Value Line®

2023
ANNUAL REPORT

Chairman's Letter

To Our Shareholders:

We are pleased to report that Value Line's Fiscal Year which ended April 30, 2023 was a successful one.

The Company earned $18,069,000 or $1.91 per share and as a result the Board of Directors voted to increase the Value Line dividend for the ninth consecutive year. Our quarterly dividend rose by 3 cents per share or 12.0% to 28 cents per share per quarter or $1.12/share per year. Based on the closing price of Value Line stock as of April 30, 2023 of $45.80/share, our dividend yield was 2.45%.

Moreover, Income from Operations of $11,470,000 reached its highest level in more than a decade, up $670,000 or 6.2% compared with Income from Operations in Fiscal 2022. Value Line's Retained Earnings of $95,979,000 as of April 30, 2023, grew by almost $8,334,000 or 9.5% compared to that of a year earlier.

In addition, despite high inflation rates and product supply shortages, Value Line continued to implement its policy of careful cost management, resulting in Operating Expenses declining by $1,500,000 or 5.0%.

After a difficult 2022 calendar year during which the S&P 500 dropped 18%, calendar 2023 has so far been more favorable for the growth of stock prices. Nevertheless, Value Line's Institutional Sales business recorded the highest level of sales ever during fiscal 2023 as more than 90% of our institutional customers renewed their subscriptions and several large customers in the U.S., Asia, and in the Fintech sector became new Value Line customers. Looking forward, we expect that our Institutional business will continue to do well and believe that during fiscal 2024 more retail investors will return to the market resulting in many of them subscribing to more than one of Value Line's services.

During Fiscal 2023, our copyright business, which focuses on safe and strong dividend paying stocks, also generated higher revenue compared with the preceding fiscal year. This is exactly the strategy many investors who choose to stay invested, despite market tumult, are searching for.

Non-voting revenues and profits interests from Eulav Asset Management did not perform well this year due to a shift in stock market thinking. The Eulav Asset Management strategy focuses on identifying growth oriented stocks which often don't pay dividends and which tend to do well during periods of low interest rates. During calendar 2022, the Federal Reserve steadily raised interest rates to levels not seen in decades. The result was an investor shift away from growth stocks and into value stocks that are viewed as safer and that usually pay dividends. So far in calendar 2023, a number of economists have predicted that the Federal Reserve is at or near the end of its interest raising cycle and that there is less risk of a recession, making stocks more inviting, which is why Eulav Asset Management's fund assets have been rising again.

In this, our 92nd year of business, our strategy is to continue to offer high quality, independently sourced information and analysis on stocks, funds, and options for all types of investors including the investing public, academic and municipal libraries, and Wall Street professionals here and overseas. This is the legacy of our founder, Arnold Bernhard, the "Dean of Wall Street," who began our publishing business in 1931 and was one of the pioneers of the post-war mutual funds business.

We are proud of this year's accomplishments for you, our shareholders, and for our customers who place their confidence in us. In the year ahead we intend to do our best to successfully manage each challenge we'll face and to work hard to deserve your continuing trust.

Sincerely,

Howard A. Brecher
Chairman and Chief Executive Officer

Value Line 2023 Annual Report

Financial Highlights	**2**
Value Line Services	**3**
Value Line Departments and Functions	**9**
Management's Discussion and Analysis of Financial Condition and Results of Operations	**10**
Peer Group Comparison — Total Return Chart	**22**
Consolidated Financial Statements	**23**
Notes to Consolidated Financial Statements	**28**
Report of Independent Accountants	**42**

FY2023 Financial Highlights

Ten-year Operating Results

($ in thousands except per share amounts)

Revenues	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Investment periodicals and related publications	$26,232	$27,145	$27,629	$27,628	$28,820	$29,503	$30,168	$31,925	$32,676	$33,598
Copyright fees	13,463	13,380	12,763	12,671	7,437	6,365	4,406	2,621	2,847	2,733
Total publishing revenues	39,695	40,525	40,392	40,299	36,257	35,868	34,574	34,546	35,523	36,331
Gain on sale of operating facility	—	—	—	—	—	—	8,123	—	—	—
Total revenues	$ 39,695	$ 40,525	$ 40,392	$ 40,299	$ 36,257	$ 35,868	$ 42,697	$ 34,546	$ 35,523	$ 36,331
Depreciation and amortization	205	256	265	266	368	1,125	4,623	3,817	2,715	2,085
Income from operations	11,470	10,800	7,535	9,090	5,413	2,572	7,459	1,880	2,399	2,501
Gain on forgiveness of SBA loan	—	2,331	—	—	—	—	—	—	—	—
Revenues and profits interests in EAM Trust	11,131	18,041	17,321	12,350	9,309	8,786	7,714	7,651	7,970	7,499
Net Income(1)	$ 18,069	$ 23,822	$ 23,280	$ 14,943	$ 12,009	$ 14,738	$ 10,367	$ 7,291	$ 7,292	$ 6,768
Earnings per share, basic & fully diluted (1)	$1.91	$2.50	$2.43	$1.55	$1.24	$1.52	$1.07	$0.75	$0.74	$0.69
EBITDA(2)	$ 22,806	$ 31,428	$ 25,121	$ 21,706	$ 15,090	$ 12,483	$ 19,796	$ 13,348	$ 13,084	$ 12,085
EBITDA — percent of total revenues	57%	78%	62%	54%	42%	35%	57%	39%	37%	33%
Net profit margin	46%	59%	58%	37%	33%	41%	24%	21%	21%	19%
Operating profit margin	29%	27%	19%	23%	15%	7%	17%	5%	7%	7%

(1) The Company adopted FASB Accounting Standard Update No. 2016-01, " Financial Instruments — Overall: Recognition and Measurement of Financial Assets and Financial Liabilities" effective May 1, 2018 for fiscal year 2019.

(2) Non-GAAP financial measures: Earnings before interest, taxes, depreciation and amortization (EBITDA), includes income from operations before depreciation and amortization plus revenues and profits interest in EAM Trust. These financial measures are not calculated in accordance with generally accepted accounting principles (GAAP) and are not based on any comprehensive set of accounting rules or principles. Management believes these non-GAAP financial measures provide a useful measure of the Company's financial results and comparison to historical results.

Financial Condition

($ in thousands)

	2023	2022
Cash and short term securities at market value	$62,064	$57,825
Working capital including cash and securities at market value (including a reduction for unearned revenues classified as current liabilities of $16,769 and $17,688, in fiscal 2023 and 2022, respectively)	$42,817	$37,580
Total assets	$131,076	$128,743
Unearned revenue	$22,973	$23,773
Shareholders' equity	$83,673	$79,645

Value Line Services

PRINT SERVICES

Note: P D indicates the printed service has a digital counterpart; D denotes service only delivered digitally (by Internet).

The Value Line Investment Survey® P D

For more than 90 years, Value Line has provided subscribers with unbiased equity research through its flagship publication, *The Value Line Investment Survey*. A lot has happened in those years, including both raging bull markets and unrelenting bear markets. At the core of *The Value Line Investment Survey* are the individual research reports that our team of experienced equity analysts and quantitative staff create each week. We cover stocks across nearly 100 industries. Each stock is reviewed quarterly with a full research report and, when warranted, with Supplementary Reports if important events take place between regular quarterly updates. Value Line reports are unbiased because we have no banking or brokerage operations. Our company does not benefit from any trades a reader may make. Moreover, our ethical guidelines dictate that our analysts cannot own the stocks of the companies that they cover.

Each one-page research report contains a quick summary of the company's business facts, up to 17 years of historical financial data, and our proprietary Ranks, to guide subscribers in making sound investment decisions. We don't simply report numbers, we analyze them. This is an important distinction between our publications and those available as "free" services, which may simply take publicly available information and put it online without adding any original thinking or analysis.

