

CENTRAL SECURITIES CORPORATION



SEMI-ANNUAL REPORT

JUNE 30, 2025

CENTRAL SECURITIES CORPORATION

(Organized on October 1, 1929 as an investment company, registered as such with the Securities and Exchange Commission under the provisions of the Investment Company Act of 1940)

25-YEAR HISTORICAL DATA

Year Ended December 31,	Total net assets	Per Share of Common Stock				Unrealized appreciation of investments at end of period
		Net asset value	Source of dividends and distributions		Total dividends and distributions	
			Ordinary income*	Long-term capital gains*		
1999	\$ 590,655,679	\$35.05				\$394,282,360
2000	596,289,086	32.94	\$.32	\$ 4.03	\$ 4.35	363,263,634
2001	539,839,060	28.54	.22	1.58**	1.80**	304,887,640
2002	361,942,568	18.72	.14	1.11	1.25	119,501,484
2003	478,959,218	24.32	.11	1.29	1.40	229,388,141
2004	529,468,675	26.44	.11	1.21	1.32	271,710,179
2005	573,979,905	27.65	.28	1.72	2.00	302,381,671
2006	617,167,026	30.05	.58	1.64	2.22	351,924,627
2007	644,822,724	30.15	.52	1.88	2.40	356,551,394
2008	397,353,061	17.79	.36	2.10	2.46	94,752,477
2009	504,029,743	22.32	.33	.32	.65	197,256,447
2010	593,524,167	26.06	.46	.44	.90	281,081,168
2011	574,187,941	24.96	.43	.57	1.00	255,654,966
2012	569,465,087	24.53	.51	.43	.94	247,684,116
2013	648,261,868	26.78	.12	3.58	3.70	305,978,151
2014	649,760,644	26.18	.16	1.59	1.75	293,810,819
2015	582,870,527	23.53	.12	1.86	1.98	229,473,007
2016	674,683,352	27.12	.30	.68	.98	318,524,775
2017	826,331,789	32.86	.28	.72	1.00	460,088,116
2018	765,342,588	30.02	.56	.89	1.45	392,947,674
2019	994,595,051	38.42	.57	.78	1.35	607,489,748
2020	1,036,336,494	39.49	.75	.95	1.70	638,120,894
2021	1,332,590,581	48.87	.92	2.83	3.75	894,323,472
2022	1,132,835,676	40.48	.55	1.90	2.45	668,155,780
2023	1,319,864,836	46.49	.50	1.35	1.85	841,232,972
2024	1,569,940,654	54.26	.61	1.64	2.25	1,063,703,666
Six mos. to June 30, 2025***	1,666,259,626	57.63	.04	.21	.25	1,123,126,483
Total dividends and distributions***			\$9.85	\$37.30	\$47.15	

* Computed on the basis of the Corporation's status as a "regulated investment company" for Federal income tax purposes. Dividends from ordinary income include short-term capital gains.

** Includes non-taxable return of capital of \$.55.

*** Unaudited.

The Common Stock is listed on the NYSE American under the symbol CET. On June 30, 2025, the closing market price was \$47.86 per share.

To the Stockholders of

CENTRAL SECURITIES CORPORATION:

Financial statements for the six months ended June 30, 2025 reviewed by our independent registered public accounting firm and other pertinent information are submitted herewith.

Comparative net assets are as follows:

	June 30, 2025 (Unaudited)	December 31, 2024
Net assets	\$1,666,259,626	\$1,569,940,654
Net assets per share of Common Stock	57.63	54.26
Shares of Common Stock outstanding	28,913,659	28,935,678

Comparative operating results are as follows:

	Six months ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)
Net investment income	\$ 13,254,931	\$ 9,779,794
Per average share of Common Stock outstanding46	.34
Net realized gain from investment transactions	31,804,989	28,740,023
Increase in net unrealized appreciation of investments	59,422,817	139,886,090
Increase in net assets resulting from operations	104,482,737	178,405,907

A distribution of \$.25 per share was paid on June 27, 2025 to stockholders of record as of June 17, 2025. Stockholders will be sent a notice concerning the taxability of all 2025 distributions in early 2026.

