June 30, 2026

The Nicholas Funds are offered only to United States residents, and information on this site is intended only for such persons. Nothing on this web site should be considered a solicitation to buy or an offer to sell shares of any Nicholas Fund in any jurisdiction where the offer or solicitation would be unlawful under the securities laws of such jurisdiction.

Please refer to each prospectus for important information about each investment company, including investment objectives, risks, charges and expenses.

Mutual fund investing involves risk; principal loss is possible. Small- and medium-capitalization companies tend to have limited liquidity and greater price volatility than large-capitalization companies. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investment by the Funds in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities.

Past performance does not guarantee future results.

Diversification does not assure a profit nor protect against loss in a declining market.

Nicholas 50+ Year History

- Founded in 1967
- Located in Milwaukee, WI
- Independently owned boutique investment firm
- Practice the investment philosophy created in 1967
- Advisor to the Nicholas Funds and separately managed accounts
- Four funds including growth and income-oriented strategies
  - Nicholas Fund (Multi-Cap Growth)
  - Nicholas II (Mid-Cap Growth)
  - Nicholas Limited Edition (Small-Cap Growth)
  - Nicholas Equity Income (Equity Income with Growth)
- Assets under management: $5.7 billion (6/30/2026)

"You should be skeptical, but you have to be inherently optimistic in this business. Pessimism makes you very little money."
– Albert "Ab" Nicholas, Founder

NICHOLAS FUNDS

Leadership and Investment Team

David O. Nicholas, CFA	Lawrence J. Pavelec, CFA	Jennifer R. Kloehn, CPA	Christopher E. O'Reilly
CEO and President Portfolio Manager	Executive Vice President Chief Operations Officer Portfolio Manager	Executive Vice President Chief Compliance Officer Chief Financial Officer	Executive Vice President Chief Technology Officer

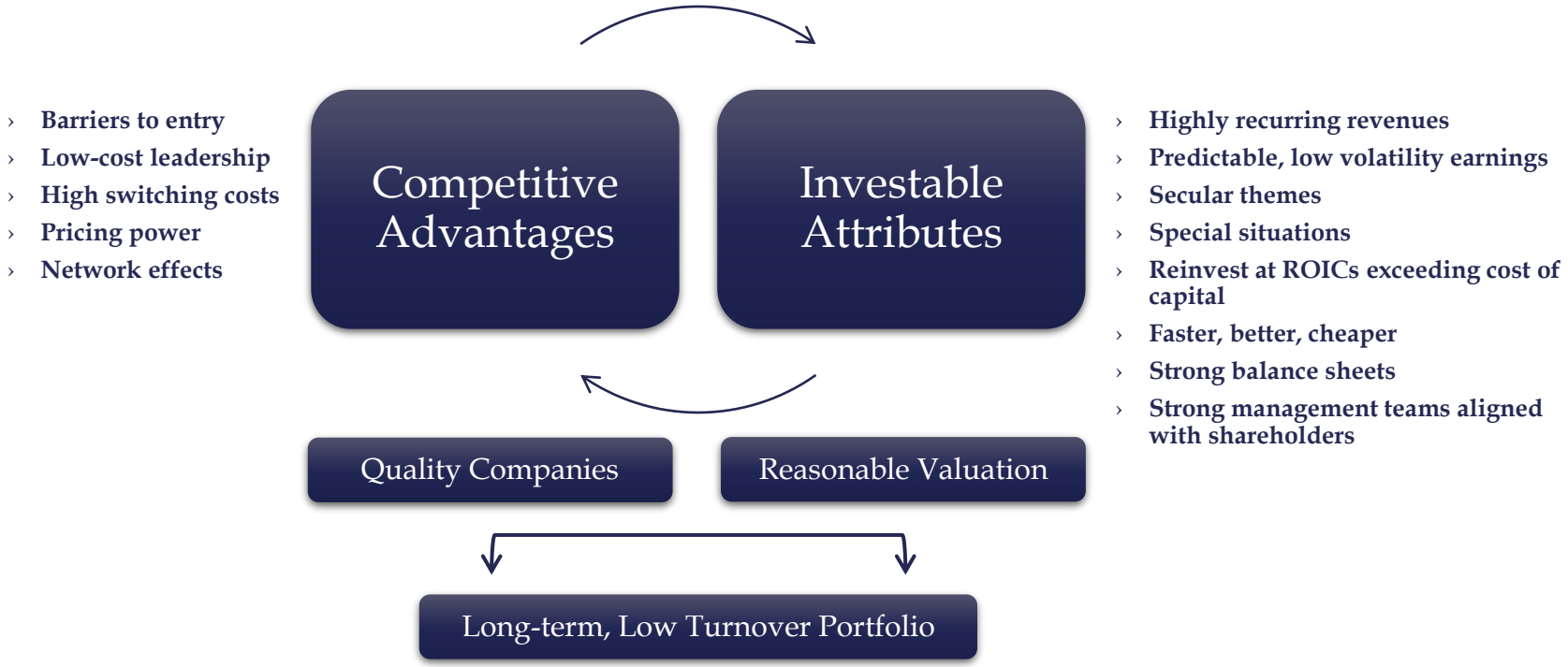
Brian J. Janowski, CFA, CPA	Ryan P. Bushman, CFA	Jeffrey J. Strong, CFA
Senior Vice President Co-Portfolio Manager Senior Equity Analyst	Vice President Co-Portfolio Manager Senior Equity Analyst	Vice President Co-Portfolio Manager Senior Equity Analyst

Paul J. Knych	Aaron D. Hizmi
Co-Portfolio Manager Senior Research Analyst	Associate Portfolio Manager Research Analyst

Marc R. Van Bell	Alex S. Powell
Vice President Client Relationship Management	Portfolio Analyst Client Service

Nicholas Investment Philosophy

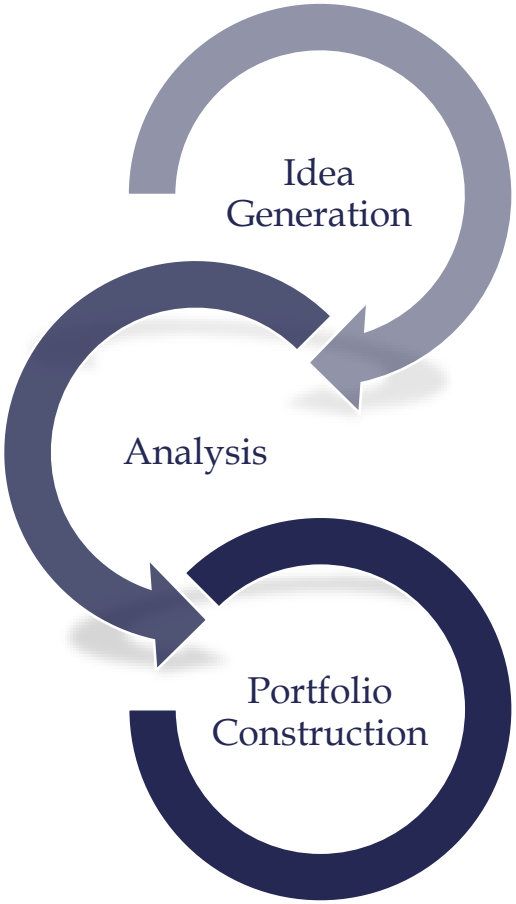
We believe using independent research to identify companies with high-quality growth attributes and sustainable competitive advantages guides us to stocks offering superior EPS and equity growth over the long-term. A disciplined, patient approach to stock valuation is followed while seeking to exploit short-term market fluctuations and extreme market moves as opportunities for excess returns. Our security selection, portfolio structure and risk management translate into portfolios we believe will result in greater price stability and consistent growth over time. Lower volatility and consistent growth serves to encourage clients to remain invested over market cycles to build wealth.



