

Item 7. Financial Statements and Financial Highlights for Open-End  
Management Investment Companies.

# SEMI-ANNUAL FINANCIAL STATEMENTS AND OTHER INFORMATION

April 30, 2025

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## NICHOLAS LIMITED EDITION, INC.

CONSISTENCY *in a* WORLD OF CHANGE



# Financial Highlights Class I (NCLEX)

For a share outstanding throughout each period

	Four Months Ended 04/30/2025* (unaudited)	Years Ended December 31,				
		2024	2023	2022	2021	2020
NET ASSET VALUE, BEGINNING OF PERIOD .....	\$ 30.33	\$ 27.77	\$ 24.27	\$ 33.81	\$ 33.07	\$ 28.33
INCOME (LOSS) FROM INVESTMENT OPERATIONS						
Net investment income (loss) <sup>(1)</sup> .....	(.03)	(.02)	.00 <sup>(2)</sup>	(.08)	(.17)	(.08)
Net gain (loss) on securities (realized and unrealized) .....	(2.46)	3.34	4.17	(7.95)	6.47	6.51
Total from investment operations .....	(2.49)	3.32	4.17	(8.03)	6.30	6.43
LESS DISTRIBUTIONS						
From net investment income ..	—	—	—	—	—	—
From net capital gain .....	—	(.76)	(.67)	(1.51)	(5.56)	(1.69)
Total distributions .....	—	(.76)	(.67)	(1.51)	(5.56)	(1.69)
NET ASSET VALUE, END OF PERIOD .....	<u>\$ 27.84</u>	<u>\$ 30.33</u>	<u>\$ 27.77</u>	<u>\$ 24.27</u>	<u>\$ 33.81</u>	<u>\$ 33.07</u>
TOTAL RETURN .....	(8.21)% <sup>(3)</sup>	11.94%	17.17%	(23.66)%	19.00%	22.73%
SUPPLEMENTAL DATA						
Net assets, end of period (millions) .....	\$ 427.1	\$ 472.0	\$ 442.8	\$ 399.6	\$ 559.2	\$ 507.9
Ratio of expenses to average net assets .....	.86% <sup>(4)</sup>	.85%	.85%	.86%	.85%	.86%
Ratio of net investment income (loss) to average net assets .....	(.32)% <sup>(4)</sup>	(.06)%	.00% <sup>(2)</sup>	(.29)%	(.47)%	(.28)%
Portfolio turnover rate .....	14.57% <sup>(4)</sup>	12.81%	12.38%	27.93%	28.32%	28.16%

\* The Fund changed its fiscal year end to October 31 during the period. The period is from January 1, 2025 to April 30, 2025.

(1) Computed based on average shares outstanding.

(2) The amount rounds to \$0.00 or .00%.

(3) Not annualized.

(4) Annualized.

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

# Financial Highlights Class N (NNLEX)

For a share outstanding throughout each period

	Four Months Ended 04/30/2025* (unaudited)	Years Ended December 31,				
		2024	2023	2022	2021	2020
NET ASSET VALUE, BEGINNING OF PERIOD .....	\$ 26.85	\$ 24.74	\$ 21.75	\$ 30.60	\$ 30.44	\$ 26.24
INCOME (LOSS) FROM INVESTMENT OPERATIONS						
Net investment loss <sup>(1)</sup> .....	(.05)	(.09)	(.07)	(.15)	(.23)	(.12)
Net gain (loss) on securities (realized and unrealized) .....	(2.18)	2.96	3.73	(7.19)	5.95	6.01
Total from investment operations .....	(2.23)	2.87	3.66	(7.34)	5.72	5.89
LESS DISTRIBUTIONS						
From net investment income ..	—	—	—	—	—	—
From net capital gain .....	—	(.76)	(.67)	(1.51)	(5.56)	(1.69)
Total distributions .....	—	(.76)	(.67)	(1.51)	(5.56)	(1.69)
NET ASSET VALUE, END OF PERIOD .....	\$ 24.62	\$ 26.85	\$ 24.74	\$ 21.75	\$ 30.60	\$ 30.44
TOTAL RETURN .....	(8.31)% <sup>(2)</sup>	11.58%	16.81%	(23.86)%	18.70%	22.48%
SUPPLEMENTAL DATA						
Net assets, end of period (millions) .....	\$ 16.7	\$ 20.8	\$ 20.9	\$ 17.8	\$ 27.7	\$ 28.0
Ratio of expenses to average net assets .....	1.16% <sup>(3)</sup>	1.15%	1.16%	1.13%	1.07%	1.07%
Ratio of net investment loss to average net assets .....	(.63)% <sup>(3)</sup>	(.36)%	(.31)%	(.57)%	(.70)%	(.48)%
Portfolio turnover rate .....	14.57% <sup>(3)</sup>	12.81%	12.38%	27.93%	28.32%	28.16%

\* The Fund changed its fiscal year end to October 31 during the period. The period is from January 1, 2025 to April 30, 2025.