During the first six months of 2025, the Corporation (“Central”) purchased 22,019 shares of its Common Stock at an average price of \$42.48 per share. The Corporation may from time to time purchase its Common Stock in such amounts and at such prices as the Board of Directors deems advisable in the best interests of stockholders. Purchases may be made in the open market or in private transactions directly with stockholders.

Stockholder inquiries are welcome.

JOHN C. HILL

WILMOT H. KIDD

630 Fifth Avenue
New York, NY 10111
July 23, 2025

TEN LARGEST INVESTMENTS

(excluding short-term investments)

June 30, 2025

(Unaudited)

	<u>Cost</u>	<u>Value</u>	<u>Percent of Net Assets</u>	<u>Year First Acquired</u>
	(millions)			
The Plymouth Rock Company, Inc. Class A	\$ 0.7	\$ 395.1	23.7%	1982
Progressive Corporation	22.7	106.7	6.4	2015
Analog Devices, Inc.	2.1	88.1	5.3	1987
Alphabet Inc. Class A	21.4	78.4	4.7	2015
Meta Platforms Inc. Class A	30.3	73.8	4.4	2021
The Charles Schwab Corporation	32.7	73.0	4.4	2016
Capital One Financial Corporation	23.8	71.3	4.3	2013
Motorola Solutions, Inc.	5.5	58.9	3.6	2000
Amazon.com, Inc.	10.1	57.0	3.4	2014
American Express Company	11.9	47.8	2.9	2015

PRINCIPAL PORTFOLIO CHANGES

April 1 to June 30, 2025

(Common Stock unless specified otherwise)

(Unaudited)

	<u>Purchased</u>	<u>Sold</u>	<u>Held June 30, 2025</u>
Alphabet Inc. Class A	—	5,000	445,000
Analog Devices, Inc.	—	20,000	370,000
Amazon.com, Inc.	25,000	—	260,000
Capital One Financial Corporation	35,000	—	335,000
JPMorgan Chase & Co.	—	10,000	150,000
Merck & Co., Inc.	—	10,000	150,000
Motorola Solutions, Inc.	—	5,000	140,000
Nike, Inc. Class B	75,000	—	400,000
Roper Technologies, Inc.	—	5,000	50,000

DIVERSIFICATION OF INVESTMENTS

June 30, 2025

(Unaudited)

	Issues	Cost	Value	Percent of Net Assets	
				June 30, 2025	December 31, 2024
Common Stocks:					
Insurance Underwriters	2	\$ 23,394,394	\$ 501,837,600	30.1%	31.4%
Diversified Financial	4	86,703,444	218,742,350	13.1	11.5
Communication Services	2	51,737,093	152,231,350	9.1	9.2
Technology Hardware and Equipment ...	4	46,761,111	145,340,100	8.7	9.3
Consumer Discretionary	3	55,475,886	119,434,590	7.2	5.0
Semiconductor	1	2,109,298	88,067,400	5.3	5.9
Insurance Brokers	2	43,706,872	69,288,600	4.2	4.2
Software and Services	2	5,244,662	68,134,800	4.1	4.0
Diversified Industrial	3	50,821,570	58,603,000	3.5	3.8
Banks	1	6,440,614	43,486,500	2.6	2.7
Health Care	3	27,170,491	40,876,250	2.5	2.8
Energy	1	10,069,910	34,635,000	2.1	2.3
Real Estate	1	34,564,406	26,648,694	1.6	1.9
Short-Term Investments	1	98,824,026	98,824,026	5.9	5.8

STATEMENT OF INVESTMENTS

June 30, 2025

(Unaudited)