For illustrative purposes only.

NICHOLAS FUNDS

Nicholas Investment Process – A Proven Approach



Idea Generation

- Key characteristics:
  - Historical sales & earnings growth
  - ROIC
  - Dividend and capital returns to shareholders
  - Stock valuation based on industry specific metrics
- Industry research, conferences and company meetings

Fundamental Analysis

- Assess strength and durability of company's competitive advantage
- Evaluate business model
- Determine whether a prolonged growth opportunity exists
- Quality of balance sheet and manageable debt service over economic cycles
- Company has ability to generate FCF to reinvest in business or return capital to investors
- Capable management team with interests aligned with shareholders
- New ideas are presented at twice weekly meetings

Portfolio Construction/Risk Management

- Portfolio guidelines
  - Maximum industry exposure (25%) and stock position (5%) at time of purchase
- Stock positions determined by
  - Conviction of the business quality and growth opportunity
  - Potential risks to the investment thesis
  - Maintaining a diversified portfolio
- We manage risk on three levels: stock positions, portfolio structure and oversight

For illustrative purposes only.

NICHOLAS FUNDS

What is distinct to the Nicholas Investment Approach?

1. Our investment focus is on **companies with sustainable competitive advantages** that can drive superior potential earnings growth and financial results.

2. We have maintained a **patient, long-term focus** on investing to avoid overreaction to short-term market moves while using the volatility to capture value from excessive swings between investor exuberance and fear. Buying stocks while out-of-favor or during random, systematic market declines has been a key component of the Nicholas philosophy.

3. Nicholas has over **50 years of experience** managing small-, mid- and large-cap growth portfolios. We have some of the longest tenured actively managed mutual funds in the Morningstar database. David Nicholas is one of the longest tenured portfolio managers in the Morningstar Midcap Growth Category, having managed Nicholas II for over 30 years.

4. We believe it is critical to select stocks and structure portfolios that offer greater stability against risks of significant market declines. **Providing greater portfolio stability against adverse market conditions** can generate higher risk-adjusted returns for investors over market cycles.

Trailing Performance

Performance as of June 30, 2026	Expense Ratio	Assets (millions)	3 Month	Year to Date	1 Year	Average Annual 3 Year	5 Year	10 Year	15 Year
Nicholas Fund - NICSX	**0.70%**	**$ 3,925.4**	**12.42%**	**3.24%**	**4.91%**	**11.58%**	**9.20%**	**12.45%**	**12.40%**
Morningstar Large Growth Category	1.01%		18.98%	9.00%	18.29%	21.52%	10.51%	16.40%	14.30%
S&P 500			15.20%	10.21%	22.32%	20.61%	13.41%	15.51%	14.36%
Russell 1000 Growth			16.74%	5.33%	17.71%	22.58%	13.71%	18.58%	16.47%
Nicholas II Class I - NCTWX	**0.59%**	**$ 860.0**	**10.70%**	**2.08%**	**-0.87%**	**5.00%**	**2.64%**	**9.68%**	**9.68%**
Morningstar Mid-Cap Growth Category	1.16%		17.39%	12.72%	16.06%	14.29%	4.30%	12.12%	10.94%
Russell Midcap Growth			14.55%	7.27%	6.17%	15.61%	6.03%	13.04%	12.01%
Russell Midcap			13.83%	15.30%	21.63%	16.51%	8.50%	12.00%	11.63%
Nicholas Limited Edition Class I - NCLEX	**0.86%**	**$ 334.1**	**13.26%**	**-1.46%**	**-7.62%**	**1.06%**	**-0.42%**	**7.89%**	**7.93%**
Morningstar Small Growth Category	1.30%		24.47%	21.77%	33.31%	16.04%	4.65%	12.46%	10.85%
Russell 2000 Growth			25.71%	22.18%	38.74%	18.44%	5.57%	11.97%	10.81%
Russell 2000			21.49%	22.57%	40.78%	18.60%	6.98%	11.62%	10.52%
Nicholas Equity Income Fund - NSEIX	**0.70%**	**$ 462.1**	**5.74%**	**6.61%**	**11.61%**	**10.61%**	**6.85%**	**10.02%**	**10.00%**
Morningstar Large Value Category	0.96%		9.64%	11.30%	21.21%	16.13%	10.48%	11.47%	10.89%
S&P 500			15.20%	10.21%	22.32%	20.61%	13.41%	15.51%	14.36%
Russell 1000 Value			13.87%	16.26%	27.12%	17.79%	11.17%	11.52%	11.47%

Performance data quoted represents past performance; past performance does not guarantee 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 funds may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-544-6547. The funds impose a $15 wire redemption fee.

Investment performance for the periods prior to the fiscal year ended June 30, 2011, reflects fee waivers in effect for Nicholas Equity Income Fund. In the absence of such waivers the total return would be reduced.

NICHOLAS FUNDS

Calendar Year Performance

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Nicholas Fund - NICSX	**4.47%**	**16.71%**	**34.23%**	**-18.13%**	**26.55%**	**18.89%**	**33.49%**	**-1.52%**	**17.54%**	**0.92%**
Morningstar Large Growth Category	16.10%	28.96%	36.74%	-29.91%	20.45%	35.86%	31.90%	-2.09%	27.67%	3.23%
S&P 500	17.88%	25.02%	26.29%	-18.11%	28.71%	18.40%	31.49%	-4.38%	21.83%	11.96%
Russell 1000 Growth	18.56%	33.36%	42.68%	-29.14%	27.60%	38.49%	36.39%	-1.51%	30.21%	7.08%
Nicholas II Class I - NCTWX	**-1.23%**	**6.79%**	**19.88%**	**-18.00%**	**21.58%**	**15.72%**	**34.88%**	**-4.74%**	**25.63%**	**4.87%**
Morningstar Mid-Cap Growth Category	7.67%	16.47%	21.37%	-27.79%	13.05%	39.26%	32.52%	-6.65%	23.91%	6.03%
Russell Midcap Growth	8.66%	22.10%	25.87%	-26.72%	12.73%	35.59%	35.47%	-4.75%	25.27%	7.33%
Russell Midcap	10.60%	15.34%	17.23%	-17.32%	22.58%	17.10%	30.54%	-9.06%	18.52%	13.80%
Nicholas Limited Edition Class I - NCLEX	**-10.39%**	**11.94%**	**17.17%**	**-23.66%**	**19.00%**	**22.73%**	**27.37%**	**-1.00%**	**19.92%**	**12.37%**
Morningstar Small Growth Category	8.06%	14.98%	16.68%	-27.77%	11.89%	38.62%	27.68%	-5.76%	21.50%	11.20%
Russell 2000 Growth	13.01%	15.15%	18.66%	-26.36%	2.83%	34.63%	28.48%	-9.31%	22.17%	11.32%
Russell 2000	12.81%	11.54%	16.93%	-20.44%	14.82%	19.96%	25.52%	-11.01%	14.65%	21.31%
Nicholas Equity Income Fund - NSEIX	**9.60%**	**9.95%**	**7.87%**	**-6.88%**	**24.93%**	**8.73%**	**30.36%**	**-4.52%**	**12.41%**	**12.60%**
Morningstar Large Value Category	14.97%	14.28%	11.63%	-5.90%	26.22%	2.91%	25.04%	-8.53%	15.94%	14.81%
S&P 500	17.88%	25.02%	26.29%	-18.11%	28.71%	18.40%	31.49%	-4.38%	21.83%	11.96%
Russell 1000 Value	15.91%	14.37%	11.46%	-7.54%	25.16%	2.80%	26.54%	-8.27%	13.66%	17.34%

