

**Overall 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

443.279.2015

www.vlfunds.com

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

**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.

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 (VLIFX) received 2 stars for the 3-year period and 4 stars for the 5- and 10-year periods ended 6/30/26, among 459, 441 and 377 Mid-Cap 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.

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