<sup>(1)</sup> Computed based on average shares outstanding.

<sup>(2)</sup> Not annualized.

<sup>(3)</sup> Annualized.

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

# Schedule of Investments

April 30, 2025 (unaudited)

Shares or Principal Amount		Value
<b>COMMON STOCKS — 95.04%</b>		
<b>Consumer Discretionary - Automobiles &amp; Components — 2.14%</b>		
83,677	Dorman Products, Inc. *	\$ 9,480,604
<b>Consumer Discretionary - Consumer Discretionary Distribution &amp; Retail — 2.66%</b>		
8,035	Murphy USA, Inc. ....	4,006,010
73,550	Ollie's Bargain Outlet Holdings Inc* .....	7,804,391
		<u>11,810,401</u>
<b>Consumer Discretionary - Consumer Durables &amp; Apparel — 1.75%</b>		
196,866	La-Z-Boy Incorporated .....	7,776,207
<b>Consumer Discretionary - Consumer Services — 2.51%</b>		
131,500	Carriage Services Inc. ....	5,254,740
22,256	Wingstop Inc. ....	5,873,136
		<u>11,127,876</u>
<b>Consumer Staples - Food, Beverage &amp; Tobacco — 3.23%</b>		
45,355	J & J Snack Foods Corp. ....	5,877,554
421,967	Nomad Foods Ltd. ....	8,435,120
		<u>14,312,674</u>
<b>Financials - Financial Services — 7.86%</b>		
124,635	Cohen & Steers, Inc. ....	9,512,143
213,210	EVERTEC, Inc. ....	7,236,347
25,975	Morningstar, Inc. ....	7,395,602
772,951	Repay Holdings Corp. Class A* .....	3,091,804
93,214	Shift4 Payments, Inc. Class A* .....	7,624,905
		<u>34,860,801</u>
<b>Financials - Insurance — 1.71%</b>		
182,595	Baldwin Insurance Group, Inc. Class A* .....	7,599,604
<b>Health Care - Health Care Equipment &amp; Services — 14.66%</b>		
73,317	Amedisys, Inc. * .....	6,957,783
190,080	AtriCure, Inc. * .....	5,685,293
551,683	Certara, Inc. * .....	7,646,326
83,653	Encompass Health Corporation .....	9,786,564
128,303	Globus Medical Inc Class A* .....	9,208,306

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

# Schedule of Investments (continued)

April 30, 2025 (unaudited)

Shares or Principal Amount		Value
<b>COMMON STOCKS — 95.04% (continued)</b>		
<b>Health Care - Health Care Equipment &amp; Services — 14.66% (continued)</b>		
97,295	Omniceil, Inc.* .....	\$ 3,041,442
247,880	Option Care Health Inc* .....	8,009,003
180,579	Phreesia, Inc.* .....	4,507,252
173,156	Simulations Plus, Inc. ....	5,947,909
20,536	UFP Technologies, Inc.* .....	<u>4,282,577</u>
		<u>65,072,455</u>
<b>Health Care - Pharmaceuticals, Biotechnology &amp; Life Sciences — 3.78%</b>		
149,595	Prestige Consumer Healthcare Inc* .....	12,151,602
221,064	Stevanato Group SpA .....	<u>4,611,395</u>
		<u>16,762,997</u>
<b>Industrials - Capital Goods — 6.66%</b>		
95,911	A. O. Smith Corporation .....	6,508,520
7,620	Comfort Systems USA, Inc. ....	3,029,331
101,956	Construction Partners, Inc. Class A* .....	8,374,666
70,945	Donaldson Company, Inc. ....	4,663,215
37,974	SiteOne Landscape Supply, Inc.* .....	4,359,795
19,545	SPX Technologies, Inc.* .....	<u>2,621,962</u>
		<u>29,557,489</u>
<b>Industrials - Commercial &amp; Professional Services — 15.81%</b>		
47,033	Casella Waste Systems, Inc.* .....	5,524,026
225,856	ExlService Holdings, Inc.* .....	10,949,499
79,395	Exponent, Inc. ....	6,246,799
83,175	ICF International, Inc. ....	7,066,548
429,345	OPENLANE, Inc.* .....	7,947,176
42,923	Paylocity Holding Corp.* .....	8,245,508
91,341	RB Global, Inc. ....	9,198,039
211,365	Tetra Tech, Inc. ....	6,592,474
138,570	WNS (Holdings) Limited Sponsored ADR* .....	<u>8,386,256</u>
		<u>70,156,325</u>
<b>Industrials - Transportation — 2.29%</b>		
129,965	Knight-Swift Transportation Holdings Inc. Class A .....	5,090,729
393,631	Marten Transport, Ltd. ....	<u>5,054,222</u>
		<u>10,144,951</u>

