

**Overall Rating**

(VLAAX)

Among 460 Moderate
Allocation Funds
(as of 6/30/26)

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 VLAAX
Institutional VLAIX

Inception Date

Investor 8/24/93
Institutional 11/1/15

Total Assets

\$300M
(as of 6/30/26)

Top 10 Holdings

(as of 6/30/26)

Company	Weight (%)
Republic Services Inc	4.64
Stryker Corp	4.38
Cadence Design Systems Inc	4.13
ServiceNow Inc	4.11
Costco Wholesale Corp	3.77
Motorola Solutions Inc	3.50
Marriott International Inc Class A	3.49
Lennox International Inc	3.35
Parker Hannifin Corp	2.96
TransDigm Group Inc	2.82

Portfolio Manager Q&A**Value Line Asset Allocation Fund (VLAAX/VLAIX)****Q1: Would you please comment on the equity market environment and the Fund's performance during the second quarter?**

The second quarter of 2026 continued to be characterized by strong performance in speculative areas of the equity market, particularly companies tied to artificial intelligence and other high-growth themes. While this environment supported many stocks with a higher risk profile, it proved more challenging for investors that favor consistent earnings growth and long-term operating results.

Against this backdrop, the Fund returned 1.48% for the quarter, compared with 8.22% for the Morningstar Moderate Allocation Category average. Relative performance was affected primarily by the equity portfolio, where the Fund's emphasis on higher-quality companies and more conservative positioning lagged many of the category's strongest-performing holdings.

Although short-term results can vary depending on market leadership, the Fund remains focused on constructing a portfolio of equities and fixed income securities designed to provide attractive long-term, risk-adjusted returns.

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

Q2: Were there any notable changes to the equity portfolio during the quarter?

The Fund made several changes to its equity portfolio during the quarter while continuing to emphasize companies with durable competitive positions and consistent growth in stock price and earnings.

New additions included:

- O'Reilly Automotive Inc. (ORLY) – A leading retailer and distributor of automotive replacement parts
- Woodward Inc. (WWD) – A manufacturer of engineered control systems serving the aerospace and industrial markets
- ITT Inc. (ITT) – A diversified industrial company with leading positions in engineered components and infrastructure markets
- argenx (AGX) – A biotechnology company with an established commercial product and promising pipeline
- W.W. Grainger Inc. (GWW) – A leading distributor of maintenance, repair, and operating products

During the quarter, the Fund exited its position in Intuit. As of June 30, 2026, the Fund's equity portfolio held 33 companies.

Value Line Funds

443.279.2015

www.vlfunds.com

Q3: How is the portfolio currently positioned across asset classes?

The Fund continues to maintain a balanced allocation between equities and fixed income, with approximately 62% invested in equities, 33% in fixed income, and 5% in cash at quarter-end.

Within equities, the portfolio remains differentiated from the Morningstar Moderate Allocation Category by emphasizing companies with a lower average market capitalization than the category average. While many allocation funds have become increasingly concentrated in the largest U.S. companies, the Fund maintains meaningful exposure to high-quality mid-cap businesses that we believe offer attractive long-term growth opportunities.

The Fund's fixed income allocation is invested primarily in high-quality securities that help support the Fund's risk-management objectives. Approximately 100% of holdings are rated investment grade (AAA through BBB) as of June 30, 2026.

	% of Portfolio	% of Category Avg.
Giant	0.00%	45.11%
Large	39.19%	26.64%
Mid	53.53%	21.65%
Small/Micro	7.28%	6.61%

Source: Morningstar as of 6/30/26

Portfolio Managers



Stephen E. Grant

Stephen E. Grant has been a portfolio manager with the Value Line Funds since 1991. Over the past 35 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.



Liane Rosenberg

Liane Rosenberg has been with Value Line Funds since 2009. She has over 25 years of experience in fixed income portfolio management. Ms. Rosenberg received a BA from State University of New York at Albany 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 3-year period actually has the greatest impact because it is included in all three rating periods. The Fund received 1 star for the 3-year period, 1 star for the 5-year period and 2 stars for the 10-year period ended 6/30/26, out of 460, 440 and 375 Moderate Allocation funds, respectively. © 2026 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

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.

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