



**ANNUAL
FINANCIAL STATEMENTS
AND OTHER INFORMATION**
N-CSR Items 7-12
DECEMBER 31, 2025

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Schedule of Investments

December 31, 2025

(Percentages are of the Fund's Net Assets)

Common Stocks (97.0%)

Shares		Value (Note 1)
	Aerospace & Defense (12.9%)	
30,376,735	Rolls-Royce Holdings PLC (United Kingdom)	\$ 470,882,679
1,148,165	Rolls-Royce Holdings PLC - SP ADR (United Kingdom)	18,049,154
		<u>488,931,833</u>
	Application Software (9.0%)	
82,980	Constellation Software, Inc. (Canada)	199,592,126
528,328	SAP SE (Germany)	129,362,653
45,927	SAP SE - SP ADR (Germany)	11,156,128
		<u>340,110,907</u>
	Cable & Satellite (1.9%)	
136,469	Charter Communications, Inc. - Class A(a)	28,487,904
340,216	Liberty Broadband Corp. - Class A(a)	16,425,628
582,797	Liberty Broadband Corp. - Class C(a)	28,323,934
		<u>73,237,466</u>
	Consumer Finance (7.7%)	
826,743	Capital One Financial Corp.	200,369,434
204,668	Credit Acceptance Corp.(a)	90,762,071
		<u>291,131,505</u>
	Financial Exchanges & Data (4.3%)	
1,015,750	Intercontinental Exchange, Inc.	164,510,870
	Health Care Supplies (1.9%)	
454,963	Align Technology, Inc.(a)	71,042,473
	Integrated Telecommunication Services (0.3%)	
68,043	GCI Liberty, Inc. - Class A(a)	2,508,745
181,122	GCI Liberty, Inc. - Class C(a)	6,739,550
		<u>9,248,295</u>
	Interactive Media & Services (9.4%)	
991,141	Alphabet, Inc. - Class A	310,227,133
70,138	Meta Platforms, Inc. - Class A	46,297,392
		<u>356,524,525</u>
	Investment Banking & Brokerage (4.4%)	
1,671,788	The Charles Schwab Corp.	167,028,339
	IT Consulting & Other Services (2.5%)	
352,334	Accenture PLC - Class A (Ireland)	94,531,212
	Life Sciences Tools & Services (8.7%)	
2,921,395	Eurofins Scientific SE (Luxembourg)	214,233,140
631,186	ICON PLC (Ireland)(a)	115,014,713
		<u>329,247,853</u>
	Managed Health Care (7.3%)	
532,467	Elevance Health, Inc.	186,656,307
277,001	UnitedHealth Group, Inc.	91,440,800
		<u>278,097,107</u>
	Movies & Entertainment (13.2%)	
42,201	Liberty Media Corp.-Liberty Formula One - Class A(a)	3,771,926

The accompanying notes form an integral part of these Financial Statements.

Schedule of Investments (Continued)
December 31, 2025

Shares		Value (Note 1)
	Movies & Entertainment (13.2%) (Continued)	
2,739,436	Liberty Media Corp.-Liberty Formula One - Class C(a)	\$ 269,861,840
8,685,297	Universal Music Group NV (Netherlands)	226,900,744
		<u>500,534,510</u>
	Multi-Sector Holdings (1.0%)	
78,269	Berkshire Hathaway, Inc. - Class B(a)	39,341,913
	Office Services & Supplies (2.8%)	
672,227	MSA Safety, Inc.	107,650,432
	Research & Consulting Services (0.8%)	
1,012,960	Amentum Holdings, Inc.(a)	29,375,840
	Semiconductors (4.0%)	
497,379	Taiwan Semiconductor Manufacturing Co., Ltd. - SP ADR (Taiwan)	151,148,504
	Trading Companies & Distributors (4.0%)	
2,179,199	Ashtead Group PLC (United Kingdom)	149,398,773
	Miscellaneous Securities (0.9%)(b)	32,503,228
	Total Common Stocks (Cost \$1,746,825,520)	<u>3,673,595,585</u>
	Units	
	Warrants (0.0%)	
99,240	Constellation Software, Inc., expiring 03/31/40 (Canada)(a)	0
	(cost \$0)	
	Total Investments (97.0%)	
	(Cost \$1,746,825,520)(c)	3,673,595,585
	Other Assets Less Liabilities (3.0%)	115,242,402
	Net Assets (100.0%)	<u>\$ 3,788,837,987</u>

(a) Non-income producing security.