<i>Shares</i>		<i>Value</i>
COMMON STOCKS 94.1%		
Banks 2.6%		
150,000	JPMorgan Chase & Co.	\$ 43,486,500
Communications Services 9.1%		
445,000	Alphabet Inc. Class A	78,422,350
100,000	Meta Platforms Inc. Class A	73,809,000
		152,231,350
Consumer Discretionary 7.2%		
260,000	Amazon.com, Inc. (a)	57,041,400
13,000	Mercadolibre, Inc. (a)	33,977,190
400,000	Nike, Inc. Class B	28,416,000
		119,434,590
Diversified Financial 13.1%		
150,000	American Express Company	47,847,000
335,000	Capital One Financial Corporation	71,274,600
800,000	The Charles Schwab Corporation	72,992,000
75,000	Visa Inc. Class A	26,628,750
		218,742,350
Diversified Industrial 3.5%		
150,000	Ashtead Group plc ADR	38,844,000
200,000	Brady Corporation Class A	13,594,000
225,000	WillScot Holdings Corporation	6,165,000
		58,603,000
Energy 2.1%		
250,000	Hess Corporation	34,635,000
Health Care 2.5%		
90,000	Johnson & Johnson	13,747,500
175,000	Medtronic plc	15,254,750
150,000	Merck & Co., Inc.	11,874,000
		40,876,250
Insurance Brokers 4.2%		
100,000	AON plc Class A	35,676,000
105,000	Arthur J. Gallagher & Co.	33,612,600
		69,288,600

<u>Shares</u>		<u>Value</u>
	Insurance Underwriters 30.1%	
28,424	The Plymouth Rock Company Class A (b)(c)	\$ 395,093,600
400,000	Progressive Corporation	<u>106,744,000</u>
		<u>501,837,600</u>
	Real Estate 1.6%	
1,201,474	Rayonier Inc.	<u>26,648,694</u>
	Semiconductor 5.3%	
370,000	Analog Devices, Inc.	<u>88,067,400</u>
	Software and Services 4.1%	
80,000	Microsoft Corporation	39,792,800
50,000	Roper Technologies, Inc.	<u>28,342,000</u>
		<u>68,134,800</u>
	Technology Hardware and Equipment 8.7%	
200,000	Coherent Corp. (a)	17,842,000
200,000	Keysight Technologies, Inc. (a)	32,772,000
140,000	Motorola Solutions, Inc.	58,864,400
70,000	Teledyne Technologies Incorporated (a)	<u>35,861,700</u>
		<u>145,340,100</u>
	Total Common Stocks (cost \$444,199,751)	<u>1,567,326,234</u>
	SHORT-TERM INVESTMENTS 5.9%	
	Money Market Fund 5.9%	
98,824,026	JPMorgan 100% U.S. Treasury Securities Money Market Fund Institutional Class 4.09%	<u>98,824,026</u>
	Total Short-Term Investments (cost \$98,824,026)	<u>98,824,026</u>
	Total Investments (cost \$543,023,777) (100.0%)	1,666,150,260
	Cash, receivables and other assets less liabilities (0.0%)(d)	<u>109,366</u>
	Net Assets (100%)	<u>\$1,666,259,626</u>

(a) Non-dividend paying.

(b) Affiliate as defined in the Investment Company Act of 1940 and restricted. See Note 5 and Note 6.

(c) Valued based on Level 3 inputs. See Note 2.

(d) Less than 0.1%.

See accompanying notes to statement of investments.

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2025

(Unaudited)

ASSETS:

Investments:

Securities of unaffiliated companies (cost \$443,489,151) (Note 2)	\$1,172,232,634	
Securities of affiliated companies (cost \$ 710,600) (Notes 2, 5 and 6) . .	395,093,600	
Short-term investments (cost \$98,824,026) (Note 2)	<u>98,824,026</u>	\$ 1,666,150,260

Cash, receivables and other assets:

Cash	118,588	
Dividends receivable	907,603	
Leasehold improvements, furniture and equipment, net	1,123,267	
Operating lease right-of-use asset	2,222,051	
Other assets	<u>119,778</u>	<u>4,491,287</u>
Total Assets		<u>1,670,641,547</u>

LIABILITIES:

Accrued expenses and other liabilities	1,549,073	
Operating lease liability	<u>2,832,848</u>	
Total Liabilities		<u>4,381,921</u>

NET ASSETS		<u>\$ 1,666,259,626</u>
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NET ASSETS are represented by:

Common Stock \$1 par value; authorized 40,000,000 shares; issued 28,935,678 shares (Note 3)		\$ 28,935,678
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Surplus:

Paid-in	\$ 470,760,252	
Total distributable earnings, including net unrealized appreciation of investments	<u>1,167,499,046</u>	<u>1,638,259,298</u>

Treasury Stock, at cost (22,019 shares of Common Stock) (Note 3)		<u>(935,350)</u>
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NET ASSETS		<u>\$ 1,666,259,626</u>
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NET ASSET VALUE PER COMMON SHARE (28,913,659 shares outstanding)		<u>\$ 57.63</u>
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See accompanying notes to financial statements.