In addition to analyzing a company's financial statements, our analysts develop proprietary financial estimates. We provide in our unique analyst commentary a concise review of the company's current situation, and a narrative of what our analyst thinks of its prospects. As noted above, if something should occur between regularly scheduled coverage dates that materially changes our expectations, a Supplementary Report is published.

In addition to the individual company reports, which are contained in the *Ratings & Reports* section of the publication, subscribers receive a *Summary & Index* and a weekly *Selection & Opinion* section. The *Summary & Index* contains the latest ranks and key statistics on all of the companies covered by the *Survey*, which ensures that subscribers have the updated ranks and statistics. There is also a varied collection of screens in the Index that helps provide subscribers with a quick and easy starting point for picking stocks that fit their selection criteria.

The *Selection & Opinion* section also gives subscribers a broad-based view of the stock market and the economy in narrative form and through an array of informative charts. Also contained in this section of the service are four of our Model Portfolios, covering multiple investment approaches. Subscribers to *The Value Line Investment Survey* also receive, via email, a weekly newsletter including economic news and the latest stock coverage that is delivered each Monday around 8:00 AM Eastern Time.

Value Line's rich history and strong commitment to independence are at the heart of our offerings as we maintain our standards of excellence.

The Value Line 600 P D

Although many of our subscribers enjoy the comprehensive information available in *The Value Line Investment Survey*, we know from customer feedback that some have found that they prefer a monthly service rather than a weekly. With this in mind, we created *The Value Line 600* to serve the needs of customers who want in-depth, independent research on primarily larger and more prominent companies. *The Value Line 600* is a monthly publication that details a select group of about 600 of the companies that comprise *The Value Line Investment Survey*.

The approximately 600 company reports included in this service are a smaller selection of the same full-page reports that are published in *The Value Line Investment Survey*. Our main goal here is to provide our subscribers with a full spectrum of companies, while scaling back the total number of companies. We attempt to highlight most industries with at least two of the more significant companies in each industry, helping investors to concentrate on those companies that tend to drive their respective industries. In addition to the most well-known U.S. companies, including all of the Dow 30 members, almost 100 prominent international entities are tracked in The Value Line 600. A Summary & Index section is also included with each issue, containing updated company statistics, screens, and Supplementary Reports. The available online "600" service, known as *Investor 600* provides many of our updates with greater frequency than the monthly print service. Print and online 600 subscribers also receive a Model Portfolio via a weekly email newsletter, which is also included in the monthly print edition.

Value Line Select® P D

Every month, the Value Line Research Department thoroughly reviews the stocks tracked in *The Value Line Investment Survey* and selects one stock Value Line thinks has the best total return potential, taking into account both risk and reward. *Select* is designed to help investors build and manage a portfolio of stocks in established companies that are expected to outperform the broader market over the near and long term, without taking on undue risk. The Research Department then creates a detailed report on this stock for the service's subscribers.

This extensive report clearly explains why we are highlighting this single stock above all others. The report summarizes the company's fundamentals, articulates what the current growth opportunity is, and contains an estimate of how much an investor stands to earn if he or she purchases the stock. We examine the company's strategy for success, as well as how management intends to overcome the inevitable challenges it will face. We include pertinent historical background and financial information about the company, including a comprehensive look at its finances, and a review of historical data and projected sales and earnings.

Once a stock is highlighted, we keep investors abreast of developments through Supplementary Reports. Key financial information and our current stance (Buy or Hold) is presented monthly on the stocks remaining in the *Select* portfolio. If a company is removed from our *Select* coverage, subscribers are informed of this decision immediately via telephone or e-mail. The content of our *Select* reports is also available online for subscribers, so they can access the most up-to-date Supplementary Reports. *Value Line Select* is available online and in print.

Value Line Select: Dividend Income & Growth P D

Each month, *Value Line Select: Dividend Income & Growth*, features the stock that appears to have the best available dividend income and growth potential. The Research Department targets companies that have consistently increased their dividends and, based on Value Line analysis, have the financial strength both to support and increase dividend payments in the future. In addition, each month, one alternative stock is recommended with a thorough analysis explaining our reasoning. The editors create a detailed report highlighting the stocks for this product's subscribers. Supplementary Reports are provided by e-mail to subscribers and posted online. Sell alerts are communicated by telephone or e-mail.

Value Line Select: ETFs P D

Value Line Select: ETFs, a monthly ETF selection service, uses the Value Line ETF Ranking System to focus on ETFs that appear poised to outperform the broader market. The selection process begins with an industry approach, and recommends a single ETF with the best profile representing that industry.

The Value Line Investment Survey — Small & Mid-Cap P D

The Value Line Investment Survey — Small & Mid-Cap, available online and in print, provides updated coverage on companies having market capitalizations of less than $10 billion. Investors find this publication, introduced more than 20 years ago, an excellent source of information about companies that generally are not widely followed on Wall Street because of their smaller size. The *Small & Mid-Cap* service extends the scope of *The Value Line Investment Survey*. The print portion of the service is issued monthly. The 400 stocks of the Small & Mid-Cap universe selected for inclusion in the print component of the service are those of most importance to subscribers and are mailed to subscribers in updated monthly groups. The Digital component of the service remains unchanged — updated weekly with the complete coverage universe of stocks available for review. It uses a 1-to-5 Ranking System paralleling that of the Investment Survey. Each company report contains considerable historical financial data (up to nine years), a business description, consensus quarterly and annual earnings estimates when available, and a stock price chart with monthly share volumes. Every report is updated quarterly. When important news occurs between regularly scheduled coverage, Supplementary Reports are created and provided to subscribers with the regular weekly issue.

Each issue also includes an Index that contains the latest financial statistics and stock ranks on the equities covered in this service. The *Small & Mid-Cap* service also provides screens that are useful for investors seeking new ideas and two Model Portfolios.

The Value Line Fund Advisor Plus P D

Subscribers to *The Value Line Fund Advisor Plus* have access to monthly reports covering some 20,000 equity and bond funds. Online, these reports are updated nightly, as soon as the latest data are received. *Fund Advisor Plus* subscribers also receive the printed monthly *Value Line Fund Advisor Plus*. The printed service includes the Value Line Economic and Stock Market Commentary, analytic write-ups on three mutual funds, four mutual fund and ETF model portfolios with analyst comments about each model portfolio, nine screens and an index of hundreds of mutual funds listed alphabetically as well as a variety of important valuable investor information. Screening tools are available to subscribers through the website as well to help sort through the large universe of funds that are available.

The Value Line Mutual Fund Ranking System uses a one-to-five scale, like our systems for ranking equities, with one being the best possible rank for expected risk-adjusted performance and five the worst. The Value Line Mutual Fund Ranking System is also provided as part of our software product: The Value Line Mutual Fund Data File. This same Mutual Fund Ranking System is also included in the mutual fund section of The Value Line Research Center.

The Value Line Special Situations Service P D

The Value Line Special Situations Service is a monthly publication devoted to small- and mid-cap companies that may have been overlooked by Wall Street. This service provides subscribers with recommendations and in-depth research coverage on our selected stocks. It is available in print and digital (online) versions. Each issue features a new aggressive recommendation, a new conservative recommendation, and updates of previously recommended companies.

We also publish two model portfolios. Our aggressive model portfolio is comprised of companies that have strong growth potential. They can be younger firms that are developing innovative products or services that have yet to turn a profit, or established organizations that stand to benefit from new or revised products or services, acquisitions, a restructuring, or changing economic conditions. Companies in this portfolio often reside in the biotech, medical device, software, and technology industries. Each new aggressive and conservative recommendation is then added to the aggressive and conservative model portfolios. The manufacturing, retail, and service sectors are also represented. Conservative model portfolio selections are financially sound companies that typically operate in more stable sectors of the economy. They often have a track record of steady, sustained growth, and may pay regular dividends. At times, their shares may be trading at depressed valuation levels. Included with each new selection is a comprehensive report detailing its business, its projected growth potential over the next three to five years, and a full page of historical financial data.

