1,734,786,417
Accumulated distributable earnings	<u>2,442,947,408</u>
Total net assets	<u>\$4,177,733,825</u>

NET ASSET VALUE PER SHARE (\$.50 par value,
200,000,000 shares authorized), offering price

and redemption price (43,862,417 shares outstanding) \$95.25

The accompanying notes to financial statements are an integral part of this statement.

Statement of Operations

For the year ended March 31, 2024

INCOME

Dividend (net of foreign taxes of \$21,381)	\$ 30,928,980
Interest	8,726,824
Total income	<u>39,655,804</u>

EXPENSES

Management fee	23,661,038
Transfer agent fees	642,525
Administration services	436,110
Accounting & pricing services	228,094
Custodian fees	182,046
Insurance	117,923
Postage and mailing	83,009
Printing	61,939
Registration fees	45,846
Directors' fees	45,450
Audit and tax fees	38,010
Legal fees	10,673
Other operating expenses	14,217
Total expenses	<u>25,566,880</u>
Net investment income	<u>14,088,924</u>

NET REALIZED GAIN ON INVESTMENTS	<u>294,009,899</u>
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CHANGE IN NET UNREALIZED APPRECIATION/DEPRECIATION

ON INVESTMENTS	796,703,716
Net realized and unrealized gain on investments	<u>1,090,713,615</u>
Net increase in net assets resulting from operations	<u>\$1,104,802,539</u>

The accompanying notes to financial statements are an integral part of this statement.

Statements of Changes in Net Assets

For the years ended March 31, 2024 and 2023

	2024	2023
INCREASE (DECREASE) IN		
NET ASSETS FROM OPERATIONS		
Net investment income	\$ 14,088,924	\$ 9,354,508
Net realized gain on investments	294,009,899	125,729,741
Change in net unrealized		
appreciation/depreciation on investments	796,703,716	(285,834,016)
Net increase (decrease) in net assets		
resulting from operations	1,104,802,539	(150,749,767)
DISTRIBUTIONS TO SHAREHOLDERS		
From investment operations	(252,632,777)	(68,729,673)
CAPITAL SHARE TRANSACTIONS		
Proceeds from shares issued		
(865,589 and 368,791 shares, respectively)	72,598,215	26,489,708
Reinvestment of distributions		
(2,845,727 and 899,409 shares, respectively)	232,949,541	63,853,771
Cost of shares redeemed		
(2,825,818 and 2,764,006 shares, respectively)	(236,196,734)	(197,284,012)
Change in net assets derived		
from capital share transactions	69,351,022	(106,940,533)
Total increase (decrease) in net assets	921,520,784	(326,419,973)
NET ASSETS		
Beginning of period	3,256,213,041	3,582,633,014
End of period	<u>\$4,177,733,825</u>	<u>\$3,256,213,041</u>

The accompanying notes to financial statements are an integral part of these statements.

Notes to Financial Statements

March 31, 2024

(1) Summary of Significant Accounting Policies —

Nicholas Fund, Inc. (the “Fund”) is organized as a Maryland corporation and is registered as an open-end, diversified management investment company under the Investment Company Act of 1940, as amended. The primary objective of the Fund is long-term growth. The following is a summary of the significant accounting policies of the Fund:

- (a) Equity securities traded on a stock exchange will ordinarily be valued on the basis of the last sale price on the date of valuation on the securities principal exchange, or if in the absence of any sale on that day, the closing bid price. For securities principally traded on the NASDAQ market, the Fund uses the NASDAQ Official Closing Price. Investments in shares of open-end mutual funds, including money market funds, are valued at their daily net asset value. Debt securities, excluding short-term investments, are valued at their current evaluated bid price as determined by an independent pricing service, which generates evaluations on the basis of dealer quotes for normal institutional-sized trading units, issuer analysis, bond market activity and various other factors. Short-term investments are valued using evaluated bid prices. Securities for which market quotations may not be readily available are valued at their fair value as determined in good faith by procedures adopted by the Board of Directors. The Board of Directors has delegated fair value responsibilities to Nicholas Company, Inc., the Fund’s adviser. The Fund did not maintain any positions in derivative instruments or engage in hedging activities during the year. Investment transactions for financial statement purposes are recorded on trade date.