STATEMENT OF OPERATIONS
For the six months ended June 30, 2025
(Unaudited)

INVESTMENT INCOME

Income:

Dividends from unaffiliated companies	\$ 8,616,418	
Dividends from affiliated companies (Note 5)	7,437,139	
Interest	1,043,953	\$ 17,097,510

Expenses:

Investment research	1,646,109	
Administration and operations	613,470	
Directors' fees	293,933	
Occupancy and office operating expenses	202,990	
Legal, auditing and tax preparation fees	181,899	
Transfer agent, registrar, and custodian fees and expenses	172,057	
Information services and software	147,107	
Franchise and miscellaneous taxes	117,317	
Stockholder communications and meetings	98,404	
Miscellaneous	369,293	3,842,579
Net investment income		13,254,931

NET REALIZED AND UNREALIZED GAIN (LOSS) ON INVESTMENTS

Net realized gain from unaffiliated companies	31,804,989	
Increase in net unrealized appreciation of investments in unaffiliated companies	56,580,417	
Increase in net unrealized appreciation of investments in affiliated companies (Note 5)	2,842,400	
Net gain on investments		91,227,806

INCREASE IN NET ASSETS RESULTING FROM OPERATIONS		\$ 104,482,737
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See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

For the six months ended June 30, 2025
and the year ended December 31, 2024

	Six months ended June 30, 2025 (Unaudited)	Year ended December 31, 2024
FROM OPERATIONS:		
Net investment income	\$ 13,254,931	\$ 15,473,925
Net realized gain from investment transactions	31,804,989	50,030,319
Increase in net unrealized appreciation of investments	59,422,817	222,470,694
	<u>104,482,737</u>	<u>287,974,938</u>
DISTRIBUTIONS FROM STOCKHOLDERS:		
From distributable earnings	(7,228,415)	(63,872,613)
FROM CAPITAL SHARE TRANSACTIONS: (Note 3)		
Distribution to stockholders reinvested in Common Stock	—	25,973,493
Cost of treasury stock purchased	(935,350)	—
Increase (decrease) in net assets from the capital share transactions . .	(935,350)	25,973,493
Total increase in net assets	96,318,972	250,075,818
NET ASSETS:		
Beginning of period	1,569,940,654	1,319,864,836
End of period	<u>\$1,666,259,626</u>	<u>\$1,569,940,654</u>

See accompanying notes to financial statements.

STATEMENT OF CASH FLOWS
For the six months ended June 30, 2025
(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES:

Increase in net assets from operations		\$ 104,482,737
Adjustments to increase in net assets from operations:		
Proceeds from securities sold	\$ 39,059,322	
Purchases of securities	(39,172,030)	
Net increase in short-term investments	(8,211,552)	
Net realized gain on investments	(31,804,989)	
Increase in net unrealized appreciation of investments	(59,422,817)	
Non-cash operating lease expense	4,546	
Depreciation and amortization	91,584	
Changes in assets and liabilities:		
Decrease in dividends receivable	1,789,524	
Decrease in other assets	115,306	
Increase in accrued expenses and other liabilities	1,082,769	
Total adjustments		<u>(96,468,337)</u>
Net cash provided by operating activities		8,014,400
CASH FLOWS FROM FINANCING ACTIVITIES		
Treasury stock purchased	(935,350)	
Dividends and distributions paid	(7,228,415)	
Cash used in financing activities		<u>(8,163,765)</u>
Net decrease in cash		(149,365)
Cash at beginning of period		267,953
Cash at end of period		<u>\$ 118,588</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS — (Unaudited)

1. *Significant Accounting Policies*—Central Securities Corporation (the “Corporation”) is registered under the Investment Company Act of 1940, as amended, as a non-diversified, closed-end management investment company. The following is a summary of the significant accounting policies consistently followed by the Corporation in the preparation of its financial statements. These policies are in conformity with U.S. generally accepted accounting principles applicable to investment companies in the United States.