Each issue provides updates of six to seven companies that are contained in one of the model portfolios. The updates discuss recent developments and financial performance, and include our current long-term price target and opinion on the stock.

The Value Line M&A Service P D

This is a monthly service launched about three years ago. The objective of the service is to identify companies that possess characteristics, such as a successful product lineup, market position or important technology, which would interest larger corporations or private equity firms. The main feature of the *M&A Service* consists of a detailed, multipage highlight on a stock that Value Line thinks is a good acquisition candidate. New recommendations are then added to the M&A Model Portfolio. *The M&A Service* is available online and in print.

The Value Line Climate Change Investing Service P D

This monthly service was introduced in April 2021. This publication is designed for the climate-conscious, profit-oriented investor, and seeks to provide key climate news alongside a managed portfolio of twenty stocks, chosen by our analysts, which stand to benefit from responses to climate change. Selections are vetted based not only on time-tested financial measures, but also the potential impact of climate change and measures taken to combat it on their business. Our selections fall into two main groups: businesses that are focused on providing environmental solutions, and those that are likely to thrive in a changing climate. Every issue features new updates to our portfolio. The Climate Change Service is available online and in print.

The Value Line Information You Should Know Wealth Newsletter P D

This is a monthly service started in January 2020. It is a general interest publication focusing on useful and actionable investing and financial information. It is a succinct 4 page newsletter covering topics such as. "How Can I Avoid Probate? And Should I?", "How to Handle Your Investments in a Bear Market". It is available as a print product or as a PDF delivered via email. The newsletter is marketed via a variety of channels including as an add-on in Value Line direct mail campaigns and email.

DIGITAL SERVICES

The Value Line Investment Analyzer D

The Value Line Investment Analyzer provides subscribers access to every aspect of *The Value Line Investment Survey*, but with additional functionality, including creation of complex screens, and subscriber-selected data fields. This product is geared toward subscribers who want to enhance Value Line's research by adding criteria they choose.

The Value Line Investment Survey — Smart Investor D

The Value Line Investment Survey — Smart Investor offers digital access to full page reports, analyst commentary and Value Line proprietary ranks with coverage on stocks that comprise over 90% of the value of all stocks that trade on U.S. exchanges. Online tools include screener, alerts, watchlists and charting. Print capabilities are included.

The Value Line Investment Survey — Savvy Investor D

The Value Line Investment Survey — Savvy Investor offers digital access to full page reports and Value Line proprietary ranks on the stocks of both The Investment Survey (Smart Investor) and The Small Cap Investor. Online tools include a screener, alerts, watchlists, and charting. Print capabilities are included.

The Value Line Investment Survey — Small-Cap Investor D

The Value Line Investment Survey — Small Cap Investor offers digital access to full page reports and Value Line proprietary ranks as well as short descriptions of and extensive data for small and medium-capitalization stocks generally with market capitalizations under $10 billion. Online tools include a screener, alerts, watchlists and charting. Print capabilities are included.

The Value Line Investment Survey — Investor 600 D

The Value Line Investment Survey — Investor 600, equivalent to *The Value Line 600* print, offers digital access to full page reports, analyst commentary and Value Line proprietary ranks on approximately 600 selected stocks covering the same variety of industries as *The Value Line Investment Survey*. Online tools include a screener, alerts, watchlists and charting. Print capabilities are included.

Value Line Pro Basic D

Value Line Pro Basic digital service offers coverage on stocks drawn from nearly 100 industries. There are more than 200 data fields that can be screened to help make informed decisions. Features of the service include three years of historical reports and data, customizable modules, watchlists, charting, alerts, and screening.

Value Line Pro Premium D

Value Line Pro Premium digital service includes *The Value Line Investment Survey* and *The Value Line Investment Survey® — Small & Mid-Cap*. This equity package monitors more than 3,300 companies with market values ranging from less than $1 billion to nearly $3 trillion, across nearly 100 industries. There are more than 250 data fields that can be screened to help make informed decisions. Features of the service include three years of historical reports and data, customizable modules, alerts, watchlists, and screening.

Value Line Pro Elite D

Value Line Pro Elite digital service includes *The Value Line Investment Survey* and *The Value Line Investment Survey — Small & Mid-Cap* plus an expanded database of more than 2,000 additional companies. There are more than 250 data fields, constituting a comprehensive range of criteria investors can use to help them make informed decisions. Features of the service include five years of historical reports and data, customizable modules, alerts, watchlists, and screening.

Value Line Library Basic D

Value Line Library Basic has coverage on stocks included in *The Value Line Investment Survey*, drawn from nearly 100 industries, representing over 90% of total U.S. daily trading volume. There are more than 200 data fields to help local library patrons and university students make more informed decisions.

Value Line Library Elite D

Value Line Library Elite offers libraries digital access to full reports, analyst commentary and Value Line proprietary ranks on stocks representing over 95% of daily U.S. trading volume, along with one year of fully-detailed history. Online tools include a screener, and charting. Print capabilities are included.

The Value Line Research Center D

The Value Line Research Center provides online access to selected Company investment research products covering stocks, mutual funds, ETFs, options as well as special situation stocks. This service includes full online subscriptions to T*he Value Line Investment Survey*, *The Value Line Investment Survey — Small & Mid-Cap*, *The Value Line Fund Advisor Plus*, *The Value Line Daily Options Survey*, *The New Value Line ETFs Service*, and *The Value Line Special Situations Service*. Library subscribers will also get access to the Value Line Climate Change Investing Service. Users can screen extensive data fields, create graphs using multiple different variables, and access trading history. It is a top-shelf service providing a wide range of content to professional clients and private investors.

The Value Line Pro Equity Research Center D

The Value Line Pro Equity Research Center is an equities-only package that includes access to exclusive premium services and provides online access to all of Value Line's equity products. This service includes full online subscriptions to *The Value Line Investment Survey*, *The Value Line Investment Survey — Small & Mid-Cap*, *Value Line Select*, *Value Line Select: Dividend Income & Growth*, *The Value Line Special Situations Service*, *The Value Line M&A Service*, and *The Value Line Pro ETF Package* (including *Select: ETFs* and *The New Value Line ETFs Service*). *The Value Line Pro Equity Research Center* has the ability to track customer-created portfolios, as well as providing ranks and analyst commentary. This high end service zeroes in on the needs of equities specialists.

The Value Line Library Research Center D

The Value Line Library Research Center provides online access to selected Company investment research products covering stocks, mutual funds, options as well as special situation stocks and climate change investing. This service includes full online subscriptions to *The Value Line Investment Survey*, *The Value Line Investment Survey — Small & Mid-Cap*, *The Value Line Fund Advisor Plus*, *The Value Line Daily Options Survey*, *The New Value Line ETFs Service*, *The Value Line Special Situations Service*, *and The Value Line Climate Change Investing Service*. Users can screen extensive data fields, create graphs using multiple different variables, and access trading history. *The Value Line Library Research Center* has the ability to track customer-created portfolios (large, small, and mid-cap), as well as to provide ranks and analyst commentary. It is a premier service providing a wide range of content to library patrons, students, and academic faculty as well as private investors.

The Value Line Daily Options Survey D

The Value Line Daily Options Survey is a daily digital service that evaluates and ranks more than 500,000 U.S. equity and index options. Features include an interactive database, spreadsheet tools, and a weekly e-mail newsletter. This product is only offered as an online subscription due to the volatility in the pricing of options.