In accordance with Accounting Standards Codification (“ASC”) 820-10, “Fair Value Measurement” (“ASC 820-10”), fair value is defined as the price that the Fund would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market of the investment. ASC 820-10 established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk, for example, the risk inherent in a particular valuation technique used to measure fair value such as a pricing model and/or the risk inherent in the inputs to the valuation technique. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances. The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, benchmark yields, bids, offers,

Notes to Financial Statements (continued)

March 31, 2024

transactions, spreads and other relationships observed in the markets among market securities, underlying equity of the issuer, proprietary pricing models, credit risk, etc.)

Level 3 – significant unobservable inputs (including the Fund’s own assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used as of March 31, 2024 in valuing the Fund’s investments carried at value:

Valuation Inputs	Investments in Securities
Level 1 —	
Common Stocks ⁽¹⁾	\$3,967,046,975
Money Market Deposit Account	42,874,495
Money Market Fund	55,000,000
Level 2 —	
U.S. Government Securities	109,741,981
Level 3 —	
None	—
Total	<u>\$4,174,663,451</u>

(1) See Schedule of Investments for further detail by industry.

The Fund did not hold any Level 3 investments during the year.

- (b) Net realized gain (loss) on portfolio securities was computed on the basis of specific identification.
- (c) Dividend income is recorded on the ex-dividend date, and interest income is recognized on an accrual basis. Non-cash dividends, if any, are recorded at value on date of distribution. Generally, discounts and premiums on long-term debt security purchases, if any, are amortized over the expected lives of the respective securities using the effective yield method.
- (d) Provision has not been made for federal income taxes or excise taxes since the Fund has elected to be taxed as a “regulated investment company” and intends to distribute substantially all net investment income and net realized capital gains on sales of investments to its shareholders and otherwise comply with the provisions of Subchapter M of the Internal Revenue Code applicable to regulated investment companies.
- (e) Dividends and distributions paid to shareholders are recorded on the ex-dividend date. Distributions from net investment income are generally declared and paid at least semiannually. Distributions of net realized capital gain, if any, are declared and paid at least annually.

The amount of distributions from net investment income and net realized capital gain are determined in accordance with federal income tax regulations, which may

Notes to Financial Statements (continued)

March 31, 2024

differ from U.S. generally accepted accounting principles (“U.S. GAAP”) for financial reporting purposes. Financial reporting records are adjusted for permanent book-to-tax differences to reflect tax character. These reclassifications have no effect on net assets or net asset value per share. At March 31, 2024, reclassifications were recorded to decrease accumulated distributed net realized gain by \$6,518,344, and increase paid in capital by \$6,518,344.

The tax character of distributions paid during the years ended March 31, 2024 and 2023 was as follows:

	<u>03/31/2024</u>	<u>03/31/2023</u>
Distributions paid from:		
Ordinary income	\$ 13,693,240	\$ 8,204,580
Long-term capital gain	238,939,537	60,525,093
Total distributions paid	<u>\$252,632,777</u>	<u>\$68,729,673</u>

As of March 31, 2024, investment cost for federal tax purposes was \$1,884,754,726 and the tax basis components of net assets were as follows:

Unrealized appreciation	\$2,296,888,596
Unrealized depreciation	<u>(6,979,871)</u>
Net unrealized appreciation	<u>2,289,908,725</u>
Undistributed ordinary income	3,168,138
Accumulated undistributed net realized capital gains . . .	167,077,954
Other temporary differences	(17,207,409)
Paid in capital	<u>1,734,786,417</u>
Net assets	<u>\$4,177,733,825</u>

The difference between financial statement and tax-basis investment cost is attributable primarily to holdings in partnership interests.

