



Overall  Rating



(VLEOX/VLEIX)

Among 534 Small Growth Funds (as of 12/31/24)

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 VLEOX
Institutional VLEIX

Inception Date

Investor 6/23/93
Institutional 11/1/15

Total Assets

\$724M
(as of 12/31/24)

Top 10 Holdings

(as of 12/31/24)

Company	Weight (%)
Comfort Systems USA Inc	4.20
AAON Inc	3.39
ExlService Holdings Inc	3.34
Post Holdings Inc	3.21
Federal Signal Corp	3.07
CACI International Inc Class A	3.02
RLI Corp	3.00
Ensign Group Inc	2.78
EMCOR Group Inc	2.67
SPS Commerce Inc	2.65

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A

Value Line Small Cap Opportunities Fund (VLEOX/VLEIX)

Q1: Would you please comment on the Fund's performance relative to the Morningstar Small Growth Category for the 1-year period ended December 31, 2024, and for longer-term periods?

For the 1-year period ended December 31, 2024, the Fund's performance ranked in the top 46% among its peers in the Morningstar Small Growth Category. The Fund has ranked in the top half of its category in each of the last four calendar years.

In addition, the Fund has a more attractive risk/reward profile compared to its Morningstar category peers. **The Fund's performance ranked in the top quartile (25% or better) for the 3, 5 and 10-year periods ended December 31, 2024, and received Morningstar's "Low" Risk Rating for the same periods. The Fund is the only one in its category (out of 127 unique funds) to have achieved this risk/reward combination.**

We believe the Fund's relative outperformance during these periods is primarily due to our investment approach. We select a portfolio of companies with steady operating results and a long-term track record of consistent growth in both stock price and earnings.

	1 Year	3 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. - VLEOX	46	7	24	23
# of Funds in Category	552	534	517	395
Morningstar Risk Rating	Low	Low	Low	Low

Source: Morningstar as of 12/31/24

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

Q2: Would you please describe the types of companies in the Fund and share some examples?

Our investment process emphasizes companies with a history of consistent growth in stock price and earnings over multiple years. Accordingly, the portfolio is comprised of companies that have achieved consistent operating results regardless of the economic environment, and that we believe are well positioned for continued growth. Some portfolio examples include:

- ExlService Holdings Inc. (EXLS) provides analytics, Artificial Intelligence and digital solutions for a wide range of industries. The company's client base is concentrated in in data-driven industries including insurance, banking and healthcare. The Fund has owned ExlService for over nine years.
- Woodward Inc. (WWD) is another long-term portfolio holding that has been in the Fund for 17 years. Woodward designs and builds innovative energy control solutions for aerospace and industrial applications. The company was founded in 1870 and has a long history of providing innovative products for transportation and power generation.

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Q3: Small-cap companies are often associated with higher volatility. How does the Fund's risk profile compare to other Morningstar Small Growth Category funds?

By investing in companies with a history of consistent, steady growth, the Fund has less historical volatility compared to its peers. The Fund's standard deviation, a measure of volatility, was the lowest in the Morningstar category over the 5 and 10-year periods ended December 31, 2024.

In addition, the Fund's emphasis on consistent, steady growth has contributed to attractive risk-adjusted returns relative to its Morningstar category peers. The Fund's Sharpe Ratio, a measure of risk-adjusted return, has outperformed the category average over the 3, 5 and 10-year periods ended December 31, 2024.

Standard Deviation	3 Year	5 Year	10 Year
Fund (VLEOX)	#7 Lowest of 149 Unique Funds	#1 Lowest of 146 Unique Funds	#1 Lowest of 127 Unique Funds

Sharpe Ratio	3 Year	5 Year	10 Year
Fund (VLEOX)	0.09	0.48	0.57
Morningstar Small Growth Category Avg.	-0.12	0.35	0.45

Source: Morningstar as of 12/31/24

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.

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 Value Line Small Cap Opportunities Fund received 5 stars for the 3-, 5- and 10-year periods ended 12/31/24, among 534, 517 and 395 Small 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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