The New Value Line ETFs Service D

This online-only product provides data, analysis, and screening capabilities on more than 2,700 publicly traded ETFs. Almost all of the ETFs tracked in the product are ranked by The Value Line ETF Ranking System, a proprietary system designed to predict the ETFs' future performance relative to all other ranked ETFs. The screener includes more than 30 fields, and each ETF has its own full PDF report. All data and information can be downloaded, exported, and printed.

Quantitative Strategies D

Value Line Quantitative Strategy Portfolios are developed based on our renowned proprietary Ranking Systems for Timeliness™, Performance and Safety™, Financial Strength Ratings, and a comprehensive database of fundamental research and analysis. These strategies are available for licensing by Financial Professionals such as registered investment advisors and portfolio managers.

VALUE LINE INSTITUTIONAL SERVICES

Value Line's Institutional Services Department handles the research needs of our professional, corporate, government, and library customers located throughout the world. From universities in London to investment managers in Shanghai to public libraries in San Francisco, the Institutional Department is responsible for the sale of Value Line's proprietary institutional research and data products and maintains our business relationships with these customers.

The Department introduces prospects to our services through our websites www.valuelinepro.com and www.valuelinelibrary.com.

Value Line Website

www.valueline.com

Our website, www.valueline.com, is the online face of Value Line for individual investors, serving as the entry point to our digital products for subscribers and a marketing hub for potential customers. Prospective subscribers and visitors to www.valueline.com are presented with original content written by our analysts showcasing Value Line's research knowledge. All site visitors who register have the chance to review our full current coverage of the 30 Dow stocks, showcasing our analysis of these well-known companies. The freely accessible content is designed to bring visitors to the website through search and marketing channels. At various points throughout the website, marketing initiatives are in place to convert visitors into paying subscribers. On the website, visitors may access free quotations and market information for a security, but must become a paying subscriber to unlock the Value Line Ranks or other subscriber-only proprietary content.

www.valuelinepro.com

Our website www.valuelinepro.com, is a marketing channel for Value Line Institutional Services, which is also known as "Value Line Pro." Institutional Services provides investment research to our professional audience, which is comprised of financial advisors, corporate investors, portfolio managers, research analysts, and government agencies. The website provides extensive information on products available to professionals through Institutional Services. Website visitors can now take an on-demand tour of our Professional Service anytime with an online video presentation. There, website visitors can also sign up for free trials and webinars, read economic and stock market commentary, and learn more about our current promotional offerings.

www.valuelinelibrary.com

Our library website, www.valuelinelibrary.com, is a marketing channel for Value Line Institutional Services to reach the municipal and academic library audience. The website provides extensive information on products available to this specific prospective customer base. As with our Professional website, visitors to the Library website can now take an on-demand tour of our Library Service anytime with an online video presentation. Website visitors can sign up for free trials and webinars and learn more about our current product offerings. The website provides direct access to communicate with the Institutional Department on a wide range of topics.

VALUE LINE DEPARTMENTS AND FUNCTIONS

Value Line Distribution Center

Our New Jersey fulfillment operations center manages distribution, subscription processing, and mailing.

Information Technology

Value Line's Information Technology is integral to how we produce and distribute our products and services. The Information Technology Department is comprised of well-qualified engineers, developers and operations specialists who are responsible for Software Architecture, Application Development, Production Control, Web Support, Infrastructure Services, Database Design and Maintenance. The Group maintains and monitors our websites and supports the needs of all internal staff with a superior Technology Support Desk.

Value Line Funds

As of April 30, 2023, the Value Line Mutual Funds had $3.09 billion under EULAV Asset Management.

Copyright Programs

Value Line's Copyright Programs support various financial products, including Exchange Traded Funds, Unit Investment Trusts, Annuity programs, and other investments that are available to investors through copyright agreements with third parties. The agreements for copyright typically enable Value Line to receive a percentage of assets held in a copyright program. In return, the other party is typically permitted to use the Value Line name and proprietary information along with one or more Value Line quantitative models (the "Copyright") as the basis for one or more asset management products that they establish, administer, and market.

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help a reader understand Value Line, its operations and business factors. The MD&A should be read in conjunction with Item 1, "Business", and Item 1A, "Risk Factors" of Form 10-K, and in conjunction with the consolidated financial statements and the accompanying notes contained in Item 8 of this report.

The MD&A includes the following subsections:

- Executive Summary of the Business
- Results of Operations
- Liquidity and Capital Resources
- Recent Accounting Pronouncements
- Critical Accounting Estimates and Policies

EXECUTIVE SUMMARY OF THE BUSINESS

The Company's core business is producing investment periodicals and their underlying research and making available certain Value Line copyrights, Value Line trademarks and Value Line Proprietary Ranks and other proprietary information, to third parties under written agreements for use in third-party managed and marketed investment products and for other purposes. Value Line markets under well-known brands including Value Line®, the Value Line logo®, *The Value Line Investment Survey*®, Smart Research, Smarter Investing™ and The Most Trusted Name in Investment Research®. The name "Value Line" as used to describe the Company, its products, and its subsidiaries, is a registered trademark of the Company. EULAV Asset Management Trust ("EAM") was established to provide the investment management services to the Value Line Funds, institutional and individual accounts and provide distribution, marketing, and administrative services to the Value Line® Mutual Funds ("Value Line Funds"). The Company maintains a significant investment in EAM from which it receives payments in respect of its non-voting revenues and non-voting profits interests.

The Company's target audiences within the investment research field are individual investors, colleges, libraries, and investment management professionals. Individuals come to Value Line for complete research in one package. Institutional licensees consist of corporations, financial professionals, colleges, and municipal libraries. Libraries and universities offer the Company's detailed research to their patrons and students. Investment management professionals use the research and historical information in their day-to-day businesses. The Company has a dedicated department that solicits institutional subscriptions.

Payments received for new and renewal subscriptions and the value of receivables for amounts billed to retail and institutional customers are recorded as unearned revenue until the order is fulfilled. As the orders are fulfilled, the Company recognizes revenue in equal installments over the life of the particular subscription. Accordingly, the subscription fees to be earned by fulfilling subscriptions after the date of a particular balance sheet are shown on that balance sheet as unearned revenue within current and long-term liabilities.

The investment periodicals and related publications (retail and institutional) and Value Line copyrights and Value Line Proprietary Ranks and other proprietary information consolidate into one segment called Publishing. The Publishing segment constitutes the Company's only reportable business segment.

Asset Management and Mutual Fund Distribution Businesses

Pursuant to the EAM Declaration of Trust, the Company maintains an interest in certain revenues of EAM and a portion of the residual profits of EAM but has no voting authority with respect to the election or removal of the trustees of EAM or control of its business.

The business of EAM is managed by its trustees each owning 20% of the voting interest in EAM and by its officers subject to the direction of the trustees. The Company's non-voting revenues and non-voting profits interests in EAM entitle it to receive a range of 41% to 55% of EAM's revenues (excluding distribution revenues) from EAM's mutual fund and separate account business and 50% of the residual profits of EAM (subject to temporary increase in certain limited circumstances). The Voting Profits Interest Holders will receive the other 50% of residual profits of EAM. Distribution is not less than 90% of EAM's profits payable each fiscal quarter under the provisions of the EAM Trust Agreement.

Business Environment

The pace of economic growth slowed moderately in the first half of calendar 2023. The gross domestic product (GDP) expanded by an annualized rate of 2.0% in the March period and the consensus forecast expected that the pace eased to around 1.0% in the June interim. (The first estimate for second-quarter GDP surprised to the upside with a reading of 2.4%.) This followed respective annualized advances of 3.2% and 2.6% in the third and fourth quarters of 2022. The Federal Reserve's increasingly restrictive monetary policies—implemented to battle inflation by slowing demand for goods and services and ultimately putting downward pressure on prices—hurt the housing and manufacturing sectors, though recent data suggests that the housing market may be emerging from a recessionary phase in 2022.