Security Valuation—Marketable common stocks are valued at the last or closing sale price or, if unavailable, the mean price between the closing bid and ask at the valuation date. Investments in money market funds are valued at net asset value per share. Other short-term investments are valued at amortized cost, which approximates fair value. Securities for which no ready market exists are valued at estimated fair value pursuant to procedures adopted by the Board of Directors. The determination of fair value involves subjective judgments. As a result, using fair value to price a security may result in a price materially different from the price used by other investors or the price that may be realized upon the actual sale of the security.

Federal Income Taxes—It is the Corporation’s policy to meet the requirements of the Internal Revenue Code applicable to regulated investment companies and to distribute all of its taxable income and net capital gains to its stockholders. Management has analyzed positions taken on the Corporation’s tax returns and has determined that no provision for income taxes is required in the accompanying financial statements.

Use of Estimates—The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported. Actual results may differ from those estimates.

Leases—The Corporation recognizes operating leases on its statement of assets and liabilities at the lease commencement date as (1) a liability representing its obligation to make lease payments over the lease term and (2) a corresponding right-of-use (“ROU”) asset for its right to use the underlying asset over the lease term. The lease liability is measured at the inception of the lease at the present value of the unpaid fixed and certain variable lease payments using the rate of interest the Corporation would have paid on a collateralized basis to borrow an amount equal to the lease payments under similar terms. Lease expense for fixed lease payments is recognized on a straight-line basis over the lease term and is included in Occupancy and office operating expenses in the Statement of Operations. Variable payments for utilities and for increases in building operating expenses and real estate taxes are expensed as incurred and also are included in Occupancy and office operating expenses. See Note 8.

Other—Security transactions are accounted for as of the trade date, and cost of securities sold is determined by specific identification. Dividend income and distributions to stockholders are recorded on the ex-dividend date. Interest income is accrued daily.

Operating Segments—An operating segment is 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 Chief Executive Officer acts as the Corporation’s CODM. The Corporation has a single operating segment of which the CODM monitors the operating results of the Corporation as a whole. Its long-term asset allocation process is based on a defined investment strategy which is executed by the Corporation’s portfolio managers. Financial information in the form of portfolio composition, total returns, expense ratios and changes in net assets which are used by the CODM to assess the segment’s performance versus comparative benchmarks and to make resource allocation decisions for the Corporation’s single segment, is consistent with that presented within the financial statements. Segment assets are reflected on the accompanying statement of assets and liabilities as “net assets” and significant segment expenses are listed on the accompanying statement of operations.

NOTES TO FINANCIAL STATEMENTS — continued (Unaudited)

2. *Fair Value Measurements*—The Corporation’s investments are categorized below in three broad hierarchical levels based on market price observability as follows:

- Level 1—Quoted prices in active markets for identical investments;
- Level 2—Other significant observable inputs obtained from independent sources, for example, quoted prices in active markets for similar investments;
- Level 3—Significant unobservable inputs including the Corporation’s own assumptions based upon the best information available. The Corporation’s only Level 3 investment is The Plymouth Rock Company Incorporated Class A Common Stock (“Plymouth Rock”).

The designated Level for a security is not necessarily an indication of the risk associated with investing in that security.

The Corporation’s investments as of June 30, 2025 are classified as follows:

	Level 1	Level 2	Level 3	Total Value
Common stocks	\$1,172,232,634	—	\$395,093,600	\$1,567,326,234
Short-term investments	98,824,026	—	—	98,824,026
Total	\$1,271,056,660	—	\$395,093,600	\$1,666,150,260

The following is a reconciliation of the change in the value of Level 3 investments:

Balance as of December 31, 2024	\$392,251,200
Change in unrealized appreciation of investments in affiliated companies included in increase in net assets from operations	2,842,400
Balance as of June 30, 2025	\$395,093,600

Unrealized appreciation of Level 3 investments still held as of June 30, 2025 increased during the six months ended June 30, 2025 by \$2,842,400, which is included in the above table.