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

# Schedule of Investments (continued)

April 30, 2025 (unaudited)

Shares or Principal Amount		Value
<b>COMMON STOCKS — 95.04% (continued)</b>		
<b>Information Technology - Semiconductors &amp; Semiconductor Equipment — 3.18%</b>		
116,535	Lattice Semiconductor Corporation* .....	\$ 5,702,058
29,061	Onto Innovation, Inc.* .....	3,544,570
99,460	Power Integrations, Inc. ....	4,885,475
		<u>14,132,103</u>
<b>Information Technology - Software &amp; Services — 21.56%</b>		
139,960	BlackLine, Inc.* .....	6,610,311
26,202	CyberArk Software Ltd.* .....	9,227,296
100,050	Descartes Systems Group Inc.* .....	10,544,270
151,160	Five9, Inc.* .....	3,800,162
363,571	Grid Dynamics Holdings, Inc. Class A* .....	5,148,165
340,480	i3 Verticals, Inc.* .....	8,552,858
69,568	Intapp, Inc.* .....	3,774,760
245,809	nCino Inc* .....	5,702,769
134,991	Q2 Holdings, Inc.* .....	10,698,037
46,906	Qualys, Inc.* .....	5,896,553
54,219	SPS Commerce, Inc.* .....	7,780,969
183,893	Tenable Holdings, Inc.* .....	5,621,609
159,645	Varonis Systems, Inc.* .....	6,839,192
73,060	Workiva Inc. Class A* .....	5,499,226
		<u>95,696,177</u>
<b>Information Technology - Technology Hardware &amp; Equipment — 2.31%</b>		
88,558	ePlus inc.* .....	5,522,477
39,970	Novanta Inc* .....	4,750,834
		<u>10,273,311</u>
<b>Materials - Materials — 2.01%</b>		
59,500	AptarGroup, Inc. ....	8,922,025
<b>Real Estate - Equity Real Estate Investment Trusts (REITs) — 0.92%</b>		
109,550	NexPoint Residential Trust, Inc. ....	4,084,024
	<b>TOTAL COMMON STOCKS</b>	
	(cost \$287,298,766) .....	<u>421,770,024</u>

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

# Schedule of Investments (continued)

April 30, 2025 (unaudited)

Shares or Principal Amount		Value
<b>SHORT-TERM INVESTMENTS — 3.99%</b>		
<b>Money Market Deposit Account — 0.39%</b>		
\$1,728,272	U.S. Bank Money Market, 4.20% .....	\$ 1,728,272
<b>Money Market Fund — 1.13%</b>		
5,000,000	First American Government Obligations Fund, 4.20% .....	5,000,000
<b>U.S. Government Securities — 2.47%</b>		
6,000,000	U.S. Treasury Bill 05/01/2025, <sup>(1)</sup> .....	6,000,000
5,000,000	U.S. Treasury Bill 06/05/2025, 4.306% .....	4,979,438
		<u>10,979,438</u>
	TOTAL SHORT-TERM INVESTMENTS (cost \$17,708,001) .....	<u>17,707,710</u>
	TOTAL INVESTMENTS (cost \$305,006,767) — 99.03% .....	<u>439,477,734</u>
	OTHER ASSETS, NET OF LIABILITIES — 0.97% .....	<u>4,304,464</u>
	TOTAL NET ASSETS (basis of percentages disclosed above) — 100% ....	<u>\$ 443,782,198</u>

\* Non-income producing security.