The Federal Reserve, faced with inflation running at a 40-year high entering 2022, embarked on a highly restrictive monetary policy tightening course. This resulted in the central bank hiking the benchmark short-term interest rate at 10-consecutive Federal Open Market Committee (FOMC) meetings before pausing at the June meeting. This hawkish stance raised the federal funds rate from near-zero in the spring of 2022 to the current range of 5.25% to 5.50% announced on July 26th. Recent data have shown that inflation eased some this spring, with both consumer and producer price growth well off multi-decade highs established in 2021. On point, the June Consumer Price Index (CPI) showed prices rose 0.2% on a month-to-month basis, which was up modestly from the May reading of 0.2%, but came in below the consensus expectation calling for an increase of 0.3%. Furthermore, the core CPI, which excludes the more volatile food and energy components, increased 0.2% in June, which was half the prior month's pace. On a 12-month basis, the CPI rose 3.0%, which was down markedly from the May rate of 4.0%.

However, several Federal Open Market Committee voting members believe that multiple interest-rate hikes are still plausible in the second half of 2023, including a quarter-point increase at the soon-to-commence July FOMC meeting. Those senior Fed officials, including Chairman Jerome Powell, think the federal funds rate needs to rise to the lead bank's recently revised 2023 target of 5.60% and stay at or above that level for an extended period to bring price growth closer to its long-term target rate of 2.0%. Wall Street remains skeptical that the Fed will be that hawkish, as the central bank said it will be "data dependent" in formulating monetary policy. Thus, with many market pundits thinking that a continued downward trend in prices will be seen in the upcoming inflation readings, the Street believes that the Fed may reconsider its hawkish position.

The economic data of late have been better than expected, highlighted by surprising recoveries in homebuilding activity and auto sales during the month of May. This, along with the continued strength of the consumer and labor markets, despite the Fed's best efforts to slow demand for goods and services and ultimately push prices lower, gives more credence to the notion that the Fed can orchestrate a "soft landing" for the economy, as it likely nears the end of its most aggressive interest-rate tightening course in four decades.

The Federal Reserve's push to stabilize prices has not yet hurt the other part of its dual mandate. Indeed, the labor market remains healthy, with recently laid-off workers and those looking for a better position still finding new jobs rather quickly. Labor market conditions remain tight, despite a lower-than-expected jobs gain of 209,000 in June. Overall, nonfarm payrolls increased by 1.67 million positions through the first half of 2023. The health of the labor market has been a key driver behind the resiliency of the consumer sector amid high inflation. Whether this will continue is the big question, as some headwinds for the consumer are swirling. These include consumer credit card balances rising to record levels this year, the resumption of student loan repayments this September, and the likely reduction of COVID-19 stimulus-enhanced savings accounts. Given these factors, it is hard to envision the consumer keeping up the recent hot pace of spending beyond the latter stages of this year.

In conclusion, the aggressive monetary policy tightening stance by the Federal Reserve may ultimately push the U.S. economy into a recession, but the narrative calling for a "soft landing" has gained steam, given the recent improved economic data. The continued inversion of the Treasury market yield curve (that occurs when rates on longer-term obligations are lower than those of shorter-term durations), the sharp reduction in the U.S. money supply, two-consecutive quarters of corporate earnings declines, and the recent economic struggles for China and Germany (two important trading partners of the United States), may indicate some economic challenges ahead. From a stock market perspective, the price-to-earnings ratio of the S&P 500 companies in early July stood at nearly 19, compared to the 10-year average of 17.4x. This elevated valuation may leave equities vulnerable to any disappointing news on the economic, earnings, and geopolitical fronts.

Results of Operations for Fiscal Years 2023, 2022 and 2021

The following table illustrates the Company's key components of revenues and expenses.

	Fiscal Years Ended April 30,				
				Change	
($ in thousands, except earnings per share)	2023	2022	2021	'23 vs. '22	'22 vs. '21
Income from operations	$11,470	$10,800	$7,535	6.2%	43.3%
Gain on forgiveness of SBA loan	—	2,331	—	n/a	n/a
Non-voting revenues and non-voting profits interests from EAM Trust	11,131	18,041	17,321	–38.3%	4.2%
Income from operations plus non-voting revenues and non-voting profits interests from EAM Trust and gain on SBA loan forgiveness	22,601	31,172	24,856	–27.5%	25.4%
Operating expenses	28,225	29,725	32,857	–5.0%	–9.5%
Investment gains	1,174	(534)	5,420	319.9%	–109.9%
Income before income taxes	$23,775	$30,638	$30,276	–22.4%	1.2%
Net income	$18,069	$23,822	$23,280	–24.1%	2.3%
Earnings per share	$1.91	$2.50	$2.43	–23.6%	2.9%

During the twelve months ended April 30, 2023, the Company's net income of $18,069,000, or $1.91 per share, was 24.1% below net income of $23,822,000, or $2.50 per share, for the twelve months ended April 30, 2022. Fiscal 2022 included a gain of $2,331,000 from the tax-free forgiveness of SBA's PPP loan to the Company. During the twelve months ended April 30, 2023, the Company's income from operations of $11,470,000 was 6.2% above income from operations of $10,800,000 during the twelve months ended April 30, 2022. For the twelve months ended April 30, 2023, operating expenses decreased 5.0% below those during the twelve months ended April 30, 2022.

During the twelve months ended April 30, 2023, there were 9,458,605 average common shares outstanding as compared to 9,544,421 average common shares outstanding during the twelve months ended April 30, 2022.

During the three months ended April 30, 2023, the Company's net income of $4,033,000, or $0.43 per share, was 5.9% below net income of $3,807,000, or $0.40 per share, for the three months ended April 30, 2022. During the three months ended April 30, 2023, the Company's income from operations of $2,757,000 was 5.7% below income from operations of $2,923,000 during the three months ended April 30, 2022.

During the twelve months ended April 30, 2022, the Company's net income of $23,822,000, or $2.50 per share, was 2.3% above net income of $23,280,000, or $2.43 per share, for the twelve months ended April 30, 2021. During the twelve months ended April 30, 2022, the Company's income from operations of $10,800,000 was 43.3% above income from operations of $7,535,000 during the twelve months ended April 30, 2021. For the twelve months ended April 30, 2022, operating expenses decreased 9.5% below those during the twelve months ended April 30, 2021. The largest factors in the increase in net income during the twelve months ended April 30, 2022, compared to the prior fiscal year, were a gain on forgiveness by the SBA of the Company's PPP loan, an increase in copyright fees, an increase from revenues and profits interests in EAM Trust and well controlled expenses.

During the twelve months ended April 30, 2022, there were 9,544,421 average common shares outstanding as compared to 9,596,912 average common shares outstanding during the twelve months ended April 30, 2021.

During the three months ended April 30, 2022, the Company's net income of $3,807,000, or $0.40 per share, was 37.1% below net income of $6,051,000, or $0.64 per share, for the three months ended April 30, 2021. During the three months ended April 30, 2022, the Company's income from operations of $2,923,000 was 248.8% above income from operations of $838,000 during the three months ended April 30, 2021 due to an increase in copyright fees and well controlled expenses in the fourth fiscal quarter of 2022.

During the twelve months ended April 30, 2021, the Company's net income of $23,280,000, or $2.43 per share, was 55.8% above net income of $14,943,000, or $1.55 per share, for the twelve months ended April 30, 2020. During the twelve months ended April 30, 2021, the Company's income from operations of $7,535,000 was 17.1% below income from operations of $9,090,000 during the twelve months ended April 30, 2020. For the twelve months ended April 30, 2021, operating expenses increased 5.3% above those during the twelve months ended April 30, 2020.