Performance data quoted represents past performance; past performance does not guarantee 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 funds may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by calling 1-800-544-6547.

NICHOLAS FUNDS

Rankings and Ratings

As of June 30, 2026

	Ticker	Morningstar Category	Morningstar Ratings			
			Overall	3 Year	5 Year	10 Year
Nicholas Fund	**NICSX**	**Large Growth**	★★	★	★★★	★★
		# of Funds	978	978	928	751
Nicholas II Class I	**NCTWX**	**Mid-Cap Growth**	★★	★★	★★★	★★
		# of Funds	459	459	441	377
Nicholas Limited Edition Class I	**NCLEX**	**Small Growth**	★★	★	★★	★★
		# of Funds	522	522	499	401
Nicholas Equity Income Fund	**NSEIX**	**Large Value**	★★	★	★	★★
		# of Funds	1,054	1,054	991	830

© [2025] Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods.

NICHOLAS FUNDS

Nicholas Fund

NICSX

Lead Portfolio Manager: David O. Nicholas, CFA
Co-Portfolio Manager: Jeffrey J. Strong, CFA

Style: Multi-cap Growth
Fund Inception: 07/14/1969
Fund Assets: $3,925.4 million
Number of Holdings: 51

Investment Approach:
Nicholas Fund, Inc. pursues long-term capital growth through a diversified stock portfolio of small- to large-sized companies with capitalizations generally between $1 to $100 billion. The Fund is typically benchmarked against the S&P 500 Index.

Nicholas Fund is our flagship fund with its long history beginning in 1969. The lead portfolio manager is David O. Nicholas, CFA with Jeffrey J. Strong, CFA serving as co-portfolio manager. Nicholas Fund was launched two years after Albert "Ab" O. Nicholas started Nicholas Company, Inc. Nicholas Fund utilizes a multi-cap growth strategy that allows the portfolio manager to pursue the best growth opportunities in the market without being constrained by arbitrary market capitalization guidelines. Nicholas Fund is generally focused on mid and larger capitalized stocks but will invest in smaller companies where the investment team finds opportunity.

The Fund may invest in smaller companies, which involve additional risks such as limited liquidity and greater volatility.

Must be preceded or accompanied by a prospectus.

Mutual fund investing involves risk. Principal loss is possible.

Please refer to Glossary for index definitions.

Quasar Distributors, LLC, Distributor

NICHOLAS FUNDS

Nicholas Fund Historical Performance

Performance as of June 30, 2026	Expense Ratio	Assets (millions)	3 Month	Year to Date	1 Year	Average Annual 3 Year	5 Year	10 Year	15 Year
Nicholas Fund - NICSX	**0.70%**	**$ 3,925.4**	**12.42%**	**3.24%**	**4.91%**	**11.58%**	**9.20%**	**12.45%**	**12.40%**
Morningstar Large Growth Category	1.01%		18.98%	9.00%	18.29%	21.52%	10.51%	16.40%	14.30%
S&P 500			15.20%	10.21%	22.32%	20.61%	13.41%	15.51%	14.36%
Russell 1000 Growth			16.74%	5.33%	17.71%	22.58%	13.71%	18.58%	16.47%

Performance data quoted represents past performance; past performance does not guarantee 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 calling 1-800-544-6547.

NICHOLAS FUNDS

Nicholas Fund Characteristics

Nicholas Fund

As of 06/30/2026

Characteristics	Nicholas Fund	S&P 500[2]	Russell 1000 Growth
Net Assets	$3,925.4 million		
Weighted Avg. Market Capitalization	$1,295,265	$1,426,567	$1,976,048
NTM P/E[1]	25.88x	22.22x	27.93x
LTM P/E[1]	31.10x	26.72x	34.16x
Price/Book[1]	7.44x	5.41x	14.32x
Price/Sales[1]	6.09x	3.74x	7.56x
Historical 3 Year Sales Growth	15.95%	15.67%	26.35%
Long-Term Debt/Capital	36.53%	35.19%	30.60%
Number of Holdings	51	503	368
Turnover Rate*	14.66%		

5-Year Performance Statistics[2]	
Beta	0.96
R-Squared %	92.87
Standard Deviation %*	15.82
Sharpe Ratio*	0.40
Up Capture %	89.44
Down Capture %	104.15

Source: Factset, Morningstar

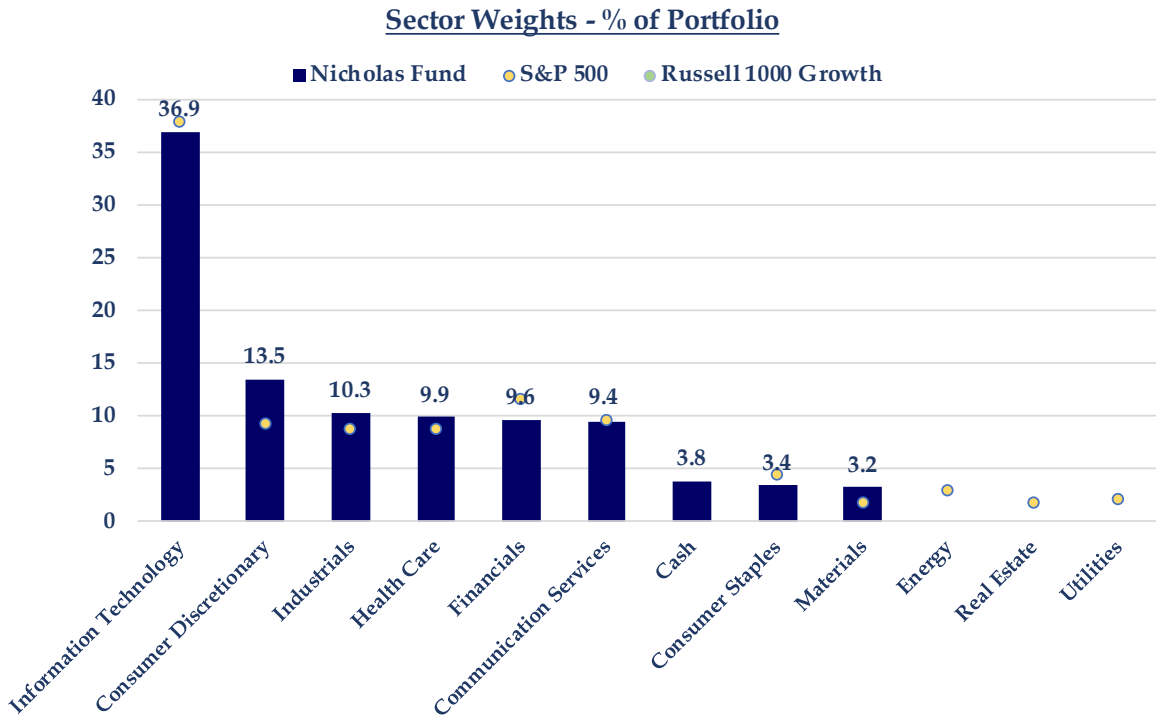
*Annualized [1]Weighted Harmonic Average [2]Calculation Benchmark

Past performance does not guarantee future results.