<sup>(1)</sup> The Treasury Bill is a zero coupon security that has reached full maturity.

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

# Statement of Assets and Liabilities

April 30, 2025 (unaudited)

## ASSETS

Investments in securities at value (cost \$305,006,767) .....	\$ 439,477,734
Receivables	
Dividend and interest .....	65,013
Capital stock subscription .....	40,453
Total receivables .....	<u>105,466</u>
Other .....	<u>5,515,333</u>
Total assets .....	<u>445,098,533</u>

## LIABILITIES

Payables	
Investment securities purchased .....	869,151
Due to adviser	
Management fee .....	267,462
Accounting and administration fee .....	5,884
Total due to adviser .....	<u>273,346</u>
Capital stock redemption .....	139,189
12b-1 and servicing fee .....	14,701
Other payable and accrued expense .....	19,948
Total liabilities .....	<u>1,316,335</u>
Total net assets .....	<u>\$ 443,782,198</u>

## NET ASSETS CONSIST OF

Paid in capital .....	\$ 291,549,867
Accumulated distributable earnings .....	<u>152,232,331</u>
Total net assets .....	<u>\$ 443,782,198</u>

## CLASS I

Net assets .....	\$ 427,117,968
Shares outstanding .....	15,341,820
NET ASSET VALUE PER SHARE (\$.01 par value, 39,000,000 shares authorized), offering price and redemption price .....	<u>\$27.84</u>

## CLASS N

Net assets .....	\$ 16,664,230
Shares outstanding .....	676,765
NET ASSET VALUE PER SHARE (\$.01 par value, 11,000,000 shares authorized), offering price and redemption price .....	<u>\$24.62</u>

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

# Statement of Operations (\*)

For the four months ended April 30, 2025 (unaudited)

## INCOME

Dividend (net of foreign taxes of \$5,872) .....	\$	642,935
Interest .....		190,428
Total income .....		<u>833,363</u>

## EXPENSES

Management fee .....	1,162,097
Transfer agent fees .....	38,915
Administration services .....	25,566
Registration fees .....	18,854
Accounting & pricing services .....	18,835
Audit and tax fees .....	14,542
12b-1 fees - Class N .....	13,209
Printing .....	9,987
Custodian fees .....	8,273
Legal fees .....	6,939
Insurance .....	6,316
Directors' fees .....	5,419
Servicing fees - Class N .....	4,803
Postage and mailing .....	4,430
Other operating expenses .....	8,230
Total expenses .....	<u>1,346,415</u>
Net investment loss .....	<u>(513,052)</u>

NET REALIZED GAIN ON INVESTMENTS ..... 14,507,119

## CHANGE IN NET UNREALIZED APPRECIATION/ DEPRECIATION ON INVESTMENTS

DEPRECIATION ON INVESTMENTS .....	<u>(53,778,161)</u>
Net realized and unrealized gain (loss) on investments .....	<u>(39,271,042)</u>
Net increase (decrease) in net assets resulting from operations .....	<u>\$ (39,784,094)</u>

(\*) The Fund changed its fiscal year end to October 31 during the period. The period is from January 1, 2025 to April 30, 2025.

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

# Statements of Changes in Net Assets

For the four months ended April 30, 2025 (unaudited) and the year ended December 31, 2024