The Fund had no material uncertain tax positions and has not recorded a liability for unrecognized tax benefits as of March 31, 2024. Also, the Fund recognized no interest and penalties related to uncertain tax benefits during the year ended March 31, 2024. At March 31, 2024, the fiscal years 2021 through 2024 remain open to examination in the Fund’s major tax jurisdictions.

- (f) The Fund is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies in the Financial Accounting Standards Board (“FASB”) ASC 946, “Financial Services – Investment Companies.” U.S. GAAP guidance requires management to make estimates and assumptions that effect the amounts reported in the financial statements and accompanying notes. Actual results could differ from estimates.
- (g) In the normal course of business the Fund enters into contracts that contain general indemnification clauses. The Fund’s maximum exposure under these arrangements is unknown, as this would involve future claims against the Fund that have not yet occurred. Based on experience, the Fund expects the risk of loss to be remote.

Notes to Financial Statements (continued)

March 31, 2024

- (h) In connection with the preparation of the Fund's financial statements, management evaluated subsequent events after the date of the Statement of Assets and Liabilities of March 31, 2024. There have been no material subsequent events since March 31, 2024 that would require adjustment to or additional disclosure in these financial statements.

(2) Related Parties —

- (a) Investment Adviser and Management Agreement —

The Fund has an agreement with Nicholas Company, Inc. (with whom certain officers and directors of the Fund are affiliated) (the "Adviser") to serve as investment adviser and manager. Under the terms of the agreement, a monthly fee is paid to the Adviser based on an annualized fee of 0.75% of the average net asset value up to and including \$50 million and 0.65% of the average net asset value in excess of \$50 million.

The Adviser may be paid for accounting and administrative services rendered by its personnel, subject to the following guidelines: (i) up to five basis points, on an annual basis, of the average net asset value of the Fund up to and including \$2 billion and up to three basis points, on an annual basis, of the average net asset value of the Fund greater than \$2 billion, based on the average net asset value of the Fund as determined by valuations made at the close of each business day of each month, and (ii) where the preceding calculation results in an annual payment of less than \$50,000, the Adviser, in its discretion, may charge the Fund up to \$50,000 for such services.

- (b) Legal Counsel —

A director of the Adviser is affiliated with a law firm that provides services to the Fund. The Fund incurred expenses of \$5,168 for the year ended March 31, 2024 for legal services rendered by this law firm.

(3) Investment Transactions —

For the year ended March 31, 2024, the cost of purchases and the proceeds from sales of investment securities, other than short-term obligations, aggregated \$370,941,374 and \$634,493,267, respectively.

Report of Independent Registered Public Accounting Firm

To the shareholders and Board of Directors of Nicholas Fund, Inc.

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying statement of assets and liabilities of Nicholas Fund, Inc. (the "Fund"), including the schedule of investments, as of March 31, 2024, the related statement of operations for the year then ended, the statements of changes in net assets for each of the two years in the period then ended, the financial highlights for each of the five years in the period then ended, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of March 31, 2024, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of March 31, 2024, by correspondence with the custodian. We believe that our audits provide a reasonable basis for our opinion.

Deloitte & Touche LLP

Milwaukee, Wisconsin

May 29, 2024

We have served as the auditor of one or more Nicholas investment companies since 1977.

Historical Record

(unaudited)