(b) "Miscellaneous Securities" include holdings that are not restricted, have been held for not more than one year prior to December 31, 2025, and have not previously been publicly disclosed.

(c) The cost for federal income tax purposes is \$1,803,025,839. The difference between book cost and tax cost is attributable to financial and tax accounting differences on a corporate spin-off.

Abbreviation:

SP ADR Sponsored American Depository Receipt

The accompanying notes form an integral part of these Financial Statements.

Schedule of Investments (Continued)
December 31, 2025

Generally accepted accounting principles establish a disclosure hierarchy that categorizes the inputs to valuation techniques used to value the investments at measurement date. These inputs are summarized in the three levels listed below:

Level 1 – unadjusted quoted prices in active markets for identical securities.

Level 2 – other significant observable inputs (including, but not limited to, quoted prices for similar securities, interest rates, prepayment speeds and credit risk).

Level 3 – 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. Transfers between levels are recognized at the end of the reporting period. For the year ended December 31, 2025, there were no transfers in or out of Level 3 and there were no Level 3 securities held by the Fund.

The following table summarizes the valuation of the Fund's investments by the above fair value hierarchy levels as of December 31, 2025:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Common Stocks	\$3,673,595,585	\$—	\$—	\$3,673,595,585
Warrants	—	0	—	0
Total Investments	<u>\$3,673,595,585</u>	<u>\$ 0</u>	<u>\$—</u>	<u>\$3,673,595,585</u>

The accompanying notes form an integral part of these Financial Statements.

Statement of Assets and Liabilities
December 31, 2025

Assets

Investments in securities, at value (cost \$1,746,825,520) (Note 1)	\$3,673,595,585
Cash on deposit	116,640,346
Receivable for investments sold	483,002
Receivable for capital stock sold	960,699
Dividends receivable	1,091,868
Other assets	206,345
	<hr/>
Total assets	<u>3,792,977,845</u>

Liabilities

Payable for capital stock repurchased	1,093,837
Accrued investment advisory fee	2,880,137
Accrued professional fees	50,604
Accrued transfer agent fees	43,807
Accrued custodian fees	20,848
Accrued other expenses	50,625
	<hr/>
Total liabilities	<u>4,139,858</u>

Net Assets\$3,788,837,987

Net Assets Consist of

Capital (par value and paid in surplus) \$.10 par value capital stock, 100,000,000 shares authorized, 18,664,227 shares outstanding	\$1,914,893,238
Total distributable earnings (loss)	1,873,944,749
Net Assets	<u>\$3,788,837,987</u>
Net asset value per share	<u>\$ 203.00</u>

The accompanying notes form an integral part of these Financial Statements.

Statement of Operations
Year Ended December 31, 2025

Investment Income

Income

Dividends, net of \$1,767,441 foreign tax withheld	\$ 32,121,271
Total investment income	<u>32,121,271</u>

Expenses

Investment advisory fee (Note 2)	36,658,869
Professional fees	601,012
Transfer agent fees	607,339
Independent Directors fees and expenses	1,075,371
Custodian fees	124,892
Other	<u>1,688,900</u>
Total expenses	40,756,383
Less expenses reimbursed by Investment Adviser (Note 2)	<u>3,947,514</u>
Net expenses	<u>36,808,869</u>
Net investment loss	<u>(4,687,598)</u>

Realized and Unrealized Gain (Loss) on Investments and Foreign Currency Transactions and Translations

Realized gain (loss) on

Investments (Note 3)	480,141,773
Class actions	5,182,872
Foreign currency transactions	<u>(409,045)</u>
Net realized gain on investments and foreign currency transactions	<u>484,915,600</u>

Net change in unrealized appreciation/(depreciation) on

Investments	237,572,669
Foreign currency translations	<u>69,808</u>
Net increase in unrealized appreciation/(depreciation) on investments and foreign currency translations	<u>237,642,477</u>

Net realized and unrealized gain on investments, foreign currency transactions and translations	<u>722,558,077</u>
Net increase in net assets from operations	<u>\$717,870,479</u>

The accompanying notes form an integral part of these Financial Statements.