	<b>Four Months Ended 4/30/2025(*) (unaudited)</b>	<b>Year Ended 12/31/2024</b>
<b>INCREASE (DECREASE) IN NET ASSETS FROM OPERATIONS</b>		
Net investment loss .....	\$ (513,052)	\$ (355,361)
Net realized gain on investments .....	14,507,119	14,480,307
Change in net unrealized appreciation/depreciation on investments .....	<u>(53,778,161)</u>	<u>40,132,943</u>
Net increase (decrease) in net assets resulting from operations .....	<u>(39,784,094)</u>	<u>54,257,889</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM</b>		
Investment operations - Class I .....	—	(11,672,101)
Investment operations - Class N .....	<u>—</u>	<u>(571,753)</u>
Total distributions .....	<u>—</u>	<u>(12,243,854)</u>
<b>CAPITAL SHARE TRANSACTIONS</b>		
Proceeds from shares issued - Class I (143,672 and 532,803 shares, respectively) .....	4,150,394	15,463,895
Reinvestment of distributions - Class I (0 and 231,591 shares, respectively) .....	—	7,077,294
Cost of shares redeemed - Class I (364,887 and 1,147,614 shares, respectively) .....	(10,642,314)	(33,595,886)
Proceeds from shares issued - Class N (38,010 and 108,692 shares, respectively) .....	961,666	2,773,753
Reinvestment of distributions - Class N (0 and 21,010 shares, respectively) .....	—	568,676
Cost of shares redeemed - Class N (135,319 and 200,889 shares, respectively) .....	<u>(3,654,300)</u>	<u>(5,265,448)</u>
Change in net assets derived from capital share transactions .....	<u>(9,184,554)</u>	<u>(12,977,716)</u>
Total increase (decrease) in net assets .....	<u>(48,968,648)</u>	<u>29,036,319</u>
<b>NET ASSETS</b>		
Beginning of period .....	<u>492,750,846</u>	<u>463,714,527</u>
End of period .....	<u>\$ 443,782,198</u>	<u>\$ 492,750,846</u>

(\*) The Fund changed its fiscal year end to October 31 during the period. The period is from January 1, 2025 to April 30, 2025.

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

# Notes to Financial Statements

April 30, 2025 (unaudited)

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These financial statements have been prepared pursuant to reporting rules for interim financial statements. Accordingly, these financial statements do not include all of the information and footnotes required by U.S. generally accepted accounting principles (“U.S. GAAP”) for annual financial statements. These financial statements should be read in conjunction with the financial statements and financial highlights and notes in the Fund’s Annual Financial Statements on Form N-CSR for the year ended December 31, 2024.

On February 10, 2025, the Board of Directors approved a change in the fiscal year end after the completion of the December 31, 2024 year end for the Fund from December 31st to October 31st. The period covered by these Notes to Financial Statements is the fiscal period from January 1, 2025 to April 30, 2025.

These financial statements have not been audited. Management believes that these financial statements include all adjustments (which, unless otherwise noted, include only normal recurring adjustments) necessary for a fair presentation of the financial results for each period shown.

## **(1) Summary of Significant Accounting Policies —**

Nicholas Limited Edition, 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 closing 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 period. 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

# Notes to Financial Statements (continued)

April 30, 2025 (unaudited)

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, 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 April 30, 2025 in valuing the Fund's investments carried at value:

Valuation Inputs	Investments in Securities
Level 1 –	
Common Stocks <sup>(1)</sup> .....	\$ 421,770,024
Money Market Deposit Account .....	1,728,272
Money Market Fund .....	5,000,000
Level 2 –	
U.S. Government Securities .....	10,979,438
Level 3 –	
None .....	—
Total .....	<u>\$ 439,477,734</u>

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

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

# Notes to Financial Statements (continued)

April 30, 2025 (unaudited)

- (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.

Investment income, net capital gains (losses) and all expenses incurred by the Fund are allocated based on the relative net assets of each class, except for 12b-1 fees and shareholder servicing fees and certain other fees and expenses related to one class of shares.

Class N shares are subject to a 0.25% 12b-1 fee and a 0.10% servicing fee, as described in its prospectus. During the period, the 12b-1 fee was 0.22% and the service fee was 0.08%. Income, expenses (other than expenses attributable to a specific class), and realized and unrealized gains and losses are allocated daily to each class of shares based upon the relative net asset value of outstanding shares.

- (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 annually. 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 differ from U.S. GAAP for financial reporting purposes. Financial reporting records are adjusted for permanent book-to-tax differences to reflect tax character.

The tax character of distributions paid during the four months ended April 30, 2025 and the year ended December 31, 2024 was as follows:

	04/30/2025	12/31/2024
Distributions paid from:		
Ordinary income .....	\$ —	\$ —
Long-term capital gain .....	—	12,243,854
Total distributions paid .....	<u>\$ —</u>	<u>\$ 12,243,854</u>

# Notes to Financial Statements (continued)

April 30, 2025 (unaudited)

The following information for the Fund is presented on an income tax basis as of December 31, 2024.

Investment cost for federal tax purposes .....	\$ 304,297,387
Unrealized appreciation .....	\$ 215,598,466
Unrealized depreciation .....	(27,438,026)
Net unrealized appreciation .....	<u>\$ 188,160,440</u>

The differences between financial statement and tax-basis cost is attributable primarily to the Fund's holdings in REITs.