During the three months ended April 30, 2021, the Company's net income of $6,051,000, or $0.64 per share, was 234.9% above net income of $1,807,000, or $0.19 per share, for the three months ended April 30, 2020. During the three months ended April 30, 2021, the Company's income from operations of $838,000 was 35.9% below income from operations of $1,307,000 during the three months ended April 30, 2020.

Total operating revenues

	Fiscal Years Ended April 30,				
				Change	
($ in thousands)	2023	2022	2021	'23 vs. '22	'22 vs. '21
Investment periodicals and related publications:					
Print	$9,963	$11,253	$11,929	–11.5%	–5.7%
Digital	16,269	15,892	15,700	2.4%	1.2%
Total investment periodicals and related publications	26,232	27,145	27,629	–3.4%	–1.8%
Copyright fees	13,463	13,380	12,763	0.6%	4.8%
Total operating revenues	$39,695	$40,525	$40,392	–2.0%	0.3%

Within investment periodicals and related publications, subscription sales orders are derived from print and digital products. The following chart illustrates the changes in the sales orders associated with print and digital subscriptions.

Sources of subscription sales

	Fiscal Years Ended April 30,					
	2023		2022		2021	
	Print	Digital	Print	Digital	Print	Digital
New Sales	10.9%	11.0%	11.7%	13.0%	14.6%	15.4%
Renewal Sales	89.1%	89.0%	88.3%	87.0%	85.4%	84.7%
Total Gross Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

During the twelve months ended April 30, 2023, new sales of print and digital publications decreased as a percent of the total gross sales versus the prior fiscal years as a result of weakened sentiment among prospective customers in a period of market volatility. During the twelve months ended April 30, 2023, renewal sales of print and digital publications increased as a percent of the total gross sales versus the prior fiscal years.

During the twelve months ended April 30, 2022, new sales of print and digital publications decreased as a percent of the total gross sales versus the prior fiscal year. During the twelve months ended April 30, 2022, renewal sales of print and digital publications increased as a percent of the total gross sales versus the prior fiscal year as a result of increased efforts by our in-house Retail and Institutional Sales departments.

	As of April 30,				
				Change	
($ in thousands)	2023	2022	2021	'23 vs. '22	'22 vs. '21
Unearned subscription revenue (current and long-term liabilities)	$22,973	$23,773	$25,088	–3.4%	–5.2%

A certain amount of variation is to be expected due to the volume of new orders and timing of renewal orders, direct mail campaigns and large Institutional Sales orders.

Investment periodicals and related publications revenues

Investment periodicals and related publications revenues of $26,232,000 (excluding copyright fees) during the twelve months ended April 30, 2023 were 3.4% below publishing revenues of $27,145,000, as compared to the prior fiscal year. The Company continued activity to attract new subscribers, primarily digital subscriptions through various marketing channels, primarily direct mail, e-mail, and by the efforts of our sales personnel. As fewer individual investors manage their own portfolios, total product line circulation at April 30, 2023, was 10.4% below total product line circulation at April 30, 2022. However, during the twelve months ended April 30, 2023, Institutional Sales department total sales orders, representing our growing business with financial advisors and professional investors, reached a record of $15,236,000, 10.0% above the prior fiscal year. The retail telemarketing sales team generated total sales orders of $7,409,000 or 10.6% below the prior fiscal year.

Our circulation declined as a result of management's decision to reduce marketing efforts while the challenging stock market environment persisted. Total print circulation at April 30, 2023 was 16.0% below the total print circulation at April 30, 2022. During the twelve months ended April 30, 2023, print publication revenues of $9,963,000, decreased 11.5%, below print publication revenues of $11,253,000 during April of 2022 because we deferred advertising in light of negative sentiment among prospective individual customers in a challenging market environment. Total digital circulation at April 30, 2023 was 2.7% below total digital circulation at April 30, 2022 with the professional clientele offsetting individual subscribers. During the twelve months ended April 30, 2023, digital revenues of $16,269,000 were up 2.4% as compared to the prior fiscal year. These figures reflect weak investor sentiment, likely temporary, and the ongoing shift from our print services to digital counterparts. Further, publishing revenue is fairly steady, despite the dip in print circulation. Sales of our higher-price, higher-profit, publications have been stronger than sales of lower price "starter" products.

Investment periodicals and related publications revenues of $27,145,000 (excluding copyright fees) during the twelve months ended April 30, 2022 were 1.8% below publishing revenues of $27,629,000, which included an extra week of servings for the weekly print products during the twelve months ended April 30, 2021, (decreased 1.1% excluding the extra week of print products servings), as compared to the prior fiscal year. The Company continued activity to attract new subscribers, primarily digital subscriptions through various marketing channels, primarily direct mail, e-mail, and by the efforts of our sales personnel. Total product line circulation at April 30, 2022, was 4.7% below total product line circulation at April 30, 2021. During the twelve months ended April 30, 2022, Institutional Sales department generated total sales orders of $13,853,000 and the retail telemarketing sales team generated total sales orders of $8,292,000.

Total print circulation at April 30, 2022 was 7.6% below the total print circulation at April 30, 2021. During the twelve months ended April 30, 2022, print publication revenues of $11,253,000, decreased 5.7%, below print publication revenues of $11,929,000, which included the extra week of servings for the weekly print products during the twelve months ended April 30, 2021, (decreased 4.2% excluding the extra week of print products servings) as compared to the prior fiscal year. Total digital circulation at April 30, 2022 was comparable to total digital circulation at April 30, 2021. During the twelve months ended April 30, 2022, digital revenues of $15,892,000 were up 1.2% partially offsetting the decrease in revenues from print publications, as compared to the prior fiscal year.

Investment periodicals and related publications revenues of $27,629,000 (excluding copyright fees) during the twelve months ended April 30, 2021, which included an extra week of servings for the weekly print products were comparable with publishing revenues in the prior fiscal year, (decreased 0.6% excluding the extra week of print products servings) during the twelve months ended April 30, 2021, as compared to the prior fiscal year. Total product line circulation at April 30, 2021, was 5.9% above total product line circulation at April 30, 2020, reversing a long term trend. During the twelve months ended April 30, 2021, Institutional Sales department generated total sales orders of $15,067,000 or 11.1% above the prior fiscal year and the retail telemarketing sales team generated total sales orders of $8,658,000 or 4.0% above the prior fiscal year.

Total print circulation at April 30, 2021 was 6.5% above the total print circulation at April 30, 2020. Print publication revenues of $11,929,000, which included the extra week of servings for the weekly print products decreased 3.4%, (4.8% excluding the extra week of print products servings) during the twelve months ended April 30, 2021 as compared to the prior fiscal year. Total digital circulation at April 30, 2021 was 5.1% above total digital circulation at April 30, 2020. Digital revenues of $15,700,000 were up 2.8% offsetting the decrease in revenues from print publications, as compared to the prior fiscal year.

Value Line serves primarily individual and professional investors in stocks, who pay mostly on annual subscription plans, for basic services or as much as $100,000 or more annually for comprehensive premium quality research, not obtainable elsewhere. The ongoing goal of adding new subscribers has led us to introduce publications and packages at a range of price points. Further, new services and new features for existing services are regularly under consideration. Prominently introduced in fiscal 2020 and 2021 were new features in the *Value Line Research Center*, which are *The New Value Line ETFs Service*, new monthly publication *Value Line Information You Should Know Wealth Newsletter*, *The Value Line M & A Service*, and *The Value Line Climate Change Investing Service*.

The Value Line Proprietary Ranks (the "Ranking System"), a component of the Company's flagship product, The Value Line Investment Survey, is also utilized in the Company's copyright business. The Ranking System is made available to EAM for specific uses without charge. During the six month period ended April 30, 2023, the combined Ranking System "Rank 1 & 2" stocks' increase of 7.0% compared to the Russell 2000 Index's decrease of 4.2% during the comparable period. During the twelve month period ended April 30, 2023, the combined Ranking System "Rank 1 & 2" stocks were flat, compared to the Russell 2000 Index's decrease of 5.1% during the comparable period.

