



Overall  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 VALSX
Institutional VILSX

Inception Date

Investor 5/31/56
Institutional 4/30/20

Total Assets

\$367M
(as of 3/31/23)

Top 10 Holdings

(as of 3/31/23)

Company	Weight (%)
Accenture PLC Class A	6.99
Cintas Corp	6.62
S&P Global Inc	5.94
Salesforce Inc	4.95
Thermo Fisher Scientific Inc	4.65
Costco Wholesale Corp	4.61
TransDigm Group Inc	4.53
Danaher Corp	4.47
Teledyne Technologies Inc	4.27
Intuit Inc	4.24

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A

Value Line Select Growth Fund (VALSX/VILSX)

Q1: Would you please comment on the Fund's performance relative to the Morningstar Large Growth Funds category average in the first quarter?

For the quarter ended March 31, 2023, the Fund delivered a solid 9.15% return, although it underperformed the Morningstar Large Growth Funds category average of 11.65% for the same period. While the Fund underperformed on a relative basis, we believe that longer-term periods are more important to investors. We manage the Fund with long-term performance in mind, and we maintain our disciplined investment approach which focuses on owning a portfolio of companies with long-term, consistent growth in both stock price and earnings.

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

Q2: Would you please describe the Fund's approach to large-cap growth investing?

The Fund's investment approach emphasizes companies with a track record of 10+ years of consistent growth in both stock price and earnings. The types of companies we are looking for have healthy balance sheets, a strong market share and capable, experienced management teams. These companies have demonstrated consistent growth amid a variety of economic conditions.

In addition, the Fund features a concentrated portfolio of only our "best ideas" and generally holds between 25 and 50 companies. As of March 31, 2023, the Fund held 32 companies. We believe that holding a select group of companies allows each holding to contribute meaningfully to the Fund's returns.

Another factor that informs our growth investment approach is company size. Generally, we own "smaller" large companies compared to the average holdings among the Morningstar Large Growth Funds category. We believe that companies of a relatively smaller size offer more room for continued growth. As of March 31, 2023, the Fund's average market capitalization was \$89 billion, compared to the category average market capitalization of \$295 billion.

Q3: Would you please comment on the Fund's risk/reward profile?

The Fund manages risk through our approach of investing in companies with a history of consistent growth. Typically, the companies we own do not grab headlines and are not subject to extreme price fluctuations. Rather, the types of companies we own have demonstrated more consistent operating results and "smoother" growth over time. Generally, our portfolio companies offer specialized services or possess a dominant market share within niche areas, allowing them to enjoy growth regardless of the economic environment.

For example, the portfolio includes Cintas Corp. (CTAS), which is known for providing uniforms to businesses. The company also offers the rental and sale of essential products such as mops, towels and restroom supplies. Another portfolio holding is TransDigm Group. Inc. (TDG) which provides services and components for the aerospace industry, both for commercial and military uses. Both of these companies have demonstrated

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consistent, reliable growth, and they are both long-term holdings in the Fund.

We are pleased that our emphasis on consistent, long-term growth has contributed to the Fund being awarded Morningstar's "Below Average" Risk Rating for the 3, 5 and 10-year periods ended March 31, 2023.

Q4: What changes were made to the portfolio in the first quarter?

During the first quarter we added several companies to the portfolio. For example:

- IQVIA Holdings Inc. (IQV): IQVIA is a service provider within health care diagnostics and research. The company offers outsourced clinical trials for firms needing research, such as pharmaceutical and medical devices, and provides the data analytics needed for those trials.
- Fortinet Inc. (FTNT): This software company provides cybersecurity solutions across a range of platforms and includes subscription and support-based business models.

We sold one company, Fiserv Inc. (FISV), which provides technological services to the banking and payment processing industry.

Portfolio Manager



Stephen E. Grant

Portfolio Manager

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.

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

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