



Overall  **Rating**



Among 1,125 Large Growth Funds
(as of 9/30/23)

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 9/30/23)

Top 10 Holdings

(as of 9/30/23)

Company	Weight (%)
Uber Technologies Inc	6.51
NVIDIA Corp	5.67
Meta Platforms Inc Class A	5.25
Alphabet Inc Class A	4.63
Amazon.com Inc	4.59
Exact Sciences Corp	3.91
Microsoft Corp	3.82
Salesforce Inc	3.62
Advanced Micro Devices Inc	3.45
Visa Inc Class A	3.43

Value Line Funds

443.279.2015
www.vlfunds.com

Portfolio Manager Q&A

Value Line Larger Companies Focused Fund (VALLX/VLLIX)

Q1: How did the Fund perform relative to the Morningstar Large Growth Funds category average in the third quarter and the 1-year period as of September 30, 2023?

In the third quarter ended September 30, 2023, the Fund returned -0.76%, surpassing the Morningstar Large Growth Funds category average decline of 3.59% by over 280 basis points. In a quarter when the major market indices were down, such as the S&P 500 Index which declined 3.27%, we are pleased the Fund outperformed on a relative basis. In addition, for the 1-year period, the Fund outperformed the category average by over 1,000 basis points, with a return of 33.78% compared to the category average of 23.46%.

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

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

The Fund's performance in the third quarter was driven primarily by stock selection. From a sector perspective, the Fund's largest contributors were Information Technology and Consumer Discretionary.

- **Information Technology (IT):** The Fund's IT holdings gained 2.3% this period, nicely ahead of the S&P 500 IT sector's decline of 5.6%. The biggest contributing IT stocks for the Fund were Splunk Inc. (SPLK) and CrowdStrike Holdings Inc. (CRWD). Splunk is a software company that specializes in machine learning, security monitoring and analysis. Splunk also experienced price appreciation following an acquisition announcement from Cisco Systems Inc. CrowdStrike has become a leading provider of cybersecurity software.
- **Consumer Discretionary:** The Fund's holding performed well and gained nearly 5% versus an approximately 5% loss for the consumer discretionary holdings in the Index. Two strong performers in the Fund were Rivian Automotive Inc. (RIVN), an electric vehicle manufacturer, and Booking Holdings Inc. (BKNG), a global travel agency that offers reservation services and payment for accommodations, airlines, rental cars, restaurants and other vacation experiences.

On the other hand, the Fund's worst performing sector was Health Care. Within Health Care, the Fund's worst performers included Exact Sciences Corp. (EXAS) which provides cancer screening and diagnostic products, and Revance Therapeutics Inc (RVNC), an innovative biotechnology company that offers neuromodulator therapies used for both aesthetic and therapeutic indications.

Q3: How is stock market volatility affecting your portfolio allocations among different types of growth stocks?

Our bottom-up investment process remains consistent regardless of the market or economic cycle. We seek to own a diversified yet focused portfolio of leading growth companies. Typically, we use stock market volatility as an opportunity to add to existing positions we feel are mispriced and trim from positions that we feel have less upside. During turbulent times in the market, we often add a new position to the Fund that we have been waiting to buy at an attractive entry point.

(Continued on next page)

We feel that owning companies in varying stages of their growth life cycle is a great way to not only own the leading large-cap growth companies of today but also to own companies that have the potential to become the leading growth companies and performers of the future. We tend to segment the Fund's holdings into 3 groups:

Established Growth Companies: This is the largest of the three segments. These are typically leading large-cap growth companies that exhibit sustainable growth, competitive operating advantages, dominant market share and benefit from secular growth drivers.

Next-Gen Growth Companies: This segment is composed of faster growing and earlier-staged companies.

Opportunistic Growth Companies: This segment is typically our smallest weighting in the Fund. In this area

we may own some cyclical companies as well as out-of-favor growth companies that we feel the market has mispriced or misunderstood.

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 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 September 30, 2023, the Fund's 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 also 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	19%	8%
3-5-Year Estimated Forward Earnings Growth Rate	27%	14%

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 9/30/23 among 1,125, 1,040 and 810 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.

Value Line, Value Line Logo, Timeliness, Safety are trademarks or registered trademarks of Value Line, Inc. and/or its affiliates in the United States and other countries. Used by permission.