Statements of Changes in Net Assets

	Year Ended December 31,	
	2025	2024
Increase (Decrease) in Net Assets		
From operations		
Net investment loss	\$ (4,687,598)	\$ (7,772,822)
Net realized gain on investments and foreign currency transactions	484,915,600	453,892,840
Net increase in unrealized appreciation on investments and foreign currency translations	<u>237,642,477</u>	<u>204,912,991</u>
Net increase in net assets from operations	<u>717,870,479</u>	<u>651,033,009</u>
Distributions to shareholders from:		
Total distributable earnings	<u>(352,975,739)</u>	<u>(168,628,570)</u>
Capital share transactions		
Shares sold	386,293,410	35,568,288
Shares issued to shareholders on reinvestment of net income and net realized gain distributions	290,806,673	134,261,544
Shares repurchased	<u>(618,158,884)</u>	<u>(528,891,163)</u>
Net increase (decrease) from capital shares transactions	<u>58,941,199</u>	<u>(359,061,331)</u>
Total increase in net assets	423,835,939	123,343,108
Net Assets		
Beginning of year	<u>3,365,002,048</u>	<u>3,241,658,940</u>
End of year	<u><u>\$3,788,837,987</u></u>	<u><u>\$3,365,002,048</u></u>
Share transactions		
Shares sold	1,875,117	197,652
Shares issued to shareholders on reinvestment of net income and net realized gain distributions	1,495,620	728,337
Shares repurchased	<u>(3,043,392)</u>	<u>(2,922,191)</u>
Net increase (decrease) from capital share transactions	<u>327,345</u>	<u>(1,996,202)</u>

The accompanying notes form an integral part of these Financial Statements.

Financial Highlights

	Year Ended December 31,				
	2025	2024	2023	2022	2021
Per Share Operating Performance (for a share outstanding throughout the year)					
Net asset value, beginning of year	\$183.51	\$159.43	\$124.72	\$184.99	\$169.62
Income from investment operations					
Net investment loss	(0.25)	(0.43)	(0.18)	(0.66)	(0.13)
Net realized and unrealized gains (losses) on investments	39.46	33.62	34.89	(55.76)	42.92
Net increase (decrease) in net asset value from operations	39.21	33.19	34.71	(56.42)	42.79
Less distributions from					
Net investment income	(0.02) ^(a)	(0.66) ^(a)	—	(0.02) ^(a)	(4.93) ^(a)
Net realized gains	(19.70)	(8.45)	—	(3.83)	(22.49)
Total distributions	(19.72)	(9.11)	—	(3.85)	(27.42)
Net asset value, end of year	\$203.00	\$183.51	\$159.43	\$124.72	\$184.99
Total Return	22.13% ^(b)	20.79% ^(b)	27.83% ^(b)	(30.52)% ^(b)	25.48%
Ratios/Supplementary data					
Net assets, end of year (in millions)	\$ 3,789	\$ 3,365	\$ 3,242	\$ 2,987	\$ 4,899
Ratio of expenses to average net assets					
Before expenses reimbursed by					
Investment Adviser	1.11%	1.11%	1.11%	1.09%	1.07%
After expenses reimbursed by					
Investment Adviser	1.00%	1.00%	1.00%	1.00%	1.00%
Ratio of net investment loss to average net assets	(0.13)%	(0.22)%	(0.12)%	(0.43)%	(0.27)%
Portfolio turnover rate	10%	7%	9%	16%	23%

(a) The difference of net investment income/(loss) for financial and tax reporting is attributable to financial and tax accounting differences on corporate spin-offs. As a result, the Fund was required to make a distribution from net investment income for tax purposes.

(b) Includes the impact of proceeds received and credited to the Fund resulting from class action settlements, which enhanced the Fund's performance for the years ended December 31, 2025, 2024, 2023 and 2022 by 0.17%, 0.02%, 0.62% and 0.08%, respectively.

The accompanying notes form an integral part of these Financial Statements.

Notes to Financial Statements

Note 1— Significant Accounting Policies

Sequoia Fund, Inc. (the “Fund”) is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a non-diversified, open-end management investment company. The investment objective of the Fund is long-term growth of capital. The Fund follows investment company accounting and reporting guidance of the Financial Accounting Standards Board (FASB) Accounting Standard Codification Topic 946 Financial Services — Investment Companies. The following accounting policies conform to U.S. generally accepted accounting principles (“GAAP”). The Fund follows such policies in the preparation of its financial statements.