Copyright fees

During the twelve months ended April 30, 2023, copyright fees of $13,463,000 were 0.6% above those during the corresponding period in the prior fiscal year. During the twelve months ended April 30, 2022, copyright fees of $13,380,000 were 4.8% above those during the corresponding period in the prior fiscal year. During the twelve months ended April 30, 2021, copyright fees of $12,763,000 were 0.7% above those during the corresponding period in the prior fiscal year.

Investment management fees and services – (unconsolidated)

The Company has substantial non-voting revenues and non-voting profits interests in EAM, the asset manager to the Value Line Mutual Funds. Accordingly, the Company does not report this operation as a separate business segment, although it maintains a significant interest in the cash flows generated by this business and will receive ongoing payments in respect of its non-voting revenues and non-voting profits interests.

Total assets in the Value Line Funds managed and/or distributed by EAM at April 30, 2023, were $3.09 billion, which is $0.27 billion, or 8.0%, below total assets of $3.36 billion in the Value Line Funds managed and/or distributed by EAM at April 30, 2022. The decrease in net assets was primarily due to fund shareholder redemptions and closing of two variable annuity funds.

Total assets in the Value Line Funds managed and/or distributed by EAM at April 30, 2022, were $3.36 billion, which is $1.6 billion, or 32.4%, below total assets of $4.96 billion in the Value Line Funds managed and/or distributed by EAM at April 30, 2021.

Value Line Funds experienced net redemptions and the associated net asset outflows (redemptions less new sales) in fiscal 2023 and fiscal 2022.

The following table shows the change in assets for the past three fiscal years including sales (inflows), redemptions (outflows), dividends and capital gain distributions, and market value changes. Inflows for sales, and outflows for redemptions reflect decisions of individual investors and/or their investment advisors. The table also illustrates the assets within the Value Line Funds broken down into equity funds, variable annuity funds (prior to fiscal 2023) and fixed income funds as of April 30, 2023, 2022 and 2021.

Value Line Mutual Funds Total Net Assets

For the Years Ended April 30,	2023	2022	2021	2023 vs. 2022	2022 vs. 2021
Value Line equity fund assets (excludes variable annuity) — beginning	$3,312,889,678	$4,432,630,658	$3,107,549,794	–25.3%	42.6%
Sales/inflows	514,725,223	489,135,580	1,444,784,921	5.2%	–66.1%
Dividends/Capital Gains Reinvested	194,068,940	350,143,149	245,356,118	–44.6%	42.7%
Redemptions/outflows	(858,248,017)	(1,228,854,315)	(1,265,805,045)	–30.2%	–2.9%
Dividend and Capital Gain Distributions	(202,981,966)	(365,486,450)	(257,754,064)	–44.5%	41.8%
Market value change	91,096,182	(364,678,944)	1,158,498,934	–125.0%	–131.5%
Value Line equity fund assets (non-variable annuity) — ending	3,051,550,040	3,312,889,678	4,432,630,658	–7.9%	–25.3%
Variable annuity fund assets — beginning	0	$ 431,605,833	$ 365,271,893	N/A	18.2%
Sales/inflows	0	4,277,236	4,494,490	N/A	–4.8%
Dividends/Capital Gains Reinvested	0	329,335,773	46,943,739	N/A	601.6%
Redemptions/outflows[1]	0	(444,323,548)	(48,782,673)	N/A	810.8%
Dividend and Capital Gain Distributions	0	(329,335,773)	(46,943,739)	N/A	601.6%
Market value change	0	8,440,479	110,622,123	N/A	–92.4%
Variable annuity fund assets — ending	0	0	431,605,833	N/A	–100.0%
Fixed income fund assets — beginning	$ 44,736,495	$ 100,536,371	$ 103,255,601	–55.5%	-2.6%
Sales/inflows	196,436	2,519,668	2,690,636	–92.2%	–6.4%
Dividends/Capital Gains Reinvested	808,077	1,140,663	1,810,046	–29.2%	–37.0%
Redemptions/outflows[2]	(3,240,355)	(52,180,984)	(8,240,615)	–93.8%	533.2%
Dividend and Capital Gain Distributions	(877,002)	(1,219,715)	(2,084,557)	–28.1%	–41.5%
Market value change	(519,400)	(6,059,508)	3,105,260	–91.4%	–295.1%
Fixed income fund assets — ending	41,104,251	44,736,495	100,536,371	–8.1%	–55.5%
Assets under management — ending	$3,092,654,291	$3,357,626,173	$4,964,772,862	–7.9%	–32.4%

(1) Guardian Insurance redeemed from Value Line Centurion and Value Line Strategic Asset Management on April 29, 2022 and the two funds were closed and subsequently liquidated.

(2) The Value Line Tax Exempt Fund liquidated November 2021.

As of April 30, 2023, four of six Value Line equity and hybrid mutual funds held an overall four or five star rating by Morningstar, Inc.

EAM Trust — Results of operations before distribution to interest holders

The gross fees and net income of EAM's investment management operations during the twelve months ended April 30, 2023, before interest holder distributions, included total investment management fees earned from the Value Line Funds of $19,824,000, 12b-1 fees and other fees of $5,964,000 and other net gains of $142,000. For the same period, total investment management fee waivers were $164,000 and 12b-1 fee waivers were $105,000. During the twelve months ended April 30, 2023, EAM's net income was $1,468,000 after giving effect to Value Line's non-voting revenues interest of $10,397,000, but before distributions to voting profits interest holders and to the Company in respect of its 50% non-voting profits interest.

The gross fees and net income of EAM's investment management operations during the twelve months ended April 30, 2022, before interest holder distributions, included total investment management fees earned from the Value Line Funds of $29,598,000, 12b-1 fees and other fees of $9,310,000 and other net losses of $20,000. For the same period, total investment management fee waivers were $547,000 and 12b-1 fee waivers were $644,000. During the twelve months ended April 30, 2022, EAM's net income was $4,284,000 after giving effect to Value Line's non-voting revenues interest of $15,899,000, but before distributions to voting profits interest holders and to the Company in respect of its 50% non-voting profits interest.

The gross fees and net income of EAM's investment management operations during the twelve months ended April 30, 2021, before interest holder distributions, included total investment management fees earned from the Value Line Funds of $29,022,000, 12b-1 fees and other fees of $9,604,000 and other net income of $361,000. For the same period, total investment management fee waivers were $121,000 and 12b-1 fee waivers for three Value Line Funds were $651,000. During the twelve months ended April 30, 2021, EAM's net income was $4,262,000 after giving effect to Value Line's non-voting revenues interest of $15,190,000, but before distributions to voting profits interest holders and to the Company in respect of its 50% non-voting profits interest.

As of April 30, 2023, one of the Value Line Funds has full 12b-1 fees waivers in place, and five funds have partial investment management fee waivers in place. Although, under the terms of the EAM Declaration of Trust, the Company does not receive or share in the revenues from 12b-1 distribution fees, the Company could benefit from the fee waivers to the extent that the resulting reduction of expense ratios and enhancement of the performance of the Value Line Funds attracts new assets.

The Value Line equity and hybrid funds' assets represent 98.7% and fixed income fund assets represent 1.3%, respectively, of total fund assets under management ("AUM") as of April 30, 2023. At April 30, 2023, equity and hybrid AUM decreased by 7.9% and fixed income AUM decreased by 8.1% as compared to last year at April 30, 2022.

The Value Line equity and hybrid funds' assets represent 98.7% and fixed income fund assets represent 1.3%, respectively, of total fund assets under management ("AUM") as of April 30, 2022. At April 30, 2022, equity and hybrid AUM decreased by 25.3% and fixed income AUM decreased by 55.5% as compared to fiscal 2021.

