



Overall Rating



Among 699 50-70% Equity Allocation 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 VLAAX
Institutional VLAIX

Inception Date

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

Total Assets

\$992M
(as of 9/30/22)

Top 10 Holdings

(as of 9/30/22)

Company	Weight (%)
Danaher Corp	3.37
Cintas Corp	3.14
Thermo Fisher Scientific Inc	2.97
S&P Global Inc	2.76
Intuit Inc	2.75
Republic Services Inc	2.56
Intercontinental Exchange	2.55
Cadence Design Systems Inc	2.35
Aon PLC Class A	2.19
WR Berkley Corp	2.09

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A

Value Line Asset Allocation Fund (VLAAX/VLAIX)

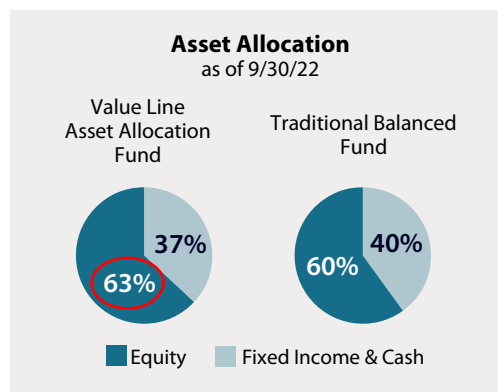
Q1: How did the Fund perform in the third quarter of 2022 relative to the Morningstar 50-70% Equity Allocation Funds category?

The Fund returned -3.49% for the quarter ended September 30, 2022, outperforming the Morningstar 50-70% Equity Allocation Funds category average return of -4.48% for the same period. The third quarter of this year was marked by high levels of volatility, with downward pressure on equities and fixed income alike due to macroeconomic factors including continued high inflation and rising interest rates, among others. We believe the Fund's relative outperformance was primarily due to our investment approach, owning companies with 10+ years of consistent growth in both stock price and earnings in the equity portfolio, and primarily investment grade fixed income securities.

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

Q2: Would you please comment on the Fund's allocation between equities and fixed income?

The Fund's portfolio allocation is flexible, allowing us to shift our equity, fixed income and cash positions according to relative opportunities and risks, unlike many balanced funds that maintain a fixed 60%/40% allocation between equities and fixed income. During the third quarter of this year, the Bloomberg U.S. Aggregate Bond Index declined 4.75%, and the S&P 500 Index declined 4.88%, illustrating the challenges in both the fixed income and equity markets. As of September 30, 2022, the Fund held 63% in equities, 30% in fixed income and 7% in cash. We believe having a smaller weighting in fixed income is prudent in this interest-rate sensitive environment as equities have better relative prospects for long-term appreciation.



Q3: How does the Fund's equity market cap breakdown compare to the Morningstar category?

The Fund's investment approach is flexible when it comes to market cap. As we seek companies with a long-term track record of consistent growth, the equity portfolio tends to have a higher weighting of mid-cap companies relative to the Morningstar 50-70% Equity Allocation Funds category average.

	% of Portfolio	% of Category Avg.
Giant	18.17%	48.18%
Large	51.95%	28.93%
Mid	28.65%	17.80%
Small/Micro	1.23%	5.10%

Source: Morningstar 9/30/22

Continued from previous page

We believe mid-sized companies have the potential to offer a longer growth runway relative to larger companies. Notably, the Fund did not hold any of the 25 largest U.S. companies by market cap as of September 30, 2022.

Q4: What equity portfolio changes were made in Q3?

We took advantage of relative pricing opportunities and made several changes to the equity portfolio during the third quarter. We initiated a position in Marsh &

McLennan Companies Inc. (MMC), a Financial Services company that provides risk and insurance services and consulting. We exited our positions in several companies that no longer met our stringent investment criteria, including The Cooper Companies Inc. (COO), Paycom Software Inc. (PAYC), Monolithic Power Systems Inc. (MPWR), AptarGroup Inc. (ATR), Verisk Analytics Inc. (VRSK), Fidelity National Information Services Inc. (FIS), and TJX Companies Inc. (TJX).

Portfolio Managers



Stephen E. Grant

Co-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.



Liane Rosenberg

Co-Portfolio Manager

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 vifunds.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.vifunds.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 (VLAAX) received 3 stars for the 3-year period and 5 stars for the 5- and 10-year periods ended 9/30/22, out of 699, 649 and 482 50-70% Equity Allocation funds, respectively.

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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