- A. *Valuation of investments:* Investments for which market quotations are readily available are valued at market value, and other investments are valued at “fair value” as determined in accordance with procedures approved by the Fund’s Board of Directors (the “Board”). Pursuant to Rule 2a-5 under the 1940 Act, the Board has designated Ruane Cunniff L.P. (the “Investment Adviser”) as valuation designee to perform fair value determinations relating to the Fund’s portfolio investments, subject to the Board’s oversight.

Securities traded on a national securities exchange are valued at the last reported sales price on the principal exchange on which the security is listed; securities traded in the NASDAQ Stock Market (“NASDAQ”) are valued in accordance with the NASDAQ Official Closing Price. Securities for which there is no sale or Official Closing Price are valued at the mean of the last reported bid and asked prices.

Securities traded on a foreign exchange are valued at the closing price on the last business day of the period on the principal exchange on which the security is primarily traded. The value is then converted into its U.S. dollar equivalent at the foreign exchange rate in effect at the close of the New York Stock Exchange on the date of valuation.

U.S. Treasury Bills with remaining maturities of 60 days or less are valued at their amortized cost, provided that the amortized cost value is approximately the same as the fair value as determined without the use of amortized cost valuation. U.S. Treasury Bills that when purchased have a remaining maturity in excess of 60 days are valued on the basis of market quotations and estimates until the sixtieth day prior to maturity, at which point they are valued at amortized cost. Fixed-income securities, other than U.S. Treasury Bills, are valued at prices supplied by an independent pricing service.

When reliable market quotations are insufficient or not readily available at the time of valuation or when the Investment Adviser determines that the prices or values available do not represent the fair value of a security, such security is valued at fair value as determined in good faith by the Investment Adviser, in accordance with procedures approved by the Board.

- B. *Foreign currency translations:* Investment securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollar amounts at the date of valuation. Purchases and sales of foreign securities are translated into U.S. dollars at the rates of exchange prevailing when such securities are acquired or sold. Income and expenses are translated into U.S. dollars at the rates of exchange prevailing when accrued. The Fund does not isolate that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from changes in market prices of securities held. Such fluctuations are included with the net realized and unrealized gain or loss from investments. Reported net realized gains or losses on foreign currency transactions arise from the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund’s books and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized gains and losses on foreign currency transactions and translations arise from changes in the fair values of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.
- C. *Investment transactions and investment income:* Investment transactions are accounted for on the trade date and dividend income is recorded on the ex-dividend date. Interest income is accrued as earned. Premiums and discounts on fixed income securities are amortized over the life of the respective security. The net realized gain or loss on security transactions is determined for accounting and tax purposes on the specific identification basis.

Notes to Financial Statements (Continued)

- D. *Federal income taxes:* The Fund's policy is to comply with the requirements of the Internal Revenue Code applicable to regulated investment companies, and it intends to distribute all of its taxable income to its stockholders. Therefore, no federal income tax provision is required.
- E. *Use of estimates:* The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.
- F. *Dividends and distributions:* Dividends and distributions are recorded by the Fund on the ex-dividend date.
- G. *Operating Segment Reporting:* The Fund has adopted the Financial Accounting Standards Board (FASB) Accounting Standards Update 2023-07, Segment Reporting (Topic 280) — Improvements to Reportable Segment Disclosures ("ASU 2023-07"). The adoption of this new standard only impacts financial statement disclosures and does not affect the Funds' financial positions or the results of their operations. 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 members of the Investment Committee of the Investment Adviser collectively act as the CODM of the Fund. The Fund is considered to be a single reporting segment. The objective and strategy of the Fund is used by the CODM to make investment decisions, and the results of the operations is the information used for the day-to-day management of the Fund. The financial information provided to and reviewed by the CODM is consistent with that presented in the Fund's financial statements.

Note 2— Investment Advisory Contract and Payments to Affiliates

The Investment Adviser provides the Fund with investment advice and administrative services pursuant to an investment advisory contract (the "Advisory Contract") with the Fund.

Under the terms of the Advisory Contract, the Investment Adviser receives an investment advisory fee equal to 1.00% per annum of the Fund's average daily net asset value. Under the Advisory Contract, the Investment Adviser is contractually obligated to reimburse the Fund for the amount, if any, by which the operating expenses of the Fund (including the investment advisory fee) in any year exceed the sum of 1½% of the average daily net asset value of the Fund for such year up to a maximum of \$30,000,000 of net assets, plus 1.00% of the average daily net asset value in excess of \$30,000,000. The expenses incurred by the Fund exceeded the limitation for the year ended December 31, 2025 and the Investment Adviser reimbursed the Fund \$3,168,489. Such reimbursement is not subject to recoupment by the Investment Adviser.