Management assists the Board of Directors in the determination of the fair value of Plymouth Rock. In valuing the Plymouth Rock Level 3 investment as of June 30, 2025, management considered Plymouth Rock’s financial condition and results of operations, the insurance industry outlook, and any transactions in Plymouth Rock’s shares. Management used significant unobservable inputs to develop a range of values for the investment. It used a comparable company approach that utilized the following valuation multiples from selected publicly traded companies: price-to-book value (range: 1.3–2.8; average: 1.8); price-to-historical earnings (range: 17.8–58.6; average: 34.3); and price-to-forward earnings estimates (range: 10.6–27.0; average: 17.6). Management also used a discounted cash flow model based on a forecasted return on equity of approximately 12% and a cost of capital of approximately 12%. The average of these values was then discounted for lack of marketability and control of the Plymouth Rock shares. Management considered a discount range of 25% to 35%, a range management believes market participants would apply. An independent valuation of Plymouth Rock’s shares obtained by Plymouth Rock was also considered. Management presented and discussed the above information with the Corporation’s directors, who approved the value for the investment.

Increases (decreases) in the price-to-book value multiple, price-to-historical earnings multiple, price-to-forward earnings estimate multiple, return on equity rate and book value in isolation would result in a higher (lower) range of fair values. Increases (decreases) in the discount for lack of marketability and control or cost of capital in isolation would result in a lower (higher) range of fair values.

3. *Common Stock*—During the six months ended June 30, 2025, the Corporation purchased 22,019 shares of its Common Stock at an average price of \$42.48 per share, representing an average discount from net assets of 18.5%. The Corporation may from time to time purchase its Common Stock in such amounts and at such prices as

NOTES TO FINANCIAL STATEMENTS — continued (Unaudited)

the Board of Directors may deem advisable in the best interests of the stockholders. Purchases will only be made at prices less than net asset value per share, thereby increasing the net asset value of shares held by the remaining stockholders. Shares so acquired may be held as treasury stock available for stock distributions, or may be retired.

4. *Investment Transactions*—The aggregate cost of securities purchased and the aggregate proceeds of securities sold during the six months ended June 30, 2025, excluding short-term investments, were \$39,172,030 and \$39,059,322, respectively.

As of June 30, 2025, the tax cost of investments was \$543,023,777. Net unrealized appreciation was \$1,123,126,483 consisting of gross unrealized appreciation and gross unrealized depreciation of \$1,136,521,431 and \$13,394,948, respectively.

5. *Affiliated Companies*—Plymouth Rock is an affiliated company as defined in the Investment Company Act of 1940 due to the Corporation's ownership of 5% or more of the company's outstanding voting securities. During the six months ended June 30, 2025, unrealized appreciation from the Corporation's investment in Plymouth Rock increased by \$2,842,400 and the Corporation received dividends of \$7,437,139 from Plymouth Rock. The Chairman of the Corporation is a director of Plymouth Rock. The Chief Executive Officer of the Corporation is a director of certain subsidiaries of Plymouth Rock.

6. *Restricted Securities*—The Corporation may from time to time invest in securities the resale of which is restricted. On June 30, 2025, the Corporation's only restricted security consisted of 28,424 shares of Plymouth Rock Class A stock that were acquired on December 15, 1982 at a cost of \$710,600. This security had a value of \$395,093,600 at June 30, 2025, which was equal to 23.7% of the Corporation's net assets. The Corporation does not have the right to demand registration of this security.

7. *Compensation and Benefit Plans*—The aggregate compensation expense for all officers during the six months ended June 30, 2025 was \$1,994,930, of which \$723,142 was paid during the period.

Officers and other employees participate in a 401(k) profit sharing plan. The Corporation has agreed to contribute 3% of each participant's qualifying compensation to the plan, which is immediately vested. Contributions in excess of 3% may be made at the discretion of the Board of Directors and vest after three years of service. During the six months ended June 30, 2025, the Corporation accrued \$113,148 related to the plan.

8. *Operating Lease*—The Corporation leases office space under a lease that was amended effective April 27, 2022 to extend the lease term until June 30, 2033. The lease includes fixed payments for occupancy and variable payments for certain utilities and for the Corporation's share of increases in building operating expenses and real estate taxes.