	Net Asset Value Per Share	Net Investment Income Distributions Per Share ⁽²⁾	Capital Gain Distributions Per Share ⁽²⁾	Dollar Weighted Price/Earnings Ratio ⁽³⁾	Growth of an Initial \$10,000 Investment ⁽⁴⁾
July 14, 1969 ⁽¹⁾	\$ 6.59	\$ —	\$ —	—	\$ 10,000
March 31, 1985	29.24	0.6420	1.5760	13.2 times	69,858
March 31, 1986	35.26	0.5750	0.6100	15.8	87,699
March 31, 1987	39.94	0.8820	0.1870	16.3	102,387
March 31, 1988	32.15	1.8400	4.0340	14.1	98,557
March 31, 1989	35.27	1.0250	0.4510	13.2	113,155
March 31, 1990	37.72	0.9240	1.0540	14.9	127,360
March 31, 1991	42.99	0.7900	0.2250	16.9	149,180
March 31, 1992	49.68	0.6790	0.8240	19.4	178,011
March 31, 1993	52.91	0.6790	2.0420	18.5	200,098
March 31, 1994	51.10	0.8175	1.0470	16.7	200,182
March 31, 1995	52.22	0.7070	3.3170	17.2	221,970
March 31, 1996	63.81	0.5650	4.0945	21.0	293,836
March 31, 1997	67.11	0.4179	5.3166	21.7	336,973
March 31, 1998	93.98	0.3616	5.8002	30.0	508,762
March 31, 1999	85.20	0.5880	8.2716	31.7	509,446
March 31, 2000	84.56	0.3114	5.9433	37.3	543,813
March 31, 2001	54.11	0.1900	19.2500	26.6	452,780
March 31, 2002	53.74	0.2360	—	23.8	451,627
March 31, 2003	40.37	0.1585	—	16.4	340,547
March 31, 2004	56.14	0.0905	—	19.4	474,406
March 31, 2005	60.05	0.0678	0.4100	19.4	511,476
March 31, 2006	61.49	0.2512	5.3194	18.4	574,151
March 31, 2007	57.85	0.8173	4.3310	16.6	588,783
March 31, 2008	45.03	0.2283	9.9501	17.4	550,664
March 31, 2009	27.71	0.1714	4.6096	12.1	376,093
March 31, 2010	44.00	0.0939	—	19.1	598,760
March 31, 2011	48.18	0.0297	3.7458	17.9	716,234
March 31, 2012	47.85	0.1844	3.3515	18.7	769,243
March 31, 2013	55.01	0.0144	2.6127	20.1	934,800
March 31, 2014	65.28	0.3265	2.7697	21.0	1,166,414
March 31, 2015	71.57	0.2066	5.6554	21.5	1,393,972
March 31, 2016	61.78	0.3937	3.4892	16.8	1,272,980
March 31, 2017	65.52	0.4386	1.7763	22.2	1,398,599
March 31, 2018	62.10	0.4061	9.2027	23.9	1,539,955
March 31, 2019	65.11	0.3917	4.1213	23.8	1,741,281
March 31, 2020	56.53	0.3365	5.2417	22.5	1,638,615
March 31, 2021	80.14	0.3380	4.8738	33.1	2,490,274
March 31, 2022	80.56	0.1990	10.0384	27.1	2,824,387
March 31, 2023	75.77	0.1885	1.3778	27.6	2,715,286
March 31, 2024	95.25	0.3189(a)	5.5797(b)	34.1	3,663,856

(1) Date of Initial Public Offering.

(2) Rounded.

(3) Based on latest 12 months accomplished earnings.

(4) Assuming reinvestment of all distributions.

(a) Paid \$0.0650501 on June 7, 2023 to shareholders of record on June 6, 2023.

Paid \$0.25383009 on December 27, 2023 to shareholders of record on December 26, 2023.

(b) Paid \$2.78105 on June 7, 2023 to shareholders of record on June 6, 2023.

Paid \$2.79868 on December 27, 2023 to shareholders of record on December 26, 2023.

Approval of Investment Advisory Contract

(unaudited)

A discussion of the Approval by the Board of Directors of the Fund's Investment Advisory Contract can be found in the Fund's Semiannual Report dated September 30, 2023.

Liquidity Risk Management Program

(unaudited)

The Fund has adopted and implemented a liquidity risk management program (the "Program") in accordance with Rule 22e-4 under the 1940 Act. The Program seeks to assess and manage the Fund's liquidity risk, i.e., the risk that the Fund is unable to satisfy redemption requests without significantly diluting remaining investors' interests in the Fund. The Board of Directors of the Fund has designated Nicholas Company, Inc., the Fund's investment adviser, to administer the Program. Certain aspects of the Program rely on third parties to perform certain functions, including the provision of market data and application of models.