The Fund has contractually agreed to pay an asset-based fee to certain financial intermediaries for providing recordkeeping and other administrative services for sub-accounts maintained by the intermediaries. The Investment Adviser has contractually agreed to pay such fees on behalf of the Fund as long as the Advisory Contract remains in effect. Total fees paid by the Investment Adviser to the intermediaries on behalf of the Fund for the year ended December 31, 2025 were approximately \$779,025, which is included in expenses reimbursed by the Investment Adviser in the Statement of Operations.

For the year ended December 31, 2025, advisory fees of \$36,658,869 were earned by the Investment Adviser. Certain officers of the Fund are also officers of the Investment Adviser. There were no other amounts accrued or paid to interested persons, including officers and directors.

Note 3— Investment Transactions

The aggregate cost of purchases and the proceeds from the sales of securities, excluding short-term securities, for the year ended December 31, 2025 were \$423,765,299 and \$701,373,599, respectively. Proceeds of sales includes the value of securities distributed in-kind in payment of redemptions.

Notes to Financial Statements (Continued)

Note 4— Federal Income Tax Information

Distributions to shareholders are determined in accordance with federal income tax regulations and may differ from those determined for financial statement purposes. To the extent these differences are permanent such amounts are reclassified within the capital accounts. During the year ended December 31, 2025, permanent differences due primarily to realized gains on redemptions in-kind not recognized for tax purposes, resulted in a net decrease in total distributable earnings (loss) of \$286,024,189 with a corresponding increase in paid in capital of \$286,024,189. These reclassifications had no effect on net assets.

At December 31, 2025 the federal tax cost, aggregate gross unrealized appreciation and depreciation of securities for federal income tax purposes were \$1,803,025,839, \$1,935,610,272 and \$65,040,526, respectively. The net unrealized appreciation on foreign currencies was \$44,978.

The tax character of distributions paid for the year ended December 31, 2025 and 2024 was as follows:

	<u>2025</u>	<u>2024</u>
Distributions paid from		
Ordinary income	\$ 371,061	\$ 12,197,174
Long-term capital gains	<u>352,604,678</u>	<u>156,431,396</u>
	<u>\$352,975,739</u>	<u>\$168,628,570</u>

Distributions from net investment income and short-term capital gains are treated as ordinary income for federal income tax purposes.

As of December 31, 2025 and 2024 the components of distributable earnings on a tax basis were as follows:

	<u>2025</u>	<u>2024</u>
Undistributed ordinary income	\$ 680,280	\$ 368,809
Undistributed long-term gains	2,649,744	155,953,966
Unrealized appreciation	<u>1,870,614,725</u>	<u>1,638,751,423</u>
	<u>\$1,873,944,749</u>	<u>\$1,795,074,198</u>

The Fund recognizes the tax benefits or expenses of uncertain tax positions only when the positions are “more likely than not” to be sustained assuming examination by tax authorities. Management has reviewed the Fund’s tax positions for all open years (tax years ended December 31, 2022 through December 31, 2025) and has concluded that no provision for unrecognized tax benefits or expenses is required in these financial statements.

Note 5— Indemnification

The Fund’s officers, directors and agents are indemnified against certain liabilities that may arise out of performance of their duties to the Fund. Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund expects the risk of loss pursuant to these arrangements to be remote.

Note 6— In-Kind Transactions

As disclosed in its prospectus, the Fund has a policy pursuant to which the Fund may limit cash payments in connection with redemption requests above certain dollar amounts. As a result, the Fund may satisfy such redemption requests in-kind by delivering portfolio securities.

During 2025, the Fund commenced participation in the ReFlow Fund, LLC (“ReFlow”) liquidity program and other similar

Notes to Financial Statements (Continued)

programs. ReFlow operates a liquidity program through which it makes a source of capital available to participating funds (like the Fund) to allow participating funds to satisfy some or all of their daily net redemptions. This program is designed to provide an alternative liquidity source to funds on days where redemptions of fund shares exceed purchases. Pursuant to the program, ReFlow stands ready to purchase Fund shares up to the value of net redemptions on a given day, which provides a source of cash to the Fund to satisfy net shareholder redemptions by other shareholders.