The lease extension was accounted for as a lease modification as of the effective date. The Corporation determined that the lease was an operating lease. As of the effective date of the lease extension, the Corporation measured its lease liability and corresponding ROU asset at approximately \$2.9 million, which was the present value of the fixed payments less estimated incentive payments to be received under the lease using a discount rate of 4.89%.

Total lease expense for the six months ended June 30, 2025 was \$206,737 substantially all of which was operating lease cost.

NOTES TO FINANCIAL STATEMENTS — continued (Unaudited)

Fixed amounts due under the lease as of June 30, 2025 are as follows:

2025	\$ 206,737
2026	413,475
2027	413,475
2028	430,014
2029	446,553
2030	446,553
2031-2033	<u>1,116,383</u>
Total undiscounted lease payments	3,473,190
Less lease incentives receivable	(41,621)
Less imputed interest	<u>(598,721)</u>
Total lease liability	<u>\$ 2,832,848</u>

FINANCIAL HIGHLIGHTS

The following table shows per share operating performance data, total returns, ratios and supplemental data for the six months ended June 30, 2025 and each year in the five-year period ended December 31, 2024. This information has been derived from information contained in the financial statements and market price data for the Corporation's shares.

The Corporation's total returns reflect changes in market price or net asset value, as applicable, and assume reinvestment of all distributions. Distributions that are payable only in cash are assumed to be reinvested at the market price or net asset value, as applicable, on the payable date of the distribution. Distributions that may be taken in shares are assumed to be reinvested at the price designated by the Corporation.

	Six months ended June 30, 2025 (Unaudited)	2024	2023	2022	2021	2020
Per Share Operating Performance:						
Net asset value, beginning of period	\$ 54.26	\$ 46.49	\$ 40.48	\$ 48.87	\$ 39.49	\$ 38.42
Net investment income (a)	.46	.54	.51	.54	.83	.70
Net realized and unrealized gain (loss) on securities (a)	3.15	9.61	7.50	(6.35)	12.64	2.20
Total from investment operations	3.61	10.15	8.01	(5.81)	13.47	2.90
Less:						
Dividends from net investment income	.04	.61	.50	.55	.86	.70
Distributions from capital gains	.21	1.64	1.35	1.90	2.89	1.00
Total distributions	.25	2.25	1.85	2.45	3.75	1.70
Net change from capital share transactions	.01	(.13)	(.15)	(.13)	(.34)	(.13)
Net asset value, end of period	\$ 57.63	\$ 54.26	\$ 46.49	\$ 40.48	\$ 48.87	\$ 39.49
Per share market value, end of period	\$ 47.86	\$ 45.69	\$ 37.77	\$ 33.39	\$ 44.58	\$ 32.64
Total return based on market (%)	5.30	26.78	18.85	(19.89)	49.39	4.12
Total return based on NAV (%)	6.67	22.22	20.54	(11.47)	35.26	8.39
Ratios/Supplemental Data:						
Net assets, end of period (000)	\$ 1,666,260	\$ 1,569,941	\$ 1,319,865	\$ 1,132,836	\$ 1,332,591	\$ 1,036,336
Ratio of expenses to average net assets (%)	.48(b)	.55	.56	.50	.54	.66
Ratio of net investment income to average net assets (%)	1.19(b)	1.04	1.19	1.22	1.75	1.94
Portfolio turnover rate (%)	2.59	8.62	4.10	.37	9.12	11.93

(a) Based on the average number of shares outstanding during the period.

(b) Annualized, not necessarily indicative of full year ratio.

See accompanying notes to financial statements.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE STOCKHOLDERS AND BOARD OF DIRECTORS
CENTRAL SECURITIES CORPORATION:

Results of Review of Interim Financial Information

We have reviewed the statement of assets and liabilities of Central Securities Corporation (the “Corporation”), including the statement of investments, as of June 30, 2025, the related statements of operations, changes in net assets, and cash flows for the six-month period ended June 30, 2025, and the related notes (collectively, the interim financial information), and the financial highlights for the six-month period ended June 30, 2025. Based on our review, we are not aware of any material modifications that should be made to the interim financial information and financial highlights for them to be in conformity with U.S. generally accepted accounting principles.

