

**Overall Rating**

(VALSX/VILSX)
Among 1,024 Large
Growth Funds
(as of 9/30/25)

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the Fund's 3-, 5-, and 10-year (if applicable) Morningstar metrics.

Fund Facts**Symbol**

Investor VALSX
Institutional VILSX

Inception Date

Investor 5/31/56
Institutional 4/30/20

Total Assets

\$406M
(as of 9/30/25)

Top 10 Holdings

(as of 9/30/25)

Company	Weight (%)
TransDigm Group Inc	6.34
Cintas Corp	6.26
Costco Wholesale Corp	5.94
Cadence Design Systems Inc	5.79
Motorola Solutions Inc	5.40
ServiceNow Inc	5.35
Trane Technologies PLC Class A	4.98
Intercontinental Exchange Inc	4.84
Stryker Corp	4.77
Republic Services Inc	4.62

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A**Value Line Select Growth Fund (VALSX/VILSX)****Q1: Would you please share your perspective on the market environment during the third quarter, and how did the Fund perform in this period?**

The third quarter of 2025 was marked by continued strength in the U.S. equity markets, with the S&P 500 Index reaching record highs multiple times. Market leadership remained concentrated among a narrow group of mega-cap technology companies, while the relative performance of many high-quality businesses outside of this cohort lagged. The ongoing enthusiasm surrounding artificial intelligence and related technologies continued to dominate investor sentiment, resulting in elevated valuations and a market heavily influenced by a handful of the "Magnificent 7" stocks (Alphabet, Amazon, Apple, Meta Platforms, Microsoft, Nvidia, and Tesla).

We continue to favor a disciplined investment approach focused on long-term consistency in a company's growth in stock price and earnings. The Fund remains invested in companies with durable business models and predictable earnings growth rather than chasing short-term speculative trends. We expect that when the market's enthusiasm for AI eventually moderates—potentially triggered by disappointing results from one or more of the current market leaders—capital is likely to rotate back toward steady, high-quality compounders.

For the quarter ended September 30, 2025, the Fund's return of -3.89% lagged the Morningstar Large Growth Category average return of 7.59%, primarily due to the Fund's lack of exposure to the market's highest-flying mega-cap technology stocks. Although we are never satisfied with underperformance, we believe that the Fund's emphasis on consistency and risk control bodes well for investors and leads to competitive long-term results with lower volatility.

Please visit the Fund's [performance page](#) for complete performance information.

Q2: Given the dominance of the "Magnificent 7," where are you finding large-cap opportunities, and how is the Fund positioned relative to the largest U.S. companies?

We believe that the market's current concentration among a few mega-cap technology giants presents long-term risks for investors. The "Magnificent 7" stocks comprise an outsized portion of the S&P 500 Index, creating valuation distortions and reducing diversification for index investors. The Fund has intentionally maintained no exposure to these names as of quarter-end, focusing instead on high-quality, large-cap companies that exhibit consistent earnings growth and operational excellence.

Instead of following market momentum, the Fund targets businesses that have a track record of steady, compounding growth across various economic cycles. Such companies are often on the smaller market cap side compared to the mega-cap tier. A few examples of current portfolio holdings where we are finding opportunities include Cintas Corp. (CTAS), Intercontinental Exchange Inc. (ICE), and Cadence Design Systems Inc. (CDNS). We believe such companies demonstrate durable competitive advantages, strong balance sheets, and predictable earnings trajectories.

As of quarter-end, the Fund held just one of the 20 largest U.S. companies—MasterCard Inc. (MA). Costco Wholesale Corp. (COST), another long-term holding, is now listed as

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the 21st largest company as of September 30, 2025. As of quarter's end, the Fund's average market cap was \$111B compared to the Morningstar Large Growth Category average of \$698B.

Q3: Were there any notable portfolio changes during the quarter?

Portfolio activity during the quarter was modest. The Fund sold its position in Accenture PLC (ACN), which had

struggled with slower growth and operational headwinds. Proceeds from these sales were redeployed into existing high-conviction names, maintaining the Fund's focused positioning. As of September 30, 2025, the Fund held 25 companies.

Portfolio Manager



Stephen E. Grant

Stephen E. Grant has been a portfolio manager with the Value Line Funds since 1991. Over the past 30 years, Mr. Grant's unique quantitative/behavioral methodology has driven the success of several equity and hybrid funds. Mr. Grant has a B.A. in Economics from Stanford University and an MBA in Finance from the Wharton School of the University of Pennsylvania.

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact the fund's short term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost. Past performance data through the most recent month end is available at vlfunds.com or by calling 800.243.2729. You should carefully consider investment objectives, risks, charges and expenses of Value Line Mutual Funds before investing. This and other information can be found in the fund's prospectus and summary prospectus, which can be obtained free of charge from your investment representative, by calling 800.243.2729, or by clicking on the applicable fund at www.vlfunds.com. Please read it carefully before you invest or send money.

The average annual returns shown above are historical and reflect changes in share price, reinvested dividends and are net of expenses. Investment results and the principal value of an investment will vary.

There are risks associated with investing in small and mid-cap stocks, which tend to be more volatile and less liquid than stocks of large companies, including the risk of price fluctuations.

Standard deviation is a statistical measure that shows the likelihood of an investment to yield above- or below-average returns over a period of time. For example, if hypothetical XYZ Fund has an average annual total return of 11% and a standard deviation of 6.00, that means XYZ Fund's performance is likely to vary from a low of 5% to a high of 17%.

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 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. The Fund received 1 stars for the 3-year period and 2 stars for the 5- and 10-year periods ended 9/30/25, out of 1,024, 954 and 766 Large Growth funds, respectively. © 2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (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.

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