The Program is comprised of various components designed to support the assessment and/or management of liquidity risk, including: (1) the periodic assessment (no less frequently than annually) of certain factors that influence the Fund's liquidity risk; (2) the periodic classification (no less frequently than monthly) of the Fund's investments into one of four liquidity categories that reflect an estimate of their liquidity under current market conditions; (3) a 15% limit on the acquisition of "illiquid investments" (as defined under Rule 22e-4); (4) for a Fund that does not invest primarily in "highly liquid investments" (as defined under Rule 22e-4), the determination of a minimum percentage of the Fund's assets that will generally be invested in highly liquid investments (a "Highly Liquid Investment Minimum"); and (5) periodic reporting to the Board of Directors.

At a meeting of the Board of Directors on February 12, 2024, Nicholas Company, Inc. provided a written report to the Board addressing the operation, and the adequacy and effectiveness of the implementation, of the Program, including, as applicable, the operation of any Highly Liquid Investment Minimum and any material changes to the Program, for the period from January 1, 2023 through December 31, 2023 (the "Reporting Period"). Among other things, the annual report discussed: (1) the results of stress tests designed to assess liquidity under a hypothetical stressed scenario involving elevated redemptions; and (2) an assessment of the methodologies used to classify investments into one of four liquidity categories. The report concluded that the Program was reasonably designed to assess and manage liquidity risk and was adequately and effectively implemented during the Reporting Period.

There can be no assurance that the Program will achieve its objectives under all circumstances in the future. Please refer to the Fund's prospectus for more information regarding the Fund's exposure to liquidity risk and other risks to which it may be subject.

Information on Proxy Voting

(unaudited)

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities is available, without charge, upon request by calling 800-544-6547 or 414-276-0535. It also appears in the Fund's Statement of Additional Information, which can be found on the SEC's website, www.sec.gov. A record of how the Fund voted its proxies for the most recent twelve-month period ended June 30, also is available on the Fund's website, www.nicholasfunds.com, and the SEC's website, www.sec.gov.

Quarterly Portfolio Schedule

(unaudited)

The Fund files its complete schedule of investments with the SEC for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT reports are available on the SEC's website at www.sec.gov and may be reviewed and copied at the SEC's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 800-SEC-0330.

Directors and Officers of the Fund

(unaudited)

The following table sets forth the pertinent information about the Fund's directors and officers as of March 31, 2024. Unless otherwise listed, the business address of each director and officer is 411 East Wisconsin Avenue, Milwaukee, WI 53202.

Name and Age	Positions Held With Fund	Term of Office and Length of Time Served	Principal Occupations During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held by Director
INTERESTED DIRECTOR					
David O. Nicholas, CFA – 62 ⁽¹⁾	President, Director and Lead Portfolio Manager	(2), 7 years	President, Chief Executive Officer, Chief Investment Officer and Director, Nicholas Company, Inc., the Adviser to the Fund. He is also the Lead Portfolio Manager of Nicholas II, Inc. and Nicholas Limited Edition, Inc. and Co-Portfolio Manager of Nicholas Equity Income Fund, Inc.	4	None
DISINTERESTED DIRECTORS					
John A. Hauser – 65	Director	(2), 7 years	Chaplain, Door County Medical Center, 2019 to present. Private Investor January 2017 to present. Senior Vice President – Trust and Community Relations, Nicolet Bank, October 2016 to December 2016. Senior Vice President – Director of Wealth Services, April 2016 to October 2016. Prior to its acquisition by Nicolet Bank in April 2016, Mr. Hauser served in various senior management roles for Baylake Bank from 1984 to 2008 and from 2009 to April 2016.	4	None

Directors and Officers of the Fund (continued)

(unaudited)

