



Overall  **Rating**



Among 1,138 Large Growth Funds
(as of 6/30/22)

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

\$228M
(as of 6/30/22)

Top 10 Holdings

(as of 6/30/22)

Company	Weight (%)
Visa Inc Class A	4.16
Amazon.com Inc	4.06
Diamondback Energy Inc	4.05
Alphabet Inc Class A	3.93
Meta Platforms Inc Class A	3.83
Qualcomm Inc	3.71
Exelixis Inc	3.57
Microsoft Corp	3.27
Vertex Pharmaceuticals Inc	3.22
Salesforce Inc	2.76

Portfolio Manager Q&A

Value Line Larger Companies Focused Fund (VALLX/VLLIX)

Q1: Would you please comment on the stock market's volatility in the second quarter of 2022, and how did the Fund perform in this period?

Stock market volatility in the second quarter was heightened due to several factors including uncertainty over faster-than-expected interest rate increases, continued higher inflation, ongoing supply chain constraints, and the prolonged Russian invasion of Ukraine. This volatility resulted in a dramatic repricing of most stocks this quarter and all sectors in the S&P 500 Index traded lower.

While the S&P 500 declined 16.10% in the second quarter, growth-oriented investors were even harder hit. The Morningstar Large Growth Funds category declined 20.82% on average and the Fund decreased 28.69% in the quarter ended June 30, 2022.

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

Q2: Did you make any portfolio changes during the quarter in light of the market volatility?

Yes, we used the broad-based market weakness as an opportunity to buy some high-quality growth companies to the Fund at what we felt were reasonable valuations for their longer-term growth potential. In addition, we made a few sales due to company-specific announcements and to fund better relative opportunities.

- » **New Positions:** Booking Holdings Inc. (BKNG), Lululemon Athletica Inc. (LULU), Rivian Automotive Inc. (RIVN), Delta Air Lines Inc. (DAL), Pioneer Natural Resources Co. (PXD), Advanced Micro Devices Inc. (AMD) and Intuit Inc. (INTU).
- » **Positions Sold:** Twitter Inc. (TWTR), Biohaven Pharmaceutical Holding Co. Ltd. (BHVN) and RingCentral Inc. (RNG).

Importantly, we remain focused on our long-term investment process, emphasizing ownership in primarily large-cap growth companies that have dominant market share positions, strong brands, healthy balance sheets and compelling long-term sales and earnings growth potential.

Q3: Would you please describe the current portfolio and the types of companies owned by the Fund?

The Fund owns a focused portfolio comprised of 25-50 of our "best ideas" among generally large-cap growth companies. At June 30, 2022, the Fund held 50 companies. We tend to favor companies that have secular growth drivers over cyclical, have unique products and services, operate in industries with high barriers to entry, and have market-leading

"The Fund owns a portfolio comprised of 25-50 of our "best ideas" among generally large-cap growth companies."

Value Line Funds

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positions. For example, a few longer-term positions in the Fund include Vertex Pharmaceuticals Inc. (VRTX), a biotechnology company that develops drugs for several serious diseases including cystic fibrosis and sickle-cell disease; Visa Inc. (V), the largest payment processor in the world; and Salesforce Inc. (CRM), a software company that offers customer relationship management technology.

We look to own a portfolio of companies that can collectively grow their sales and earnings as a faster pace than the market and their peers. In fact, as of June 30, 2022, the Fund's 3-year projected average annual sales growth rate was 30%, more than 3x times the 9% estimated sales growth rate of the S&P 500. The Fund's 3- to 5-year estimated forward earnings growth rate was 27%, over 2x the 12% rate projected for the S&P 500.

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 6/30/22 among 1,138, 1,052 and 787 large growth funds, respectively.

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