ValueLine*funds*

2nd Quarter 2026

Overall MORNINGSTAR® Rating

★★★★

(VLIFX)
Among 459 Mid-Cap Growth Funds
(as of 6/30/26)

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	$1.23B *(as of 6/30/26)*

Top 10 Holdings

(as of 6/30/26)

Company	Weight (%)
Heico Corp	6.86
Teledyne Technologies Inc	6.36
Woodward Inc	5.80
Casey's General Stores Inc	5.65
Lennox International Inc	5.06
WR Berkley Corp	4.61
AutoZone Inc	4.53
Waste Connections Inc	4.50
Cadence Design Systems Inc	4.44
CACI International Inc Class A	4.02

Value Line Funds
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Portfolio Manager Q&A

Value Line Mid Cap Focused Fund *(VLIFX/VLMIX)*

Q1: Would you please discuss your perspective on the mid-cap market environment and the Fund's performance in the second quarter?

The second quarter of 2026 continued to be driven by speculative areas of the market, with higher-risk-profile stocks and companies tied to artificial intelligence themes significantly outperforming businesses with more consistent earnings profiles.

Against this backdrop, the Fund generated a return of 7.97% for the quarter, compared with 17.39% for the Morningstar Mid-Cap Growth Category average. Relative performance was affected by the Fund's disciplined investment approach, which emphasizes long-term consistency over short-term market trends.

The Fund continues to seek long-term growth with below-average volatility. As such, we focus on companies with durable earnings growth, strong competitive positions, and the ability to perform across a range of market environments.

Please visit the Fund's performance page for complete performance information.

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

Several of the Fund's holdings benefited from continued investor interest in companies tied to artificial intelligence and long-term infrastructure spending. Monolithic Power Systems Inc. (MPWR) was among the strongest contributors during the quarter, while long-term holdings such as HEICO Corp. (HEI) and Casey's General Stores Inc. (CASY) also continued to perform well. As the price of these positions appreciated, we selectively reduced their weights to help manage portfolio risk.

On the negative side, relative performance was pressured by weakness in portions of the Information Technology sector, including Tyler Technologies Inc. (TYL) and Roper Technologies Inc. (ROP). Although the Fund's Information Technology and Industrials holdings produced positive absolute returns on a cumulative basis, they did not keep pace with the strongest-performing, more speculative segments of the mid-cap market.

Q3: How do you manage risk, and how has this influenced the Fund's long-term risk profile?

Risk management remains central to the Fund's investment process. The portfolio emphasizes companies with long-term, consistent growth in both stock price and earnings, while actively managing position sizes as holdings appreciate or become more volatile.

Over longer periods, this disciplined approach has resulted in lower volatility, as measured by standard deviation, relative to peers. The Fund ranks the lowest in the Morningstar Mid-Cap Growth Category for the 5 and 10-year periods as of June 30, 2026. We believe this emphasis on quality, consistency, and risk control remains a key differentiator for the Fund.

	3 Year	5 Year	10 Year
Fund (VLIFX) Standard Deviation Rank	**#2 Lowest**	**#1 Lowest**	**#1 Lowest**
# of Unique Funds in Morningstar Mid-Cap Growth Cat.	120	118	107

Source: Morningstar as of 6/30/26

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

The Fund added four new positions during the quarter: O'Reilly Automotive Inc. (ORLY), Curtiss-Wright Corp. (CW), argenx (ARGX), and W.W. Grainger Inc. (GWW). O'Reilly, Curtiss-Wright, and Grainger are companies with long histories of consistent operating performance, while argenx represents a biotechnology company with a comparatively stable business profile and promising product pipeline.

The Fund exited IQVIA Holdings, ICON plc, IDEXX Laboratories, and Exponent, reflecting the ongoing discipline to remove holdings that no longer meet the Fund's criteria for consistent long-term performance.

As of quarter-end, the Fund held 31 positions.

Portfolio Manager

Stephen E. Grant

Stephen E. Grant has been a portfolio manager with the Value Line Funds since 1991. Over the past 35 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.