



Overall Rating



(VLIFX)
Among 476 Mid-Cap
Growth Funds
(as of 9/30/25)

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

\$1.90B
(as of 9/30/25)

Top 10 Holdings

(as of 9/30/25)

Company	Weight (%)
Heico Corp	6.87
Tyler Technologies Inc	5.42
MSCI Inc	5.29
Monolithic Power Systems Inc	5.26
Casey's General Stores Inc	5.20
Waste Connections Inc	5.14
Lennox International Inc	4.38
WR Berkley Corp	4.31
Steris PLC	4.06
American Financial Group Inc	3.29

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 Q3 and longer periods?

During the third quarter, the U.S. equity markets were once again dominated by significant price appreciation in large-cap companies, primarily those involved in technology and artificial intelligence. The S&P 500 Index, a broad market index that is also heavily weighted toward the "Magnificent 7" stocks (Alphabet, Amazon, Apple, Meta Platforms, Microsoft, NVIDIA and Tesla) gained 8.12% during the three months ended September 30, 2025. In contrast, mid-cap companies were not rewarded to the same extent, and the S&P Midcap 400 Index gained 5.55% in the third quarter.

For the quarter ended September 30, 2025, the Fund's return of 0.11% underperformed the Morningstar Mid-Cap Growth Category average return of 4.51%. We believe the Fund's underperformance is largely due to the rally in lower quality stocks. Conversely, we employ a highly selective investment process, which favors high-quality companies that have a track record of consistent growth in both stock price and earnings.

While we are never satisfied with relative underperformance, our investment approach is designed to seek outperformance over long-term periods. In fact, **the Fund's performance ranked in the top 20% or better in the Morningstar category for the 5- and 10-year periods** as of September 30, 2025.

	1 Year	3 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. - VLIFX	94	63	18	12
# of Funds in Category	493	476	444	368

Source: Morningstar as of 9/30/25

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

Q2: Given the Fund's long-term investment approach, would you please comment on the Fund's risk profile?

When selecting companies for inclusion in the Fund's portfolio, we seek those with a history of 10 or more years of consistent growth in both stock price and earnings. Generally, we don't invest in companies that have turbulent track records or that are likely to be in news headlines. Rather, we focus on companies with a history of more stable operating results that might be considered "boring."

As a result of the Fund's high-quality emphasis, the Fund has less volatility than the Morningstar Mid-Cap Growth Category average. In fact, the Fund's standard deviation, a measure of volatility, ranks the lowest in its category for the 5 and 10-year periods ended September 30, 2025. In addition, the Fund has been awarded Morningstar's "Low" Risk Rating for the same periods.

	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.	126	120	107
Morningstar Risk Rating	Low	Low	Low

Source: Morningstar as of 9/30/25

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Q3: Are there any portfolio holdings that you would like to highlight as well as any changes to the portfolio?

The Fund's holding in Comfort Systems USA Inc. (FIX) was a positive contributor to performance in Q3. Comfort Systems provides heating/cooling (HVAC) systems, mechanical, electrical, plumbing, and other services. The company's stock price gained approximately 54% during the quarter.

During the third quarter we made a few changes to the portfolio, including the following:

- We added Broadridge Financial Solutions Inc. (BR) to the portfolio. The company offers a specialized product line in a market with high barriers to entry, including investor communication, securities processing, and technology platforms. The company has a strong brand reputation, consistent past performance, and capable management.
- We exited the Fund's position in Jack Henry because the company no longer met our consistent growth criteria.
- We previously held a position in the semiconductor company, Ansys, which was acquired by Synopsys during Q3. As a result, we exited that position.

As of September 30, 2025, the Fund owned positions in 36 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 (VLIFX) received 3 stars for the 3-year period and 5 stars for the 5- and 10-year periods ended 9/30/25, among 476, 444 and 368 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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