NICHOLAS FUNDS

Nicholas Fund Characteristics

Top 10 Equity Holdings	% of Net Assets
Alphabet Inc.	6.16%
NVIDIA Corporation	5.88%
Amazon.com, Inc.	5.28%
Apple Inc.	4.86%
Microsoft Corporation	3.95%
Advanced Micro Devices Inc	2.64%
Broadcom Inc	2.33%
Palo Alto Networks Inc	2.30%
Eli Lilly & Co	2.13%
Thermo Fischer Scientific Inc.	2.03%
% of Top Ten Holdings	37.57%
Total Holdings	51



Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security. Due to rounding, numbers presented may not total.

NICHOLAS FUNDS

Nicholas II

NCTWX

Lead Portfolio Manager: David O. Nicholas, CFA
Co-Portfolio Manager: Brian J. Janowski, CFA, CPA
Co-Portfolio Manager: Jefferey J. Strong, CFA

Style: Mid-Cap Growth
Fund Inception: 10/17/1983
Fund Assets (Class I): $860.0 million
Number of Holdings: 66

Investment Approach:
Nicholas II, Inc. pursues long-term capital growth through a diversified stock portfolio of small- to medium-sized companies with capitalizations generally between $500 million to $10 billion. The Fund is typically benchmarked against the Russell Midcap Growth Index.

Nicholas II was the second equity fund launched by Nicholas Funds in 1983. The investment strategy focus is on mid-cap growth stocks of companies with sound business fundamentals, attractive earnings prospects and valuations priced at a discount to their long-term potential. David O. Nicholas, CFA is the lead portfolio manager for the Fund and has been at the helm since 1993. He also serves as the Chief Investment Officer for Nicholas Company. Brian J. Janowski, CFA, CPA was named co-portfolio manager of Nicholas II, Inc. in 2018, and Jefferey J. Strong, CFA in 2025.

The Fund may invest in smaller companies, which involve additional risks such as limited liquidity and greater volatility.

Must be preceded or accompanied by a prospectus.

Mutual fund investing involves risk. Principal loss is possible.

Please refer to Glossary for index definitions.

Quasar Distributors, LLC, Distributor

NICHOLAS FUNDS

Nicholas II Historical Performance

Performance as of June 30, 2026	Expense Ratio	Assets (millions)	3 Month	Year to Date	1 Year	Average Annual 3 Year	5 Year	10 Year	15 Year
Nicholas II Class I - NCTWX	**0.59%**	**$ 860.0**	**10.70%**	**2.08%**	**-0.87%**	**5.00%**	**2.64%**	**9.68%**	**9.68%**
Morningstar Mid-Cap Growth Category	1.16%		17.39%	12.72%	16.06%	14.29%	4.30%	12.12%	10.94%
Russell Midcap Growth			14.55%	7.27%	6.17%	15.61%	6.03%	13.04%	12.01%
Russell Midcap			13.83%	15.30%	21.63%	16.51%	8.50%	12.00%	11.63%

Performance data quoted represents past performance; past performance does not guarantee 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 calling 1-800-544-6547.

NICHOLAS FUNDS

Nicholas II Characteristics

Nicholas II

As of 06/30/2026

Characteristics	Nicholas II	Russell Midcap Growth[2]
Net Assets	$917.4 million	
Weighted Avg. Market Capitalization	$29,962	$42,408
NTM P/E[1]	22.55x	27.86x
LTM P/E[1]	28.13x	35.92x
Price/Book[1]	4.66x	12.52x
Price/Sales[1]	3.35x	2.79x
Historical 3 Year Sales Growth	8.38%	26.26%
Long-Term Debt/Capital	43.82%	46.34%
Number of Holdings	66	267
Turnover Rate*	13.19%	

5-Year Performance Statistics[2]	
Beta	0.76
R-Squared %	88.71
Standard Deviation %*	16.03
Sharpe Ratio*	0.01
Up Capture %	75.19
Down Capture %	83.49

Source: Factset, Morningstar

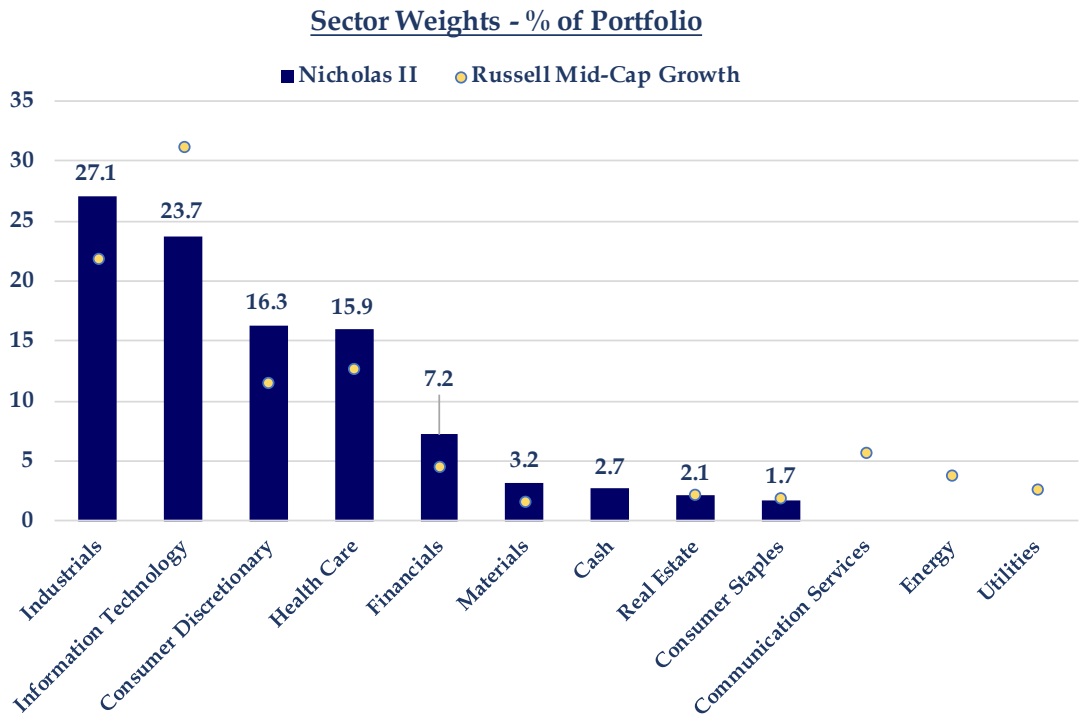
*Annualized [1]Weighted Harmonic Average [2]Calculation Benchmark

Past performance does not guarantee future results.

