



Overall  **Rating**



Among 1,117 Large Growth Funds
(as of 6/30/23)

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

\$268M
(as of 6/30/23)

Top 10 Holdings

(as of 6/30/23)

Company	Weight (%)
Uber Technologies Inc	6.43
NVIDIA Corp	5.67
Exact Sciences Corp	5.07
Meta Platforms Inc Class A	5.02
Amazon.com Inc	4.37
Alphabet Inc Class A	4.23
Microsoft Corp	3.61
Visa Inc Class A	3.36
Salesforce Inc	2.99
Advanced Micro Devices Inc	2.88

Value Line Funds

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www.vlfunds.com

Portfolio Manager Q&A

Value Line Larger Companies Focused Fund (VALLX/VLLIX)

Q1: Would you please comment on the stock market's performance for the second quarter of 2023 and the 1-year period, and how the Fund performed in these periods?

In the second quarter of 2023, the overall stock market returns were strong, primarily driven by large, growth-oriented stocks. For example, the Russell 1000 Growth Index rose 12.81% compared to the broader Russell 1000 Index which increased only 8.58%.

With respect to the Fund's relative performance, the Fund advanced 12.28%, outperforming the Morningstar Large Growth Funds category average of 10.97% for the quarter ended June 30, 2023. In addition, for the 1-year period, the Fund surpassed the category average by over 700 basis points, with a return of 29.99% compared to the category average of 22.89%. In fact, the Fund's 1-year performance ranked in the top 13% of the Morningstar Large Growth Funds category.

	1 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. – VALLX	13	93	74
# of Funds in Category	1,219	1,032	791

Source: Morningstar as of 6/30/23

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

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

The Fund's performance in the second quarter was driven by a combination of stock selection and sector allocation. The two largest contributing sectors were as follows:

- **Industrials:** The Fund's only position in the Industrials sector was Uber Technologies Inc. (UBER), which rose 36% during the quarter. The Index's industrial companies, which do not include Uber, rose 6%. Uber is a technology platform that specializes in mobility based on its ride-sharing and delivery app.
- **Health Care:** The Fund's health care positions rose 13%, nicely ahead of the Index's Health Care sector's 3% gain. The Fund's primary contributor in this sector was Exact Sciences Corp. (EXAS), which provides cancer screening and diagnostic test products.

Q3: Would you please describe the types of companies owned in the Fund and provide some examples?

The Fund is a "best ideas" portfolio, targeting ownership in what we consider to be the most well positioned large-cap growth companies for the longer term. The Fund invests across what we consider to be the growth spectrum, investing in companies that are in varying stages of their growth life cycles as a way to enhance returns and to diversify the Fund's portfolio. We classify the Fund's growth spectrum investments into three portfolio categories.

Established Growth Companies: This is typically the largest weighting in the Fund and tends to include dominant, larger cap growth companies with steady growth and more mature business models. These companies usually benefit from secular growth drivers,

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have competitive advantages, and are well positioned to expand their market share. For example, the Fund holds Visa Inc. (V), which is the largest payment processor in the world, operating in over 200 countries.

Next-Gen Growth Companies: These companies are usually in an earlier stage of their growth cycle and have unique and fast-growing products or services, positioning them for fast growth over several years. For example, the Fund holds Rivian Automotive Inc. (RIVN), an electric vehicle designer and manufacturer.

Opportunistic Growth Companies: These are generally cyclical growth companies or may be currently out of favor. One such company in the Fund's portfolio is Bank of America Corp. (BAC), which is one of the largest banks in the U.S. with over \$2.5 trillion in assets.

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

We believe that sales and earnings growth are the key drivers of longer-term share price appreciation; therefore, we seek to own a diversified portfolio of growth companies that can collectively grow their future sales and earnings at faster rates relative to the broad market. As of June 30, 2023, the Fund's equity portfolio had a 3-year projected average annual sales growth rate and a 3- to 5-year estimated forward earnings growth rate that were over 2X the growth of S&P 500.

	VALLX/VLLIX Equity Portfolio	S&P 500 Index
3-Year Projected Avg Annual Sales Growth Rate	15%	7%
3-5-Year Estimated Forward Earnings Growth Rate	29%	13%

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 6/30/23 among 1,117, 1,032 and 791 large growth funds, respectively.

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