Following purchases of the Fund's shares, ReFlow periodically redeems its entire share position in the Fund and requests that such redemption be met in-kind in accordance with the Fund's redemption in-kind policies. ReFlow generally redeems its shares when the Fund experiences net sales, when a maximum holding period is reached (currently 8 days), when ReFlow reaches a maximum position in the Fund or at other times at ReFlow's discretion. While ReFlow holds the Fund's shares, it will have the same rights and privileges with respect to those shares as any other shareholder.

For use of the ReFlow service, the Investment Adviser, on behalf of the Fund, pays a fee to ReFlow each time it purchases Fund shares, calculated by applying to the purchase amount a fee rate determined through an automated daily auction among participating mutual funds. The current minimum fee rate (which is subject to change) is 0.14% of the value of the Fund shares purchased by ReFlow, although a Fund may submit a bid at a higher fee rate. ReFlow fees that were incurred by the Fund during year ended December 31, 2025 were \$224,812 and are recorded in other expenses within the Statement of Operations.

ReFlow's purchases of the Fund's shares through the liquidity program are made on an investment-blind basis without regard to the Fund's objective, policies or anticipated performance. In accordance with federal securities laws, ReFlow is prohibited from acquiring more than 3% of the outstanding voting securities of the Fund.

The Fund expects to satisfy redemption requests in-kind in connection with its participation in other liquidity programs and pay a fee to certain third parties arising from distributing non-U.S. portfolio securities to such parties. The Investment Adviser reimbursed the Fund for a portion of those fees in the amount of \$307,794. Investments in the Fund by ReFlow and other approved third parties are not subject to the Fund's investment minimums, or the limitations noted in the "Frequent Purchases and Redemptions of Shares" section within the Fund's prospectus. The Board has approved the Fund's use of ReFlow and other liquidity programs.

During the year ended December 31, 2025, the Fund had the following in-kind redemption transactions:

Redemptions In-Kind Value of Securities	\$328,266,782
Cash	6,178,593
Total Amount	\$334,445,375
Realized Gains	\$286,024,189

The Fund recognizes a gain on in-kind redemptions to the extent that the value of the distributed securities on the date of redemption exceeds the cost of those securities and recognizes a loss to the extent that the cost of those securities exceeds the value of the distributed securities on the date of redemption. Such net gains are not taxable to the Fund and are not required to be distributed to shareholders. The Fund has reclassified these amounts against paid-in capital on the Statements of Assets and Liabilities. Such reclassification, the result of permanent differences between the financial statement and income tax reporting requirements, has no effect on the Fund's net assets or NAV per share.

Note 7— Subsequent Events

Management, on behalf of the Fund, has evaluated the need for disclosures and/or adjustments to the financial statements from subsequent events. As a result of this evaluation, no subsequent events require disclosure and/or adjustment to the financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors
Sequoia Fund, Inc.:

Opinion on the Financial Statements

We have audited the accompanying statement of assets and liabilities of Sequoia Fund, Inc. (the Fund), including the schedule of investments, as of December 31, 2025, the related statement of operations for the year then ended, the statements of changes in net assets for each of the years in the two-year period then ended, and the related notes (collectively, the financial statements) and the financial highlights for each of the years in the five-year period then ended. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of December 31, 2025, the results of its operations for the year then ended, the changes in its net assets for each of the years in the two-year period then ended, and the financial highlights for each of the years in the five-year period then ended, in conformity with U.S. generally accepted accounting principles.

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 these financial statements and financial highlights based on our audit. 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 audit 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. Our audit 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. Such procedures also included confirmation of securities owned as of December 31, 2025, by correspondence with the custodian. Our audit 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. We believe that our audit provides a reasonable basis for our opinion.

KPMG LLP

We have served as the Fund's auditor since 2015.

New York, New York
February 24, 2026

Other Information (Unaudited)**Changes in and Disagreements with Accountants**

Not applicable.

Proxy Disclosures for Open-End Management Investment Companies

Not applicable.

Remuneration Paid to Directors, Officers, and Others

Disclosed as part of the Fund's financial statements.

Approval of Advisory Contract (Unaudited)

At a meeting held on December 5, 2025, the Board of Directors of the Fund, including a majority of the independent Directors, evaluated and approved the renewal of the investment advisory contract between the Fund and the Investment Adviser (the "Advisory Contract"). In approving the renewal of the Advisory Contract, the Directors considered all information they deemed reasonably necessary to evaluate the terms of the Advisory Contract.