NICHOLAS FUNDS

Nicholas II Characteristics

Top 10 Equity Holdings	% of Net Assets
Lattice Semiconductor Corp	4.10%
AMETEK Inc.	2.85%
Teledyne Technologies Inc.	2.77%
Datadog Inc	2.69%
Okta Inc	2.49%
Corpay Inc	2.45%
Nordson Corp	2.44%
Microchip Technology Inc.	2.43%
IDEX Corp	2.29%
Old Dominion Freight Line Inc	2.23%
% of Top Ten Holdings	26.74%
Total Holdings	66



Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security. Due to rounding, numbers presented may not total.

NICHOLAS FUNDS

Nicholas Limited Edition

NCLEX

Lead Portfolio Manager: David O. Nicholas, CFA
Co-Portfolio Manager: Ryan P. Bushman, CFA
Associate Portfolio Manager: Aaron D. Hizmi

Style: Small-Cap Growth
Fund Inception: 05/18/1987
Fund Assets (Class I): $334.1 million
Number of Holdings: 61

Investment Approach:
Nicholas Limited Edition, Inc. pursues long-term capital growth through a diversified stock portfolio of primarily small-sized companies with capitalizations generally less than $2 billion. The Fund is typically benchmarked against the Russell 2000 Growth Index.

Nicholas Limited Edition, a fund specifically designed to invest in small-cap growth stocks, was launched in 1987. The focus is on small-cap growth companies with market capitalizations generally between $500 million and $2 billion with sound business models, strong prospects for future earnings growth and trading at discounted valuations to their long-term potential. David O. Nicholas, CFA is the lead portfolio manager of the Fund and has been at the helm since 1993. He also serves as the Chief Investment Officer for Nicholas Company. Ryan P. Bushman, CFA was named co-portfolio manager of Nicholas Limited Edition, Inc. in 2021, and Aaron D. Hizmi was named associate portfolio manager in 2025.

The Fund may invest in smaller companies, which involve additional risks such as limited liquidity and greater volatility.

Must be preceded or accompanied by a prospectus.

Mutual fund investing involves risk. Principal loss is possible.

Please refer to Glossary for index definitions.

Quasar Distributors, LLC, Distributor

NICHOLAS FUNDS

Nicholas Limited Edition Performance History

Performance as of June 30, 2026	Expense Ratio	Assets (millions)	3 Month	Year to Date	1 Year	Average Annual 3 Year	Average Annual 5 Year	Average Annual 10 Year	Average Annual 15 Year
Nicholas Limited Edition Class I - NCLEX	**0.86%**	**$ 334.1**	**13.26%**	**-1.46%**	**-7.62%**	**1.06%**	**-0.42%**	**7.89%**	**7.93%**
Morningstar Small Growth Category	1.30%		24.47%	21.77%	33.31%	16.04%	4.65%	12.46%	10.85%
Russell 2000 Growth			25.71%	22.18%	38.74%	18.44%	5.57%	11.97%	10.81%
Russell 2000			21.49%	22.57%	40.78%	18.60%	6.98%	11.62%	10.52%

Performance data quoted represents past performance; past performance does not guarantee 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 calling 1-800-544-6547.

NICHOLAS FUNDS

Nicholas Limited Edition Characteristics

Nicholas Limited Edition

As of 06/30/2026

Characteristics	Nicholas Limited Edition	Russell 2000 Growth[2]
Net Assets	$343.4 million	
Weighted Avg. Market Capitalization	$5,813	$4,792
NTM P/E[1]	19.18x	22.14x
LTM P/E[1]	26.49x	26.32x
Price/Book[1]	3.09x	4.82x
Price/Sales[1]	2.17x	2.03x
Historical 3 Year Sales Growth	9.66%	24.70%
Long-Term Debt/Capital	30.15%	37.38%
Number of Holdings	61	1,109
Turnover Rate*	9.16%	

5-Year Performance Statistics[2]	
Beta	0.67
R-Squared %	74.87
Standard Deviation %*	16.85
Sharpe Ratio*	(0.16)
Up Capture %	59.62
Down Capture %	74.15

Source: Factset, Morningstar

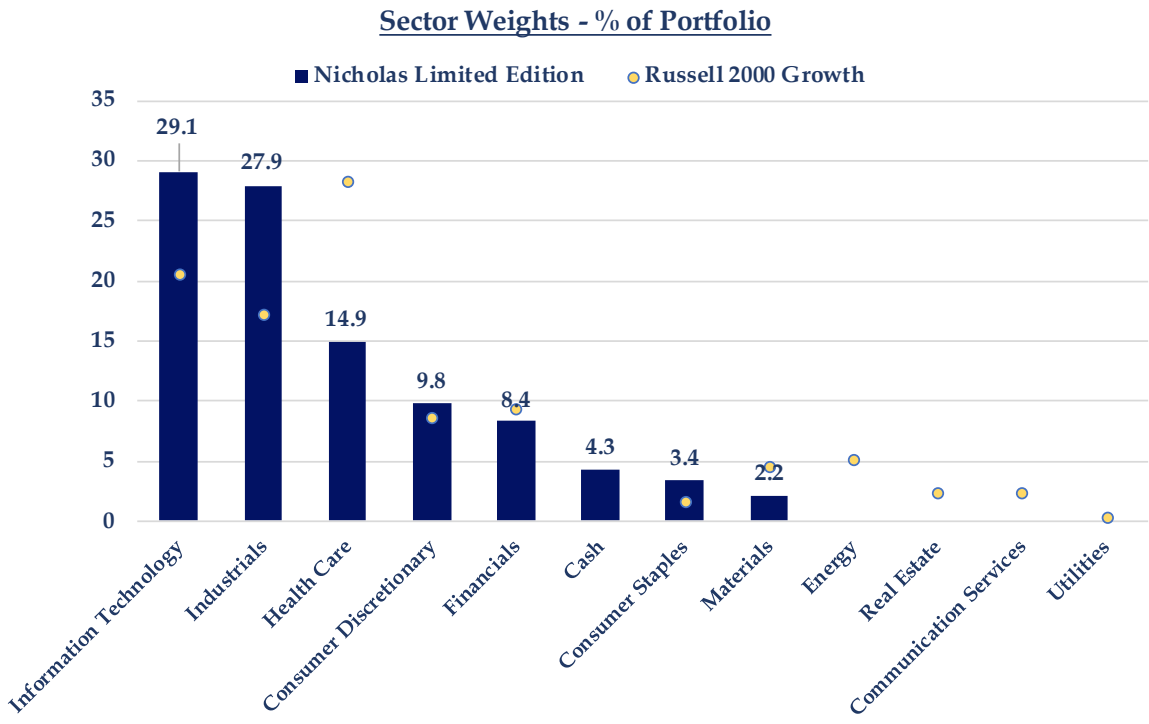
*Annualized [1]Weighted Harmonic Average [2]Calculation Benchmark

Past performance does not guarantee future results.

