



Overall  Rating



Among 1,142 Large Growth Funds (as of 9/30/22)

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

\$335M
(as of 9/30/22)

Top 10 Holdings

(as of 9/30/22)

| Company | Weight (%) |
|------------------------------|------------|
| Danaher Corp | 7.92 |
| Accenture PLC Class A | 6.84 |
| Cintas Corp | 6.62 |
| Thermo Fisher Scientific Inc | 6.50 |
| S&P Global Inc | 5.72 |
| Costco Wholesale Corp | 4.97 |
| Mastercard Inc Class A | 4.23 |
| Union Pacific Corp | 4.23 |
| Intuit Inc | 4.01 |
| Fiserv Inc | 3.93 |

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 for the third quarter and the 1-year periods ended September 30, 2022?

The third quarter of 2022 was characterized by high levels of volatility in the stock market, continuing the swings experienced in equity markets since the start of the year. During these volatile periods, we have remained committed to our investment approach, owning companies with 10+ years of consistent growth in both stock price and earnings.

For the quarter ended September 30, 2022, the Fund returned -4.53%, underperforming the Morningstar Large Growth Funds category average of -4.09% for the same period. While we are never satisfied with negative performance, for the 1-year period ended September 30, 2022, the Fund outperformed the category average by over 800 basis points, with a return of -18.50% compared to the category average of -27.10%. We believe this relative outperformance is primarily due to our emphasis on companies with long-term track records of consistent growth.

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

Q2: How is the Select Growth Fund different from others in the Morningstar Large Growth Funds category?

The Fund is a concentrated portfolio, holding 25-50 of our "best ideas" among large-cap growth-oriented companies. We invest in companies that have demonstrated 10 or more years of consistent growth in both stock price and earnings. As of September 30, 2022, the Fund held 29 companies. By contrast, the average number of holdings among Morningstar Large Growth Funds is 261.

| | % of Portfolio | % of Category Avg. |
|-------------|----------------|--------------------|
| Giant | 30.67% | 64.94% |
| Large | 58.52% | 15.96% |
| Mid | 10.82% | 16.79% |
| Small/Micro | 0.00% | 2.31% |

Source: Morningstar 9/30/22

In addition, we look for larger companies that still have room to grow. As a result, the Fund's average market cap is significantly smaller compared to that of our category peers. As of September 30, 2022, the Fund's average market cap was \$82 billion, while the Morningstar Large Growth Funds category average market cap was \$267 billion.

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Q3: What is your approach to managing risk during volatile markets?

While the stock market has been quite volatile in 2022, our investment and risk management approach has not changed. We seek companies with a track record of 10 or more years of consistent growth in both stock price and earnings. Such companies have demonstrated the ability to operate successfully in a variety of economic conditions. For example, one of our portfolio holdings

is Republic Services Inc. (RSG), which provides waste management services. Republic provides an essential service and is a good example of a product or service that consumers need and will continue to pay for regardless of economic cycles or inflationary concerns.

Accordingly, with our emphasis on consistent, long-term growth, we are pleased the Fund has been awarded Morningstar's "Below Average" Risk Rating for the 3, 5 and 10-year periods ended September 30, 2022.

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 3 stars for the 3-year period, 4 stars for the 5-year period and 3 stars for the 10-year period ended 9/30/22, out of 1,142, 1,060 and 790 large growth funds, respectively.

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