Nature, Extent and Quality of Services. The Directors considered information concerning the nature, extent and quality of the services provided to the Fund by the Investment Adviser under the Advisory Contract, as well as information regarding the portfolio managers, the Investment Adviser's staffing and organizational matters and the compensation of the portfolio managers. Based on these and other factors concerning advisory services provided by the Investment Adviser, the Directors concluded that they were satisfied with the nature, extent and quality of services provided by the Investment Adviser to the Fund under the Advisory Contract.

Investment Performance. The Directors reviewed and considered information showing the Fund's performance under the Investment Adviser's management, which included comparing the performance of the Fund and that of the S&P 500 Index for the 1-year, 3-year, 5-year, 10-year, and since inception periods ended September 30, 2025. They also reviewed the Fund's top five holdings. The Directors also reviewed information comparing the Fund's annualized performance to the annualized performance of peer-group funds for the 1-year, 3-year, 5-year, 10-year, 20-year and since inception periods ended September 30, 2025, and for the period from June 30, 2016 through September 30, 2025, reflecting the Fund's performance under the management of the Investment Committee. The Directors considered that the peer-group funds' performance information was compiled by the Investment Adviser from publicly-available information, and discussed how the performance of the Fund compared to that of the S&P 500 Index. The Directors also considered the Fund's performance in light of the performance of the Investment Adviser's other advisory clients managed by the Fund's portfolio managers for the 1-year, 3-year and 5-year periods ended September 30, 2025.

Fees. The Directors considered the fee paid by the Fund to the Investment Adviser under the Advisory Contract and the Fund's net expense ratio. They reviewed information comparing the Fund's advisory fee and expense ratio to the advisory fees charged to, and the expense ratios of, the peer-group funds. They considered the Fund's net expense ratio of 1.00% (after waiver/expense reimbursements), as well as the Investment Adviser's obligation under the Advisory Contract to reimburse the Fund for the excess, if any, in any year of the Fund's operating expenses over 1½% of the Fund's average daily net asset values up to a maximum of \$30 million, plus 1% of the Fund's average daily net asset values in excess of \$30 million and the amount reimbursed by the Investment Adviser for the most recent year end. They noted that the net fee rate received by the Investment Adviser was 0.89%. They considered information regarding the Investment Adviser's views on the peer-group funds' advisory fee structures and how those structures differ from the Fund's advisory fee structure, as well as information concerning the fees charged by the Investment Adviser to its other advisory clients. Based on these and other factors, the Directors determined that the advisory fee charged by the Investment Adviser to the Fund under the Advisory Contract was reasonable in light of the services provided by the Investment Adviser and the fees charged by other investment advisers to similar funds.

Other Information (Unaudited) (Continued)

Profitability and Other Benefits to the Investment Adviser. The Directors considered information highlighting the profitability of the Fund to the Investment Adviser and other benefits to the Investment Adviser as a result of its relationship with the Fund. Based on these factors, the Directors concluded that the Investment Adviser's profitability would not prevent them from approving the renewal of the Advisory Contract.

Economies of Scale. The Directors considered whether the Fund's existing advisory fee might require adjustment in light of any economies of scale realized by the Investment Adviser and determined that no such adjustment was necessary.

In light of information presented to them, the Directors concluded that the renewal of the Advisory Contract and retention of the Investment Adviser under the terms of the Advisory Contract (including at the advisory fee rate set forth therein) were in the best interests of the Fund and its stockholders. This conclusion was not based on any single factor, but on an evaluation of the totality of factors and information reviewed the Directors.

Based upon such conclusions, the Directors, including a majority of the independent Directors, approved the renewal of the Advisory Contract.

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Interested Directors

John B. Harris
Jennifer Rusk Talia

Independent Directors

Melissa Crandall, Chairperson of the Board
Peter Atkins
Edward Lazarus
Roger Lowenstein
Katharine Weymouth

Officers

John B. Harris	— President & CEO
Jennifer Rusk Talia	— Executive Vice President
Patrick Dennis	— Treasurer
Yau Dun Lee	— Chief Compliance Officer & Secretary
Michael Valenti	— Assistant Secretary

Investment Adviser

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Registrar and Transfer Agent

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For additional information about Ruane Cunniff L.P. and Sequoia Fund,
please visit www.ruanecunniff.com and www.sequoiafund.com.