NICHOLAS FUNDS

Nicholas Limited Edition Characteristics

Top 10 Equity Holdings	% of Net Assets
Dorman Products, Inc.	2.93%
Cohen & Steers Inc.	2.76%
La-Z-Boy Inc	2.30%
Bio-Techne Corp	2.27%
Novanta Inc	2.25%
ENCOMPAS HEALTH CORP	2.24%
Casella Waste Systems Inc.	2.21%
Aptar Group Inc	2.17%
RB Global Inc.	2.11%
Power Integrations Inc.	2.07%
% of Top Ten Holdings	23.32%
Total Holdings	61



Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security. Due to rounding, numbers presented may not total.

NICHOLAS FUNDS

Nicholas Equity Income

NSEIX

Lead Portfolio Manager: David O. Nicholas, CFA
Co-Portfolio Manager: Paul J. Knych

Style: Equity Income with Growth
Fund Inception: 11/23/1993
Fund Assets: $462.1 million
Number of Holdings: 57

Investment Approach:

Nicholas Equity Income Fund, Inc. seeks to provide investors with a reasonable stream of income along with long-term capital growth through a diversified portfolio of stocks with attractive dividend yields. The Fund will invest in small- to large-sized companies with capitalizations generally between $1 to $100 billion. The Fund is typically benchmarked against the Standard & Poor's 500 Index.

Nicholas Equity Income Fund was designed to invest in dividend-paying stocks across the market capitalization spectrum. The Fund launched in 1993 and is managed by lead portfolio manager David O. Nicholas, CFA, co-portfolio manager Paul J. Knych. The Fund has tended to own more small- and mid-cap stocks. We believe the focus on smaller companies allows the Fund to enhance its potential return by combining the long-term principal appreciation of smaller stocks along with the power of dividend income.

The Fund may invest in smaller companies, which involve additional risks such as limited liquidity and greater volatility. Additionally, the Fund may invest in debt securities. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities.

Must be preceded or accompanied by a prospectus.

Mutual fund investing involves risk. Principal loss is possible.

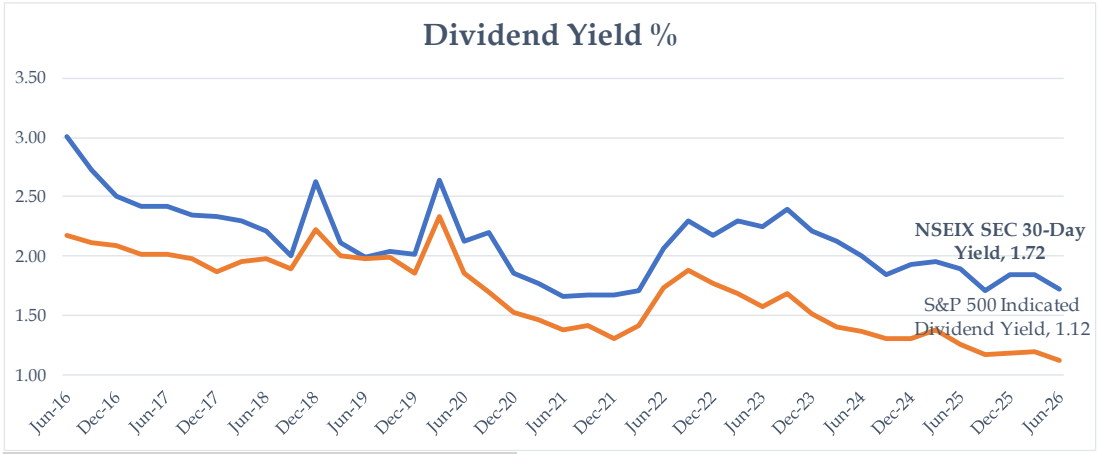
Please refer to Glossary for index definitions.

Quasar Distributors, LLC, Distributor

NICHOLAS FUNDS

Nicholas Equity Income Fund Performance History

Performance as of June 30, 2026	Expense Ratio	Assets (millions)	3 Month	Year to Date	1 Year	Average Annual 3 Year	5 Year	10 Year	15 Year
Nicholas Equity Income Fund - NSEIX	**0.70%**	**$ 462.1**	**5.74%**	**6.61%**	**11.61%**	**10.61%**	**6.85%**	**10.02%**	**10.00%**
Morningstar Large Value Category	0.96%		9.64%	11.30%	21.21%	16.13%	10.48%	11.47%	10.89%
S&P 500			15.20%	10.21%	22.32%	20.61%	13.41%	15.51%	14.36%
Russell 1000 Value			13.87%	16.26%	27.12%	17.79%	11.17%	11.52%	11.47%



*Source: S&P Dow Jones as of 6/30/2026

Performance data quoted represents past performance; past performance does not guarantee 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 calling 1-800-544-6547.

Lipper Analytical Services, Inc. is an independent mutual fund research and rating service. Each Lipper average represents a universe of funds with similar investment objectives.

Investment performance for the periods prior to the fiscal year ended June 30, 2011, reflects fee waivers in effect for Nicholas Equity Income Fund. In the absence of such waivers the total return would be reduced.

NICHOLAS FUNDS

Nicholas Equity Income Fund Characteristics

Nicholas Equity Income

As of 06/30/2026

Characteristics	Equity Income	S&P 500[2]	Russell 1000 Value
Net Assets	$462.1 million		
Weighted Avg. Market Capitalization	$298,955	$1,426,567	$684,708
NTM P/E[1]	19.61x	22.22x	18.20x
LTM P/E[1]	24.44x	26.72x	21.67x
Price/Book[1]	3.94x	5.41x	3.16x
Price/Sales[1]	3.25x	3.74x	2.32x
Historical 3 Year Sales Growth	4.42%	15.67%	6.60%
Long-Term Debt/Capital	44.43%	35.19%	39.70%
Number of Holdings	57	503	870
Turnover Rate*	30.08%		

5-Year Performance Statistics[2]	
Beta	0.71
R-Squared %	75.29
Standard Deviation %*	13.03
Sharpe Ratio*	0.29
Up Capture %	67.91
Down Capture %	80.28

