

**Overall Morningstar 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 VALSX

Institutional VILSX

**Inception Date**

Investor 5/31/56

Institutional 4/30/20

**Total Assets**

\$360M  
(as of 6/30/22)

**Top 10 Holdings**

(as of 6/30/22)

| Company                      | Weight (%) |
|------------------------------|------------|
| Danaher Corp                 | 7.30       |
| Accenture PLC Class A        | 6.88       |
| Thermo Fisher Scientific Inc | 6.49       |
| Cintas Corp                  | 5.93       |
| S&P Global Inc               | 5.87       |
| Roper Technologies Inc       | 4.72       |
| Costco Wholesale Corp        | 4.70       |
| Mastercard Inc Class A       | 4.37       |
| Union Pacific Corp           | 4.31       |
| Salesforce.com Inc           | 4.14       |

**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 its Morningstar category for the second quarter and the 1-year period ended June 30, 2022?**

The second quarter of this year was challenging for equity investors, especially those that are growth oriented. The market experienced heightened volatility resulting from numerous macro factors including inflation, faster-than-expected interest rate increases, and supply chain constraints, among others. Amid this environment, we are pleased the Fund's -15.65% return outperformed the Morningstar Large Growth Funds category average of -20.82% for the quarter ended June 30, 2022. In addition, for the 1-year period ended June 30, 2022, the Fund outperformed the category average by over 1200 basis points, with a return of -11.65% compared to the category average -23.86%. While we are never satisfied with negative periods, we believe this relative outperformance is primarily due to our investment approach of owning companies that have demonstrated 10 or more years of consistent growth in stock price and earnings.

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

**Q2: How is high inflation impacting your investment approach?**

Inflation does not have a significant impact on our selection process. Our investment approach is more company-specific rather than macro-oriented and is based on owning companies with 10+ years of consistent growth in both stock price and earnings.

In addition, the types of companies we own have proprietary products or services that give them dominant market share within their niche areas regardless the economic environment. As a result, they have pricing power which allows them to pass on rising costs, giving them more control over their bottom line. This brand dominance, in addition to a track record of long-term growth, have contributed to their ability to navigate in a variety of economic conditions.

**Q3: Would you please describe the Fund's market cap breakdown?**

Within the broad large-cap universe, the Fund holds primarily large-cap companies but fewer of the largest capitalization companies relative to our peers in the Morningstar Large Growth Funds category. As of June 30, 2022, the Fund's average market cap was \$86 billion, significantly smaller than the category's average \$285 billion market cap.

We believe that owning companies on the smaller end of the market cap spectrum allows for a longer runway of potential growth. For example, the Fund owns Cintas Corp. (CTAS) which is best known for its uniform rental services. This large-

cap company, with a market cap of \$38 billion as of June 30, 2022, has been in the portfolio for several years, and has shown steady growth over the past 10+ years. We believe it has the potential for continued growth.

|             | % of Portfolio | % of Category Avg. |
|-------------|----------------|--------------------|
| Giant       | 31.85%         | 66.01%             |
| Large       | 57.03%         | 13.30%             |
| Mid         | 11.02%         | 17.12%             |
| Small/Micro | 0.00%          | 2.36%              |

Source: Morningstar 6/30/22

Continued on next page

*Continued from previous page***Q4: What is the Fund's risk management approach?**

Our risk management approach is embedded within our investment approach—namely, owning companies with a track record of 10+ years of consistent growth in both stock price and earnings. Rather than owning high-flying companies that capture headlines because of their

upswings and downswings, we aim to own companies who have successfully navigated economic ups and downs. We believe these types of steady performers have the potential for continued consistent growth. Accordingly, we are pleased the Fund has been awarded Morningstar's **"Below Average" Risk Ratings** for the 3, 5 and 10-year periods ended June 30, 2021.

**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](http://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](http://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 3 stars for the 3-year period, 4 stars for the 5-year period and 3 stars for the 10-year period ended 6/30/22, out of 1,138, 1,052 and 787 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.

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