



Overall  Rating



(VALSX/VILSX)  
Among 1,004 Large  
Growth Funds  
(as of 12/31/25)

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

\$364M  
(as of 12/31/25)

Top 10 Holdings

(as of 12/31/25)

Company	Weight (%)
Costco Wholesale Corp	6.19
TransDigm Group Inc	6.05
Cintas Corp	5.89
Cadence Design Systems Inc	5.76
Trane Technologies PLC Class A	5.14
Motorola Solutions Inc	5.06
Intercontinental Exchange Inc	4.98
ServiceNow Inc	4.98
S&P Global Inc	4.97
Thermo Fisher Scientific Inc	4.68

Value Line Funds

443.279.2015  
www.vlfunds.com

Portfolio Manager Q&A

Value Line Select Growth Fund (VALSX/VILSX)

Q1: Would you please comment on the Fund's performance and the market environment during the fourth quarter?

The fourth quarter of 2025 capped a year marked by strong equity market performance and unusually narrow leadership. Investor enthusiasm for artificial intelligence and related technology themes continued to dominate market returns, with a small group of mega-cap stocks accounting for a disproportionate share of gains. As a result, performance dispersion across the large-cap universe remained elevated.

Against this backdrop, the Fund generated a return of -4.54% for the quarter, compared with 0.55% for the Morningstar Large Growth Category average. The Fund's investment process remains focused on owning companies with a long-term track record of consistent growth in stock price and earnings. While the Fund's disciplined, quality-oriented approach can lag during speculative phases of the market, it remains designed to deliver attractive long-term results with below-average volatility.

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

Q2: What were the primary contributors and detractors during the quarter?

Performance during the quarter was challenged by weakness across several sectors, particularly Information Technology, Industrials, and Financials. Within the Technology sector, holdings such as Motorola Solutions Inc. (MSI), ServiceNow Inc. (NOW), Roper Technologies Inc. (ROP), and Cadence Design Systems Inc. (CDNS) detracted from performance as investor enthusiasm remained narrowly focused on a small group of mega-cap, AI-driven companies.

Industrials were also a source of relative weakness, led by Cintas Corp. (CTAS) and Trane Technologies (TT), both of which experienced stock price pressure despite continuing to deliver solid underlying operating results. In the Financials sector, the Fund's insurance holdings detracted amid broader sector weakness.

Partially offsetting these headwinds, the Fund benefited from its lack of exposure to several of the market's weakest areas. The Fund held no positions in real estate, utilities, or energy, all of which underperformed during the quarter.

Q3: How is the Fund positioned given the continued dominance of the largest U.S. companies?

The Fund continues to take a differentiated approach relative to the Morningstar Large Growth Category, maintaining limited exposure to the largest U.S. companies. Instead, the portfolio is focused on high-quality businesses in the large-cap tier, rather than the giant-cap tier. We believe diversification away from the most crowded areas of the market remains an important component of long-term risk management.

	% of Portfolio	% of Category Avg.
Giant	4.60%	63.77%
Large	58.65%	17.41%
Mid	36.75%	16.28%
Small/Micro	0.00%	2.54%

Source: Morningstar as of 12/31/25

Continued from previous page

#### Q4: Were there any notable portfolio changes during the quarter?

The Fund added two new positions during the period: O'Reilly Automotive Inc. (ORLY), an aftermarket automotive parts retailer that operates in the U.S. and Mexico, and Parker Hannifin Corp. (PH), which has multiple business lines such as aerospace engines, agricultural and construction machinery. Both companies possess long records of consistent earnings

growth, strong competitive positions, and disciplined management teams.

At the same time, the Fund exited its positions in Zoetis Inc. (ZTS) and Danaher Corp. (DHR), reflecting concerns around the longer-term growth potential of these companies.

Following these adjustments, the Fund held 25 positions as of December 31, 2025.

#### 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](http://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](http://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 12/31/25, out of 1,004, 936 and 755 Large Growth funds, respectively. © 2026 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.

**Past performance is no guarantee of future results. Value Line Mutual Funds are distributed by EULAV Securities LLC.** Although the information provided in this document has been obtained from sources which EULAV Securities LLC believes to be reliable, it does not guarantee accuracy or completeness of such information.

Value Line, Value Line Logo, Timeliness, Safety are trademarks or registered trademarks of Value Line, Inc. and/or its affiliates in the United States and other countries. Used by permission.