We have previously audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the statement of assets and liabilities of the Corporation, including the statement of investments, as of December 31, 2024, the related statements of operations and cash flows 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 (not presented herein); and in our report dated February 4, 2025, we expressed an unqualified opinion on those financial statements and financial highlights. In our opinion, the information set forth in the accompanying statement of changes in net assets for the year ended December 31, 2024 and the financial highlights for each of the years in the five-year period ended December 31, 2024, is fairly stated, in all material respects, in relation to the statement of changes in net assets and financial highlights from which it has been derived.

Basis for Review Results

The interim financial information and financial highlights are the responsibility of the Corporation’s management. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Corporation 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 review in accordance with the standards of the PCAOB. A review of interim financial information and financial highlights consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the PCAOB, the objective of which is the expression of an opinion regarding the financial statements and financial highlights taken as a whole. Accordingly, we do not express such an opinion.

KPMG LLP

New York, New York
July 25, 2025

OTHER INFORMATION

Direct Registration

The Corporation utilizes direct registration, a system that allows for book-entry ownership and the electronic transfer of the Corporation's shares. Stockholders may find direct registration a convenient way of managing their investment. Stockholders wishing certificates may request them.

A pamphlet which describes the features and benefits of direct registration, including the ability of shareholders to deposit certificates with our transfer agent, can be obtained by calling Computershare Trust Company at 1-800-756-8200, calling the Corporation at 1-866-593-2507 or visiting our website: www.centalsecurities.com under Contact Us.

Proxy Voting Policies and Procedures

The policies and procedures used by the Corporation to determine how to vote proxies relating to portfolio securities and the Corporation's proxy voting record for the twelve-month period ended June 30, 2025 are available: (1) without charge, upon request, by calling us at our toll-free telephone number (1-866-593-2507), (2) on the Corporation's website at www.centalsecurities.com and (3) on the Securities and Exchange Commission's website at www.sec.gov.

Quarterly Portfolio Information

The Corporation files its complete schedule of portfolio holdings with the SEC for the first and the third quarter of each fiscal year on Form N-PORT. The Corporation's Form N-PORT filings are available on the SEC's website at www.sec.gov. Those forms may be reviewed and copied at the SEC's Public Reference Room in Washington D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Annual Meeting of Stockholders

The annual meeting of stockholders of the Corporation was held on March 26, 2025. At the meeting, all of the directors of the Corporation were reelected by the following vote of the holders of Common Stock:

	<u>In favor</u>	<u>Withheld</u>
L. Price Blackford	22,169,398	2,620,337
Simms C. Browning	21,950,869	2,838,866
Donald G. Calder	21,895,790	2,893,945
John C. Hill	23,770,333	1,019,402
Wilmot H. Kidd	23,726,006	1,063,729
Wilmot H. Kidd IV	22,232,695	1,822,480
David M. Poppe	22,232,695	2,557,040

A proposal to ratify the selection of KPMG LLP as independent auditors of the Corporation for the year 2025 was approved with 23,735,353 votes for, 860,323 votes against and 194,059 shares abstaining.

Forward-Looking Statements

This report may contain "forward-looking statements" within the meaning of the Securities Exchange Act of 1934. You can identify forward-looking statements by words such as "believe," "expect," "may," "anticipate," and other similar expressions when discussing prospects for particular portfolio holdings and/or markets, generally. By their nature, all forward-looking statements involve risks and uncertainties, and actual results could differ materially from those contemplated by the forward-looking statements. We cannot assure future results and disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

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BOARD OF DIRECTORS

Wilmot H. Kidd, Chairman
L. Price Blackford, Lead Independent Director
Simms C. Browning
Donald G. Calder
John C. Hill
Wilmot H. Kidd IV
David M. Poppe

OFFICERS

John C. Hill, Chief Executive Officer and President
Marlene A. Krumholz, Vice President and Secretary
Joseph T. Malone, Vice President and Treasurer

OFFICE

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800-756-8200
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CUSTODIAN

JPMorgan Chase Bank, National Association
New York, NY

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP
New York, NY