



Overall Rating



(VLAAX)

Among 464 Moderate Allocation 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 VLAAX
Institutional VLAIX

Inception Date

Investor 8/24/93
Institutional 11/1/15

Total Assets

\$539M
(as of 12/31/25)

Top 10 Holdings

(as of 12/31/25)

Company	Weight (%)
Costco Wholesale Corp	4.81
Tyler Technologies Inc	4.45
Republic Services Inc	4.41
Motorola Solutions Inc	4.36
Cadence Design Systems Inc	4.23
ServiceNow Inc	4.19
Stryker Corp	3.49
IDEXX Laboratories Inc	3.37
TransDigm Group Inc	3.24
WR Berkley Corp	2.99

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A

Value Line Asset Allocation Fund (VLAAX/VLAIX)

Q1: Would you please comment on the Fund's performance relative to the Morningstar Moderate Allocation Category in the fourth quarter?

During the fourth quarter of 2025, equity markets continued to advance, driven largely by a narrow group of large-cap stocks tied to artificial intelligence related themes. This market presented challenges for the Fund's equity portfolio with its emphasis on companies with a long-term track record of consistent operating results, rather than short-term market trends. The Fund's return of -3.80% lagged the Morningstar Moderate Allocation Category average return of 1.96% for the quarter ended December 31, 2025.

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

Q2: What were the Fund's primary performance contributors and detractors during the quarter?

Within the equity portion of the portfolio, performance during the quarter was pressured by weakness across several sectors, most notably Information Technology, Industrials, and Financials. In technology, holdings such as Motorola Solutions Inc. (MSI), ServiceNow Inc. (NOW), Cadence Design Systems Inc. (CDNS), and Tyler Technologies Inc. (TYL) detracted from results. Industrials were also a source of weakness, led by Cintas Corp. (CTAS) and Republic Services Inc. (RSG), while the Fund's insurance holdings negatively weighed on performance within the Financials sector.

By contrast, the Fund benefited from its lack of exposure to some of the market's weakest areas. The equity portfolio held no positions in the Real Estate, Utilities, or Energy sectors, all of which underperformed during the quarter.

Q3: What is the current market-cap breakdown of the equity portfolio and credit quality of the fixed income portfolio?

Within equities, the Fund continued to emphasize large- and mid-cap companies with consistent earnings and stock price growth, while maintaining limited exposure to the largest giant-cap names dominating market indices. This market cap view reflects our view that companies outside of the giant-cap tier have ample room for growth. At quarter-end, the equity portfolio consisted of approximately 38% large-cap, 52% mid-cap, and 10% small-cap holdings.

In the fixed income sleeve, the portfolio remained focused on quality, with over 98% of holdings rated investment grade (AAA through BBB).

	% of Portfolio	% of Category Avg.
Giant	0.00%	45.02%
Large	37.85%	25.83%
Mid	52.26%	21.38%
Small/Micro	9.89%	7.78%

Source: Morningstar as of 12/31/25

Q4: What is the Fund's current asset allocation?

The Fund's flexible allocation allows portfolio positioning to be based on relative opportunities across asset classes. As of December 31, 2025, the portfolio was invested approximately 64.3% in equities, 34.3% in bonds, and 1.4% in cash.

Portfolio Managers



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.



Liane Rosenberg

Liane Rosenberg has been with Value Line Funds since 2009. She has over 25 years of experience in fixed income portfolio management. Ms. Rosenberg received a BA from State University of New York at Albany and an MBA from Fordham University.

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.

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 3-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, 1 stars for the 5-year period and 3 stars for the 10-year period ended 12/31/25, out of 464, 444 and 370 Moderate Allocation 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.

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.

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