



Overall Rating



(VLAAX)

Among 682 Moderate Allocation Funds (as of 9/30/24)

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

\$961M
(as of 9/30/24)

Top 10 Holdings

(as of 9/30/24)

Company	Weight (%)
TransDigm Group Inc	4.79
Cintas Corp	4.69
Republic Services Inc	3.76
Fair Isaac Corp	3.48
Tyler Technologies Inc	3.21
Intercontinental Exchange Inc	3.03
WR Berkley Corp	2.95
ServiceNow Inc	2.84
Costco Wholesale Corp	2.77
Stryker Corp	2.61

Value Line Funds

443.279.2015

www.vlfunds.com

Portfolio Manager Q&A

Value Line Asset Allocation Fund (VLAAX/VLAIX)

Q1: Would you please comment on the Fund's performance relative to the Morningstar Moderate Allocation Category average for the third quarter as well as longer periods?

For the three months ended September 30, 2024, the Fund returned 7.77%, outperforming the Morningstar Moderate Allocation Category average return of 5.34%. Over the 1-year period ended September 30, 2024, the Fund's return of 25.82% outperformed the category's average return of 21.99% by over 380 basis points. In fact, the Fund's performance ranked in the **top 20% or better for the 1, 3 and 10-year periods** ended September 30, 2024.

We believe the Fund's outperformance over these long-term periods is primarily due to our investment approach. This flexible balanced Fund emphasizes equities with 10+ years of consistent growth in both stock price and earnings, and primarily investment grade fixed income securities.

	1 Year	3 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. - VLAAX	17	13	28	6
# of Funds in Category	733	682	643	491

Source: Morningstar as of 9/30/24

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

Q2: Would you please provide some examples of the types of companies that comprise the Fund's equity portfolio?

When it comes to equities, our investment process emphasizes companies with a history of 10+ years of consistent growth in both stock price and earnings. These types of companies have healthy balance sheets, experienced management teams, and a strong market share. With such a track record, these companies have experienced success in a variety of economic conditions, and we believe are capable of continued growth.

Two examples of the Fund's equity portfolio companies include:

- Fair Isaac Corp. (FICO) is an analytics company that is primarily known for its FICO credit scores which are used by 90% of top lenders to assess credit risk. Other industries use the company's analytics and decision management technology, including insurance, retail, and banking.
- Tyler Technologies Inc. (TYL) provides software and services to public sector agencies and schools. The company's services include property tax appraisal, land records management, and cybersecurity, among others. Tyler operates in all 50 states as well Canada, the Caribbean, and Australia.

Q3: How do the characteristics of the Fund's equity portfolio compare to its category peers?

The Fund's portfolio approach is more growth oriented relative to its peers in the Morningstar Moderate Allocation Category. Approximately 41% of holdings in the equity portfolio are considered growth companies, compared with approximately 25% growth companies in the Morningstar category.

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From a market-capitalization perspective, the Fund is flexible, with an emphasis on companies that we believe have a long growth runway. The Fund's equity portfolio typically has a larger percentage of mid-cap companies, and fewer giant companies, compared to the Morningstar category average. Notably, the Fund did not own any of the 20 largest U.S. companies by market cap as of September 30, 2024.

	% of Portfolio	% of Category Avg.
Giant	4.25%	47.13%
Large	61.99%	26.69%
Mid	29.01%	20.37%
Small/Micro	4.76%	5.82%

Source: Morningstar as of 9/30/24

Q4: How much did the Fund's allocation between equities and fixed income change since the prior quarter?

The Fund has a flexible allocation, enabling us to increase or decrease weightings to equities or fixed income based on relative opportunities and risks. As of September 30, 2024, the Fund was allocated 65% to equities, approximately the same as the allocation weighting at the end of the prior quarter.

Fixed income and cash accounted for 35% of the Fund's assets at quarter's end. Within the fixed income portfolio, approximately 99% of the Fund's debt securities were rated investment grade (AAA through BBB) as of September 30, 2024.

Portfolio Managers



Stephen E. Grant

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

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 (VLAAX) received 4 stars for the 3-year period, 4 stars for the 5-year period and 5 stars for the 10-year period ended 9/30/24, out of 682, 643 and 491 Moderate Allocation funds, respectively. © 2024 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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