The Fund had no material uncertain tax positions and has not recorded a liability for unrecognized tax benefits as of April 30, 2025. Also, the Fund recognized no interest and penalties related to uncertain tax benefits during the period ended April 30, 2025. At April 30, 2025, 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.
- (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 April 30, 2025. There have been no material subsequent events since April 30, 2025 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.

The Adviser may be paid for accounting and administration 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

# Notes to Financial Statements (continued)

April 30, 2025 (unaudited)

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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 \$5,106 for the period ended April 30, 2025 for legal services rendered by this law firm.

**(3) Investment Transactions —**

For the period ended April 30, 2025, the cost of purchases and the proceeds from sales of investment securities, other than short-term obligations, aggregated \$21,931,391 and \$32,773,477, respectively.

**(4) Operating Segments —**

The Fund has adopted FASB Accounting Standards Update 2023-07, Segment Reporting (“Topic 280”) - Improvements to Reportable Segment Disclosures. An operating segment is defined in Topic 280 as a component of a public entity that engages in business activities from which it may recognize revenues and incur expenses, has operating results that are regularly reviewed by the public entity’s chief operating decision maker (“CODM”) to make decisions about resources to be allocated to the segment and assess its performance, and has discrete financial information available. The management committee of the Fund’s adviser acts as the Fund’s CODM. The Fund represents a single operating segment, as the CODM monitors the operating results of the Fund as a whole and the Fund’s long-term strategic asset allocation is pre-determined in accordance with the terms of its prospectus, based on a defined investment strategy which is executed by the Fund’s portfolio managers. The financial information in the form of the Fund’s portfolio investments, total returns, expense ratios and changes in net assets (*i.e.*, changes in net assets resulting from operations, subscriptions and redemptions), which are used by the CODM to assess the segment’s performance versus the Fund’s comparative benchmarks and to make resource allocation decisions for the Fund’s single segment, is consistent with that presented within the Fund’s financial statements. Segment assets are reflected on the accompanying statement of assets and liabilities as “total assets” and significant segment expenses are listed on the accompanying statement of operations.

# Approval of Investment Advisory Contract

(unaudited)

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A discussion of the Approval by the Board of Directors of the Fund's Investment Advisory Contract can be found in the Fund's Annual Financial Statements and Other Information dated December 31, 2024.

## Information on Proxy Voting

(unaudited)

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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](http://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](http://www.nicholasfunds.com), and the SEC's website, [www.sec.gov](http://www.sec.gov).

# Nicholas Funds Services Offered

(unaudited)

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- IRAs
  - Traditional
  - SEP
  - Roth
  - SIMPLE
- Coverdell Education Savings 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](http://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.

***Directors and Officers***

DAVID O. NICHOLAS, President and Director

JOHN A. HAUSER, Director

DAVID P. PELISEK, Director

JULIE M. VAN CLEAVE, Director

RYAN P. BUSHMAN, Senior Vice President

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

LAWRENCE J. PAVELEC, Senior Vice President and Secretary

AARON D. HIZMI, Vice President

***Investment Adviser***

NICHOLAS COMPANY, INC.

Milwaukee, Wisconsin

[www.nicholasfunds.com](http://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

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The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contain this and other important information about the investment company, and they may be obtained by calling 1-800-544-6547 or visiting [www.nicholasfunds.com](http://www.nicholasfunds.com). Please read the prospectus carefully before investing.

**Item 8. Changes in and Disagreements with Accountants for Open-End Management Investment Companies.**

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There have been no such changes in or disagreements with accountants as contemplated by Item 304 of Regulation S-K.

**Item 9. Proxy Disclosures for Open-End Management Investment Companies.**

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Not applicable for this reporting period.

**Item 10. Remuneration Paid to Directors, Officers, and Others of Open-End Management Investment Companies.**

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The remuneration paid to directors, officers, and others is disclosed in the Statement of Operations included under Item 7.(a) Financial Statements and Financial Highlights for Open-End Management Investment Companies of this Report.

**Item 11. Statement Regarding Basis for Approval of Investment Advisory Contract.**

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The basis for approval of the investment advisory contract is included under Item 7.(a) Financial Statements and Financial Highlights for Open-End Management Investment Companies of this Report.