Name and Age	Positions Held With Fund	Term of Office and Length of Time Served	Principal Occupations During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Director	Other Directorships Held by Director
David P. Pelisek, CFA – 65	Director	(2), 4 years	Private Investor, September 2016 to present. Managing Director, Robert W. Baird & Co., Inc. and Partner, Baird Capital Partners Buyout Funds I-V, January 1994 to May 2016.	4	None
Julie M. Van Cleave – 64	Director	(2), 2 years	Private Investor, July 2020 to present. Chief Investment Officer, University of Wisconsin Foundation, July 2013 to June 2020.	4	None

Name and Age	Positions Held With Fund	Term of Office and Length of Time Served	Principal Occupations During Past 5 Years
OFFICERS			
Lawrence J. Pavelec, CFA – 65	Senior Vice President and Secretary	Annual, 19 years	Executive Vice President, Secretary and Chief Operating Officer, Nicholas Company, Inc., the Adviser to the Fund, and employed by the Adviser since 2003.
Jennifer R. Kloehn, CPA – 50	Senior Vice President, Treasurer and Chief Compliance Officer	Annual, 8 years	Executive Vice President, Treasurer, Chief Financial Officer and Chief Compliance Officer, Nicholas Company, Inc. the Adviser to the Fund, and employed by the Adviser since 1998.
Michael L. Shelton, CFA, CPA – 52	Senior Vice President, and Co-Portfolio Manager	Annual, 8 years	Senior Vice President, Nicholas Company, Inc., the Adviser to the Fund and Lead Portfolio Manager of Nicholas Equity Income Fund, Inc. He served as Co-Portfolio Manager of Nicholas Equity Income, Inc. from April 2011 to August 2016.

Directors and Officers of the Fund (continued)

(unaudited)

Name and Age	Positions Held With Fund	Term of Office and Length of Time Served	Principal Occupations During Past 5 Years
Jeffrey J. Strong, CFA – 40	Senior Vice President and Co-Portfolio Manager	Annual, 3 years	Vice President, Nicholas Company, Inc., the Adviser to the Fund. Co-Portfolio Manager (effective July 29, 2021) of the Fund and employed by Nicholas Company, Inc. since April 2021. He was a portfolio manager at the State of Wisconsin Investment Board from September 2018 to April 2021, and research analyst at Heartland Advisors from February 2017 to September 2018 and at BMO Asset Management Corp. from September 2006 to October 2016.

- (1) David O. Nicholas is the only director of the Fund who is an “interested person” of the Fund, as that term is defined in the 1940 Act. Mr. Nicholas is a Director of the Adviser and owns 60% of the outstanding voting securities of the Adviser.
- (2) Until duly elected or re-elected at a subsequent annual meeting of the Fund.

The Fund’s Statement of Additional Information includes additional information about the Fund directors and is available, without charge, upon request, by calling 800-544-6547 or 414-276-0535.

Privacy Policy

(unaudited)

Nicholas Fund, Inc. respects each shareholder's right to privacy. We are committed to safeguarding the information that you provide us to maintain and execute transactions on your behalf.

We collect the following non-public personal information about you:

- * Information we receive from you on applications or other forms, whether we receive the form in writing or electronically. This includes, but is not limited to, your name, address, phone number, tax identification number, date of birth, beneficiary information and investment selection.
- * Information about your transactions with us and account history with us. This includes, but is not limited to, your account number, balances and cost basis information. This also includes transaction requests made through our transfer agent.
- * Other general information that we may obtain about you such as demographic information.

WE DO NOT SELL ANY NON-PUBLIC PERSONAL INFORMATION
ABOUT CURRENT OR FORMER SHAREHOLDERS.

INFORMATION SHARED WITH OUR TRANSFER AGENT,
A THIRD PARTY COMPANY, ALSO IS NOT SOLD.

We may share, only as permitted by law, non-public personal information about you with third party companies. Listed below are some examples of third parties to whom we may disclose non-public personal information. While these examples do not cover every circumstance permitted by law, we hope they help you understand how your information may be shared.