Source: Factset, Morningstar

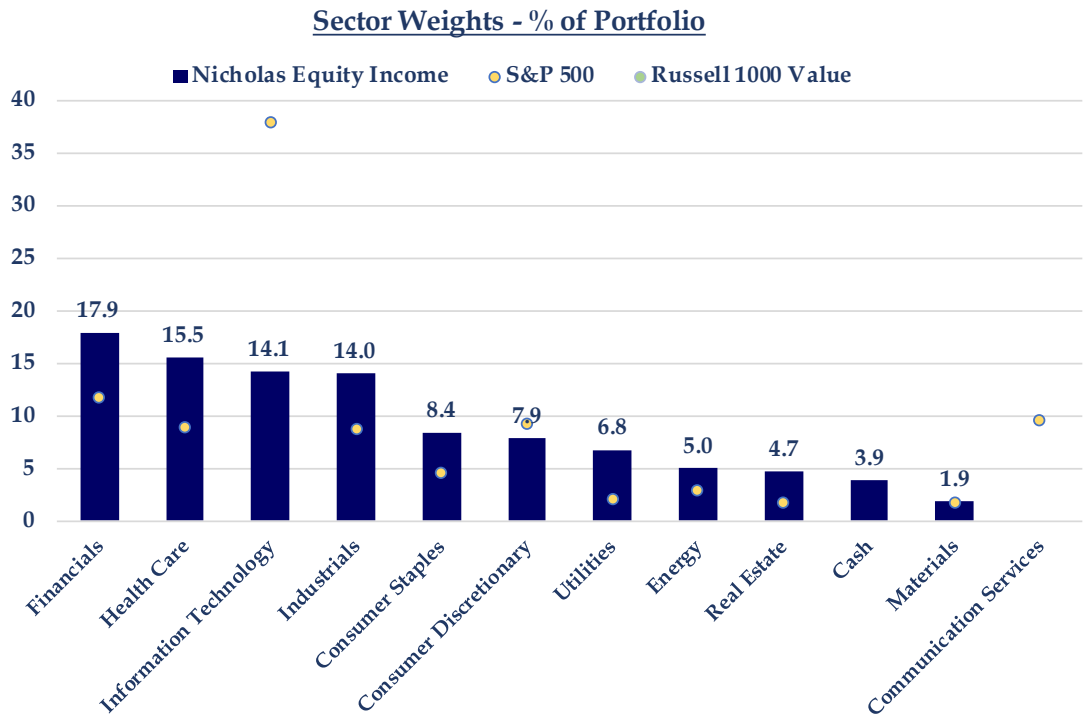
*Annualized [1]Weighted Harmonic Average [2]Calculation Benchmark

Past performance does not guarantee future results.

NICHOLAS FUNDS

Nicholas Equity Income Fund Characteristics

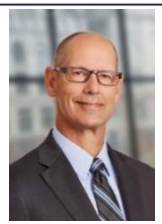
Top 10 Equity Holdings	% of Net Assets
PNC Financial Services Group Inc.	2.81%
JPMorgan Chase & Co.	2.77%
Microsoft Corporation	2.74%
Johnson & Johnson	2.72%
Union Pacific Corp	2.68%
US Bancorp	2.58%
Cisco Systems Inc	2.47%
Charles Schwab Corp/The	2.28%
Texas Instruments Inc	2.14%
AbbVie Inc	2.10%
% of Top Ten Holdings	25.28%
Total Holdings	57



Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security. Due to rounding, numbers presented may not total.

NICHOLAS FUNDS

Investment Team



David O. Nicholas, CFA – Chief Executive Officer, President and Portfolio Manager

- Nicholas Company, Inc., 1986 – Present
- First Wisconsin National Bank, Milwaukee, 1983 – 1986
- University of Wisconsin – Milwaukee, M.S. 1987
- University of Wisconsin, B.B.A. 1983

Lawrence J. Pavelec, CFA – Executive Vice President and Portfolio Manager

- Nicholas Company, Inc., 2003 – Present
- Brandes Investment Partners, LLC, 1999 – 2003
- Heartland Advisors, 1998 – 1999
- M&I Investment Management Inc., 1984 – 1998
- University of Wisconsin – La Crosse, B.S. 1980

Brian J. Janowski, CFA, CPA – Senior Research Analyst and Co-Portfolio Manager

- Nicholas Company, Inc., 2016 – Present
- BMO Asset Management, 2008 – 2016
- American Family Insurance, 2002 – 2008
- State of Wisconsin Investment Board, 1997 – 2002
- BDO Seidman, LLP, 1995 – 1997
- University of Wisconsin, B.B.A. 1995

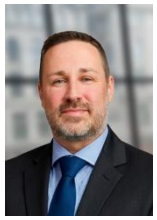
Ryan P. Bushman, CFA – Senior Research Analyst and Co-Portfolio Manager

- Nicholas Company, Inc., 2020 – Present
- Rice Hall James & Associates, 2017 – 2020
- BMO Asset Management, 2000 – 2016
- Marquette University, M.B.A 2010
- University of Wisconsin-Whitewater, B.B.A. 2000

Investment Team

Jeffrey J. Strong, CFA – Senior Research Analyst and Co-Portfolio Manager

- Nicholas Company, Inc., 2021 – Present
- State of Wisconsin Investment Board, 2018 – 2021
- Heartland Advisors, Inc., 2017 – 2018
- BMO Asset Management, 2006 – 2016
- University of Wisconsin, M.B.A 2010
- University of Wisconsin, B.B.A. 2006



Paul J. Knych – Senior Research Analyst and Co-Portfolio Manager

- Nicholas Company, Inc., 2023 – Present
- Nuveen, 2011 – 2023
- Mercer Investment Consulting, 2006 - 2011
- Aon Hewitt, 2005 – 2006
- DePaul University, M.S.F. 2010
- Depaul University, M.B.A. 2008
- Northeastern Illinois University, B.S. 2005

Aaron D. Hizmi – Equity Research Analyst and Associate Portfolio Manager

- Nicholas Company, Inc., 2023 – Present
- T. Rowe Price, 2018 – 2023
- University of Wisconsin, M.S. 2018
- University of Wisconsin, B.B.A. 2017

Marc R. Van Bell – Client Relationship Manager

- Nicholas Company, Inc., 2024 – Present
- Columbia Threadneedle Investments, 2022 - 2023
- BMO Asset Management, 2010 – 2021
- Northwestern University M.B.A. 1997
- University of Iowa, B.B.A. 1990

Alexander S. Powell – Portfolio Analyst

- Nicholas Company, Inc., 2016 – Present
- Capital Market Consultants, Inc., 2011 – 2016
- University of Wisconsin – Milwaukee, B.B.A. 2012

NICHOLAS FUNDS

Glossary of Terms

- **Annualized Return -** Rate of return of the account smoothed as though the return occurred equally over twelve-month periods. When the specified time frame is less than a year, the rate of return is projected as though the same performance continues to occur for a twelve-month period. See Rate of Return.
- **Basis Point -** One-hundredth of a percentage point. For example, 50 basis points equals .50%.
- **Beta -** A stock's (or portfolio's) beta measures its volatility versus an index. A stock (or portfolio) with a beta higher than 1 has tended to exhibit more volatility than the index, while a stock (or portfolio) with a beta between 0 and 1 has tended to exhibit less volatility than the index.
- **Bond -** Interest-bearing certificates of indebtedness or IOU's. While bonds' rates of return remain fixed, bond prices change in relation to interest rates - when interest rates go up, bond prices go down, and vice versa. However, bond funds are variable funds and fluctuate with market conditions.
- **Common Equity -** A security that represents ownership in a corporation. Owners of the security are generally entitled to vote on the selection of directors and other important matters.
- **Diversification -** Spreading your money over many different types of investments. This does not guarantee against loss of value in your investments.
- **Debt to Capital -** The ratio is the long-term debt of a company divided by the company's total capital. A company's capital is defined as long-term debt plus preferred stock plus common stock expressed as a percentage.
- **Dividends -** The distribution of earnings to stockholders by a company. Dividends are usually paid out from current earnings.
- **Dividend Yield -** The annual dividends per share divided by the price per share expressed as a percentage.
- **Down Capture** – measures how an investment performs compared to a benchmark index during negative market conditions. If a mutual fund has a down-market ratio below 100, it means it performed better than the index.
- **Earnings growth -** The annual rate of growth of earnings from investments.
- **Earnings Per Share (EPS) -** The net income available to common shareholders less dividends on preferred stock divided by the weighted average number of shares outstanding. The growth rate is a measure of the annual percentage growth rate of EPS over the stated period of time.

