Portfolio Manager Q&A

Value Line Larger Companies Focused Fund *(VALLX/VLLIX)*

Q1: How did the Fund perform in the first quarter of 2023, relative to the Morningstar Large Growth Funds category and the S&P 500 Index?

The Fund delivered a solid return of 20.66% for the three-month period ended March 31, 2023, outperforming the Morningstar Large Growth Funds category average return of 11.65%, an outperformance of approximately 900 basis points. During the same period, the broad S&P 500 Index returned 7.50%. In the first quarter, the stock market saw a rotation back into growth after the challenging period in 2022 for growth-oriented stock performance.

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

Q2: What drove the Fund's performance in the first quarter of 2023 compared to the S&P 500 Index?

The Fund's outperformance was driven by a combination of stock selection and sector allocation. From a sector perspective, the top contributor to performance in the quarter was the Health Care sector, and the only sector that detracted from the Fund's performance was the Energy sector.

The Fund's health care positions gained nearly 15%, while the Index's Health Care sector holdings fell 4%. Two companies that were strong contributors in Q1 were Exact Sciences Corp. (EXAS), a diagnostics and research company which provides cancer screening products, and Exelixis Inc. (EXEL), a biotechnology company which provides innovative medicines for the treatment of cancers.

In the Energy sector, the Fund's positions declined 5.45%, slightly underperforming the S&P's energy companies which declined 4.67%. Two of the Fund's larger detractors from performance were Devon Energy Corp. (DVN) and Pioneer Natural Resources Co. (PXD), both of which are oil & gas exploration & production companies.

Q3: Given the portfolio's three-pronged growth allocation, would you please share some insights on this?

We invest the Fund in growth companies that are in varying stages of their life cycles. We believe this is a good way to diversify the Fund within the growth spectrum as it helps us identify new longer-term winners at an early stage as well as investing in later staged companies that are growing through a turnaround, new product cycle, or cyclical upswing. We categorize the Fund's holding into 3 different growth buckets: Established Growth Companies, Next-Gen Growth Companies and Opportunistic Growth Companies

Established Growth Companies are typically the largest weighting in the Fund. These companies tend to be dominant, steady growing and well positioned large-cap growth companies. We look to own companies with secular growth opportunities that have substantial competitive advantages, operate in industries with high barriers to entry, and have a large and growing total addressable market which leads to sustainable longer-term growth. For example, one company that fits into this category is Meta Platforms Inc. (META), which owns the Facebook and Instagram social media platforms.

Next-Gen Growth Companies are usually mid-cap growth companies that are in an earlier stage of their growth cycle when compared to the established growth companies in the

(Continued on next page)

Overall Morningstar Rating

★★

Among 1,139 Large Growth Funds
(as of 3/31/23)

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	VALLX
Institutional	VLLIX

Inception Dates

Investor	3/20/72
Institutional	11/1/15

Total Assets $243M *(as of 3/31/23)*

Top 10 Holdings
(as of 3/31/23)

Company	Weight (%)
Uber Technologies Inc	5.20
Meta Platforms Inc Class A	4.17
NVIDIA Corp	4.10
Alphabet Inc Class A	4.04
Amazon.com Inc	3.81
Exact Sciences Corp	3.75
Visa Inc Class A	3.51
Microsoft Corp	3.37
Salesforce Inc	3.28
Exelixis Inc	3.03

Value Line Funds
443.279.2015
www.vlfunds.com

Fund. These companies often have a unique and fast-growing product or service and tend to have a significant first-mover advantage that makes them well positioned for years of fast growth. For example, our portfolio holding Exact Sciences, which offers a unique at-home test for colorectal cancer with their product, Cologard, fits this category.

We also invest in Opportunistic Growth Companies. These are companies that may be out-of-favor growth companies or are cyclical growth companies. One portfolio example is Bank of America Corp. (BAC), which we believe has the potential to benefit from the higher interest rate environment.

Q4: How do the Fund's growth characteristics compare to the broader market?

We believe that sales and earnings growth drive share price appreciation over time. Our goal for the Fund is to own a portfolio of companies that can collectively grow their future sales and earnings at faster rates relative to the broad market. As of March 31, 2023, the Fund's equity portfolio had a 3-year projected average annual sales growth rate that was more than double that of the S&P 500 Index, and the Fund's 3- to 5-year estimated forward earnings growth rate was nearly double the growth rate of the S&P 500.

	VALLX/VLLIX Equity Portfolio	S&P 500 Index
3-Year Projected Avg Annual Sales Growth Rate	13%	6%
3-5-Year Estimated Forward Earnings Growth Rate	22%	12%

Portfolio Manager

Cindy Starke

Portfolio Manager

Cindy Starke joined Value Line Funds as a portfolio manager in 2014 and has over 25 years of mid- and large-cap growth investment experience. Ms. Starke received a BS and an MBA from Fordham University.

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.

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 1 star for the 3- and 5-year periods and 2 stars for the 10-year period ended 3/31/23 among 1,139, 1,053 and 809 large growth funds, respectively.

Past performance is no guarantee of future results. Value Line Mutual Funds are distributed by EULAV Securities LLC. Although the information provided in this document has been obtained from sources which EULAV Securities LLC believes to be reliable, it does not guarantee accuracy or completeness of such information.