



Overall  Rating



(VLIFX)
Among 542 Mid-Cap
Growth Funds
(as of 3/31/22)

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 VLIFX
Institutional VLMIX

Inception Date

Investor 3/1/50
Institutional 8/11/17

Total Assets

\$458M
(as of 3/31/22)

Top 10 Holdings

(as of 3/31/22)

Company	Weight (%)
Teledyne Technologies Inc	6.53
Cadence Design Systems Inc	5.38
Pool Corp	4.96
American Financial Group Inc	4.94
Gartner Inc	4.74
WR Berkley Corp	4.68
Tyler Technologies Inc	4.41
Arch Capital Group Inc	4.34
Chemerd Corp	4.18
Fair Isaac Corp	4.07

Value Line Funds

443.279.2015
www.vlfunds.com

Portfolio Manager Q&A

Value Line Mid Cap Focused Fund (VLIFX/VLMIX)

Q1: Would you please comment on the Fund's performance in the first quarter of 2022 and longer-term periods relative to the Morningstar Mid-Cap Growth Funds category average?

We are pleased the Fund outperformed its Morningstar peer group average for the first three months of 2022, with a return of -5.41%, while the category average return was -12.35% for the period. Not only did the Fund outperform in the recent quarter but has also outperformed over longer periods. In fact, the Fund's 1-year return of 12.25% surpassed the category average return of -4.00% by over 1600 basis points for the 1-year period ended March 31, 2022.

We believe the Fund's successful relative performance is primarily due to our investment process of owning companies with 10 or more years of consistent growth in both stock price and earnings. Significantly, **the Fund's 1-year performance ranked in the top 1%** within the Morningstar Mid-Cap Growth Funds category, while the 5- and 10-year performance ranked in the top quartile (25% or better) in the category, for the periods ended March 31, 2022.

	1 Year	3 Year	5 Year	10 Year
Percentile Rank in Morningstar Cat. – VLIFX	1	36	22	15
# of Funds in Category	592	542	503	386

Source: Morningstar 3/31/22

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

Q2: Would you please provide some examples of the types of companies in the Fund?

The Fund owns mid-sized companies with a track record of 10+ years of growth in both stock price and earnings. Using this lens of consistent growth, the Fund is comprised of mid-cap companies that represent our "best ideas" and have the potential to grow in various market conditions. These are companies that execute their business plans effectively and enjoy more predictable levels of operating results. For example, a long-time Fund holding is Church & Dwight Co. Inc. (CHD) which manufactures household products, including such mundane staples as baking soda, cleaning products and toothpaste. The Fund also holds insurance companies such as American Financial Group Inc. (AFG), which offers property and casualty insurance. Another long-time Fund holding is Waste Connections Inc. (WCN), the third-largest provider of waste and recycling services in North America.

When seeking companies with consistent growth metrics regardless of the economic environment, the Portfolio becomes diversified across multiple sectors. As of March 31, 2022, the Fund's largest sector weightings were Information Technology at 37% and 18% in Industrials.

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Q3: What changes were made to the Fund in the first quarter?

In the first quarter, we added two positions to the Fund: EPAM Systems Inc. (EPAM), a software development company, and Steris PLC (STE), a medical device company focused on infection prevention. We also exited our position in Ball Corp. (BLL). The Fund held 30 stocks as of March 31, 2022, up from 29 the previous quarter.

Q4: Why should an investor consider an investment in the Fund?

We believe the Fund presents an opportunity for long-term growth while being mindful of risk. Mid-cap companies have the potential for a long growth runway, while they also are more likely to have the stability that comes from experience, more so than a younger, smaller company. Within the mid-cap universe, we invest in companies with 10 or more years of consistent growth in stock price and earnings. We believe by seeking companies with greater consistency of operating results, we can benefit from more predictable growth runways while being mindful of risk. In fact, the Fund has been awarded **Morningstar's "Low" Risk Rating for the 3, 5 and 10-year periods** ended March 31, 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 4 stars for the 3-year period and 5 stars for the 5- and 10-year periods ended 3/31/22, among 542, 503 and 386 mid-cap growth funds, respectively.

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