We may share non-public personal information about you:

- * With companies who work for us to service your accounts or to process transactions that you may request. This would include, but is not limited to, our transfer agent to process your transactions, mailing houses to send you required reports and correspondence regarding the Fund and its Adviser, the Nicholas Company, Inc., and our dividend disbursing agent to process fund dividend checks.
- * With a party representing you, with your consent, such as your broker or lawyer.
- * When required by law, such as in response to a subpoena or other legal process.

The Fund and its Adviser maintain policies and procedures to safeguard your non-public personal information. Access is restricted to employees who the Adviser determines need the information in order to perform their job duties. To guard your non-public personal information we maintain physical, electronic, and procedural safeguards that comply with federal standards.

In the event that you hold shares of the Fund with a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of your financial intermediary would govern how your non-public personal information would be shared with non-affiliated third parties.

Automatic Investment Plan — An Update

(unaudited)

The Nicholas Family of Funds' Automatic Investment Plan provides a simple method to dollar cost average into the fund(s) of your choice.

Dollar cost averaging involves making equal systematic investments over an extended time period. A fixed dollar investment will purchase more shares when the market is low and fewer shares when the market is high. The automatic investment plan is an excellent way for you to become a disciplined investor.

The following table illustrates what dollar cost averaging can achieve. Please note that past performance is no guarantee of future results. Nicholas Company recommends dollar cost averaging as a practical investment method. It should be consistently applied for long periods so that investments are made through several market cycles.

	Nicholas Fund	
	07/14/1969*	03/31/2014
\$1,000 initial investment on		
Number of years investing \$100 each month following the date of initial investment	54.7	10
Total cash invested	\$66,700	\$13,000
Total dividend and capital gain distributions reinvested	\$3,531,400	\$7,723
Total full shares owned at 03/31/2024	59,057	293
Total market value at 03/31/2024	\$5,625,265	\$27,984

The results above assume purchase on the last day of the month. The Nicholas Automatic Investment Plan actually invests on the date specified by the investor. Total market value includes reinvestment of all distributions.

* Date of Initial Public Offering.

Nicholas Funds Services Offered

(unaudited)

- IRAs
 - Traditional
 - Roth
 - SIMPLE
 - SEP
- Coverdell Education Accounts
- Automatic Investment Plan
- Direct Deposit of Dividend and Capital Gain Distributions
- Systematic Withdrawal Plan
- Monthly Automatic Exchange between Funds
- Telephone Purchase and Redemption
- Telephone Exchange
- 24-hour Automated Account Information (800-544-6547)
- 24-hour Internet Account Access (www.nicholasfunds.com)

Please call a shareholder representative for further information on the above services or with any other questions you may have regarding the Nicholas Funds (800-544-6547).

Notes

Notes

Directors and Officers

DAVID O. NICHOLAS, President and Director

JOHN A. HAUSER, Director

DAVID P. PELISEK, Director

JULIE M. VAN CLEAVE, Director

JENNIFER R. KLOEHN, Senior Vice President,
Treasurer and Chief Compliance Officer

LAWRENCE J. PAVELEC, Senior Vice President and Secretary

MICHAEL L. SHELTON, Senior Vice President

JEFFREY J. STRONG, Senior Vice President

Investment Adviser

NICHOLAS COMPANY, INC.

Milwaukee, Wisconsin

www.nicholasfunds.com

414-276-0535 or 800-544-6547

Accountant

Dividend Disbursing Agent

Transfer Agent

U.S. BANCORP FUND SERVICES, LLC

Milwaukee, Wisconsin

414-276-0535 or 800-544-6547

Distributor

QUASAR DISTRIBUTORS, LLC

Portland, Maine

Custodian

U.S. BANK N.A.

Milwaukee, Wisconsin

Independent Registered Public Accounting Firm

DELOITTE & TOUCHE LLP

Milwaukee, Wisconsin

Counsel

MICHAEL BEST & FRIEDRICH LLP

Milwaukee, Wisconsin

This report is submitted for the information of shareholders of the Fund. It is not authorized for distribution to prospective investors unless preceded or accompanied by an effective prospectus.