Glossary of Terms

- **EBITDA -** Earnings Before Interest, Taxes, Depreciation and Amortization.
- **Fiscal Year -** Business year. Assumed to be the calendar year, unless otherwise designated.
- **Free Cash Flow (FCF) -** It is generally defined as cash flow from operating activities minus total capital expenditures. It may be specifically defined as Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) less Capital Expenditures and Interest Expense.
- **Fundamental Information -** Benchmark and portfolio fundamentals are, in general, unadjusted figures based on published historical information. Portfolio fundamentals may be adjusted by the firm in cases where unadjusted information would materially misrepresent the company or the aggregate portfolio information.
- **Geometric Avg. Market Cap** - A measure of the mean market capitalization of the portfolio. It is calculated by raising the market capitalization of each company to a power equal to that holdings weight in the portfolio. The resulting numbers are then multiplied by each other.
- **Gross of Fees -** Prior to subtraction of management fees.
- **Harmonic Average -** A way to average a set of data. This function ignores NA and zero (0) data points. Negative values are included in the calculation. The harmonic average is useful when averaging series with abnormal spikes or dips. The harmonic average by itself does not exclude extreme values (positive or negative). It simply reduces the impact of outliers on the aggregate calculation.
- **Long-Term Debt/Capital -** Long-term debt of a corporation divided by the corporation's common equity.
- **Large Cap -** Large Capitalization refers to those companies with a market capitalization generally greater than $10 billion.
- **Lipper Equity Income Funds Objective -** Funds that by prospectus language and portfolio practice, seek relatively high current income and growth of income through investing 65% or more of their portfolio in equities.
- **Market Capitalization -** The number of common shares outstanding multiplied by the current market price per common share.
- **Market Price -** Price of the investment as of the appraisal date.

Glossary of Terms

- **Medium/Mid Cap -** Medium Capitalization - refers to those companies with a market capitalization generally between $2 billion and $10 billion.
- **Morningstar™ Category Averages -** Each Morningstar™ Average represents a universe with similar investment objectives.
- **NASDAQ Composite -** The NASDAQ Composite Index is an unmanaged, capitalization-weighted index of all stocks traded on the NASDAQ Stock Market and includes dividends and distributions, but does not reflect fees, brokerage commissions, or other expenses of investing. One cannot invest directly in an index.
- **Net of Fees -** After subtraction of management fees.
- **Price/Book -** Price per share divided by book value per share. The harmonic function reduces the impact of outliers in the denominator on the aggregate calculation.
- **Price/Sales Ratio -** The common stock price at a specific point in time divided by the revenue per share. The harmonic function reduces the impact of outliers in the denominator on the aggregate calculation.
- **Price/Earnings Capped -** PE is a valuation ratio of a company's current share price compared to its per-share earnings. These values are limited in a range between 0 and 60.
- **Realized Gain/Loss -** Profit or loss resulting from the sale or other disposal of a security.
- **Rate of Return -** Percentage change in the market value of the account over the specified time frame, including realized and unrealized gains or losses, dividends, and income.
- **Return on Assets (ROA) -** A measure of a company's profitability determined by dividing the net income of a company for a stated period divided by the total assets.
- **Return on Equity (ROE) -** Net income divided by common equity.
- **Return on Invested Capital (ROIC) –** a profitability or performance ratio that aims to measure the percentage return that investors in a company are earning from their invested capital.
- **R-Squared** – is a percentage that measures the correlation between a portfolio's returns and a benchmark's returns.

Glossary of Terms

- **Russell 1000® Index -** The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000 Index, which represents approximately 92% of the total market capitalization of the Russell 3000 Index. One cannot invest directly in an index.
- **Russell 1000® Growth Index -** The Russell 1000® Growth Index measures the performance of the largest companies in the Russell 3000 Index with higher price-to-book ratios and higher forecasted growth values. One cannot invest directly in an index.
- **Russell 2000® Index -** Russell 2000® Index measures the performance of the 2,000 smallest companies in the Russell 3000 Index, which represents approximately 8% of the total market capitalization of the Russell 3000 Index. One cannot invest directly in an index.
- **Russell 2000® Growth Index -** Russell 2000® Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. One cannot invest directly in an index.
- **Russell Midcap® Index -** Russell Midcap® Index measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 25% of the total market capitalization of the Russell 1000 Index. One cannot invest directly in an index.
- **Russell Midcap® Growth Index -** Russell Midcap® Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. The stocks are also members of the Russell 1000 Growth index. One cannot invest directly in an index.
- **Russell Midcap® Value Index -** Russell Midcap® Value Index measures the performance of those Russell Midcap companies with lower price-to-book ratios or price-to-earnings ratios. The stocks are also members of the Russell 1000 Growth index. One cannot invest directly in an index.
- **Sales Growth -** The amount a company derives from sales compared to a previous, corresponding period of time.
- **Sharpe Ratio -** A risk-adjusted measure developed by Professor William F. Sharpe, which measures reward per unit of risk. The higher the Sharpe Ratio, the better. The numerator is the difference between the portfolio's annualized return and the annualized return of the risk-free instrument (T-Bills). The denominator is the portfolio's annualized standard deviation.
- **Small Cap -** Refers to those companies with a market capitalization of generally less than $3 billion.
- **S&P 500 -** The S&P 500 Index consists of 500 stocks and is designed to form a representative sample of the United States stock market. This index is often used as a benchmark for U.S. equity portfolios and includes dividends and distributions, but does not reflect fees, brokerage commissions, or other expenses of investing. One cannot invest directly in an index.

Glossary of Terms

- **Standard Deviation** – a statistical measurement of how much an investment's returns vary from its average.
- **Total Return (Cumulative Return) -** Rate of return of the account over the specified time period. See Rate of Return.
- **Turnover Rate -** The percentage of investment holdings that have been replaced in a given period of time.
- **Typical Position -** A position most likely to be held in the portfolio.
- **Unrealized Gain/Loss -** A tentative gain or loss on an investment that has not been realized. A gain or loss becomes realized once the investment is sold.
- **Up Capture** – measures how an investment performs compared to a benchmark index during positive market conditions. If a mutual fund has an up capture ratio above 100, it means it performed better than the index.
- **Weighted Average Market Cap** - A measure of the mean size of a portfolio's holdings. It is a sum calculated by multiplying the weight of each security in a portfolio by their respective market capitalizations.
- **Weighted Harmonic Average** – A calculation that reduces the impact of extreme observations on the aggregate calculation by weighting them based on their size in the fund.