

Overall Rating

(VLIFX)
Among 479 Mid-Cap
Growth Funds
(as of 6/30/25)

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 VLIFX
Institutional VLMIX

Inception Date

Investor 3/1/50
Institutional 8/11/17

Total Assets

\$1.99B
(as of 6/30/25)

Top 10 Holdings

(as of 6/30/25)

Company	Weight (%)
Heico Corp	7.36
Tyler Technologies Inc	5.86
MSCI Inc	5.22
Waste Connections Inc	5.21
Lennox International Inc	4.53
Casey's General Stores Inc	4.48
Monolithic Power Systems Inc	4.28
Fair Isaac Corp	3.99
WR Berkley Corp	3.95
Gartner Inc	3.95

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A

Value Line Mid Cap Focused Fund (VLIFX/VLMIX)

Q1: Would you please comment on the Fund's performance relative to the Morningstar Mid-Cap Growth Category in the second quarter and for longer-term periods?

For the quarter ended June 30, 2025, the Fund returned 4.13%, lagging the Morningstar Mid-Cap Growth Category average return of 13.88%. While we are never satisfied with relative short-term underperformance, we believe that a long-term approach to investment growth with an emphasis on reducing risk is important to investors.

Notably, the Fund is the **only fund in the Morningstar category** (among 108 unique funds) with performance that **ranked in the top 15% or better for the 5 and 10-year periods while earning Morningstar's "Low" Risk Rating for the 3, 5 and 10-year periods** ended June 30, 2025.

	1 Year	3 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. – VLIFX	79	53	12	8
# of Funds in Category	494	479	446	367
Morningstar Risk Rating		Low	Low	Low

Source: Morningstar as of 6/30/25

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

Q2: Would you please describe the types of companies that meet the Fund's risk/reward selection criteria?

When selecting companies for investment, we seek those with a track record of 10+ years of consistent growth in both stock price and earnings. We believe this type of consistent, historical growth indicates that a company has excellent management, healthy fundamentals, and stable, yet growing, operations. Such companies have the potential to operate successfully in a variety of market and economic conditions.

For example, the Fund's portfolio holds Comfort Systems USA Inc. (FIX), which provides heating, air conditioning, HVAC and plumbing services. Comfort Systems primarily services commercial and industrial customers. The company has benefited from the steady demand for climate control systems in new construction as well as maintenance of existing units.

A second portfolio example is Waste Connections Inc. (WCN), the third-largest provider of solid waste and recycling services in North America. The company serves commercial, industrial and residential markets in the U.S. and Canada.

Q3: How does the Fund's risk/reward profile compare with other mid-cap growth funds?

The Fund's investment process emphasizes risk management. We own a concentrated portfolio of mid-cap companies that have produced, in general, 10+ years of consistent growth in stock price and earnings, through a variety of economic conditions. By extension, we believe our portfolio is comprised of companies that are well positioned for continued growth. As a result of this emphasis on consistent results, the portfolio has experienced less volatility compared to our Morningstar Mid-Cap Growth Category peers.

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In fact, the Fund's standard deviation, a measure of volatility, ranks the lowest among its peers in the Morningstar Mid-Cap Growth Category for the 3, 5 and 10-year periods ended June 30, 2025.

	3 Year	5 Year	10 Year
Fund (VLIFX) Standard Deviation Rank	#1 Lowest	#1 Lowest	#1 Lowest
# of Unique Funds in Morningstar Mid-Cap Growth Cat.	113	111	108

Source: Morningstar as of 6/30/25

Q4: What changes were made to the Fund in Q2?

During the second quarter, we exited our positions in companies that no longer met our stringent investment criteria. These companies include:

- J&J Snack Foods Corp. (JJSF), which manufactures and distributes snack foods and beverages to restaurants, convenience stores, supermarkets, and theaters
- EPAM Systems Inc. (EPAM), an IT services company that provides platform engineering, software development and consulting services
- TransDigm Group Inc. (TDG), which manufactures and services parts for commercial and military aircraft

As of June 30, 2025, the Fund held 37 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 3 stars for the 3-year period and 5 stars for the 5- and 10-year periods ended 6/30/25, among 479, 446 and 367 mid-cap 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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