EAM —The Company's non-voting revenues and non-voting profits interests

The Company holds non-voting revenues and non-voting profits interests in EAM which entitle the Company to receive from EAM an amount ranging from 41% to 55% of EAM's investment management fee revenues from its mutual fund and separate accounts business, and 50% of EAM's net profits, not less than 90% of which is distributed in cash every fiscal quarter.

The Company recorded income from its non-voting revenues interest and its non-voting profits interest in EAM as follows:

	Fiscal Years Ended April 30,				
				Change	
($ in thousands)	2023	2022	2021	'23 vs. '22	'22 vs. '21
Non-voting revenues interest	$10,397	$15,899	$15,190	–34.6%	4.7%
Non-voting profits interest	734	2,142	2,131	–65.7%	0.5%
	$11,131	$18,041	$17,321	4.2%	4.2%

Operating expenses

	Fiscal Years Ended April 30,				
				Change	
($ in thousands)	2023	2022	2021	'23 vs. '22	'22 vs. '21
Advertising and promotion	$3,049	$3,223	$3,745	–5.4%	–13.9%
Salaries and employee benefits	15,203	17,323	18,865	–12.2%	–8.2%
Production and distribution	5,210	5,003	5,440	4.1%	–8.0%
Office and administration	4,763	4,176	4,807	14.1%	–13.1%
Total expenses	$28,225	$29,725	$32,857	–5.0%	–9.5%

Expenses within the Company are categorized into advertising and promotion, salaries and employee benefits, production and distribution, office and administration.

Operating expenses of $28,225,000 during the twelve months ended April 30, 2023, were 5.0% below those during the twelve months ended April 30, 2022 as a result of cost controls in fiscal year 2023. Operating expenses of $6,961,000 during the three months ended April 30, 2023, were 3.4% below those during the three months ended April 30, 2022.

Operating expenses of $29,725,000 during the twelve months ended April 30, 2022, were 9.5% below those during the twelve months ended April 30, 2021 as a result of cost controls in fiscal year 2022. Operating expenses of $7,205,000 during the three months ended April 30, 2022, were 18.9% below those during the three months ended April 30, 2021.

Operating expenses of $32,857,000 during the twelve months ended April 30, 2021, were 5.3% above those during the twelve months ended April 30, 2020. Operating expenses of $8,886,000 during the three months ended April 30, 2021, were 4.6% above those during the three months ended April 30, 2020.

Advertising and promotion

During twelve months ended April 30, 2023, advertising and promotion expenses of $3,049,000 decreased 5.4% as compared to the prior fiscal year. During the twelve months ended April 30, 2023, decreases were primarily due to decreases in media advertising expenses and direct mail campaigns, partially offset by the increases in renewal solicitation costs and institutional sales commissions.

During the twelve months ended April 30, 2022, advertising and promotion expenses of $3,223,000 decreased 13.9% as compared to the prior fiscal year. During the twelve months ended April 30, 2022, decreases were primarily due to a decline in direct mail campaigns and lower media marketing and lower institutional sales commissions. Total sales commissions decreased 8% during the twelve months ended April 30, 2022.

During the twelve months ended April 30, 2021, advertising and promotion expenses of $3,745,000 increased 11.8% as compared to the prior fiscal year. During the twelve months ended April 30, 2021, increases were primarily due to advertising expenses and institutional sales promotion. Total sales commissions increased by $110,000 during the twelve months ended April 30, 2021. During the twelve months ended April 30, 2021, Institutional gross sales increased by $1.5 million and the retail telemarketing gross sales orders increased by $336,000 above the prior fiscal year.

Salaries and employee benefits

During the twelve months ended April 30, 2023, salaries and employee benefits of $15,203,000 decreased 12.2% below the prior fiscal year.

During the twelve months ended April 30, 2022, salaries and employee benefits of $17,323,000 decreased 8.2% below the prior fiscal year, primarily due to decreases in salaries and employee benefits resulting from a reduced employee headcount in fiscal year 2022 along with a decrease in Profit Sharing employee benefits expense.

During the twelve months ended April 30, 2021, salaries and employee benefits of $18,865,000 increased 3.7% above the prior fiscal year. The increase during the twelve months ended April 30, 2021, was primarily due to increases in Profit Sharing employee benefits during fiscal 2021 and increases in salaries and employee benefits.

During the twelve months ended April 30, 2023, 2022 and 2021, the Company recorded profit sharing expenses of $410,000, $557,000 and $980,000, respectively.

Production and distribution

During the twelve months ended April 30, 2023, production and distribution expenses of $5,210,000 increased 4.1% above prior fiscal year. Increases in production support of the Company's website and maintenance of the Company's publishing and application software and operating systems were partially offset by lower paper and printing costs resulting from decreases in print circulation.

During the twelve months ended April 30, 2022, production and distribution expenses of $5,003,000 decreased 8.0% below the prior fiscal year, primarily due to decreases in service mailers and distribution expenses and a decrease in production support of the Company's website, maintenance of the Company's publishing and application software and operating systems.

During the twelve months ended April 30, 2021, production and distribution expenses of $5,440,000 increased 10.0% above the prior fiscal year. The increase of $440,000 during the twelve months ended April 30, 2021, was attributable to costs related to production support of the Company's website, maintenance of the Company's publishing and application software and operating systems as compared to fiscal 2020.

Office and administration

During the twelve months ended April 30, 2023, office and administrative expenses of $4,763,000 increased 14.1% above the prior fiscal year, primarily due to an increases in settlement costs and professional fees.

During the twelve months ended April 30, 2022, office and administrative expenses of $4,176,000 decreased 13.1% below the prior fiscal year, primarily due to a reversal of selected settlement reserves and favorable settlement of a disputed fee with a contractor and decreases in outside data processing (communication, server hosting backup, antivirus software).

During the twelve months ended April 30, 2021, office and administrative expenses of $4,807,000 increased 1.7% above the prior fiscal year. The increase during the twelve months ended April 30, 2021 was primarily a result of an increase in bank service costs based on higher credit card gross receipts of $13.2 million in fiscal 2021 which were 18.5% higher than credit card gross receipts of $11.2 million in the prior fiscal year.

Concentration

During the twelve months ended April 30, 2023, 33.9% of total publishing revenues of $39,695,000 were derived from a single customer. During the twelve months ended April 30, 2022, 33.0% of total publishing revenues of $40,525,000 were derived from a single customer. During the twelve months ended April 30, 2021, 31.6% of total publishing revenues of $40,392,000 were derived from a single customer.

Lease Commitments

On November 30, 2016, Value Line, Inc. received consent from the landlord at 551 Fifth Avenue, New York, NY to the terms of a new sublease agreement between Value Line, Inc. and ABM Industries, Incorporated commencing on December 1, 2016. Pursuant to the agreement Value Line leased from ABM 24,726 square feet of office space located on the second and third floors at 551 Fifth Avenue, New York, NY ("Building" or "Premises") beginning on December 1, 2016 and ending on November 29, 2027. Base rent under the sublease agreement is $1,126,000 per annum during the first year with an annual increase in base rent of 2.25% scheduled for each subsequent year, payable in equal monthly installments on the first day of each month, subject to customary concessions in the Company's favor and pass-through of certain increases in utility costs and real estate taxes over the base year. The Company provided a security deposit represented by a letter of credit in the amount of $469,000 in October 2016, which was reduced to $305,000 on October 3, 2021 and is to be fully refunded after the sublease ends. This Building became the Company's new corporate office facility. The Company is required to pay for certain operating expenses associated with the Premises as well as utilities supplied to the Premises. The sublease terms provide for a significant decrease (23% initially) in the Company's annual rental expenditure taking into account free rent for the first six months of the sublease. Sublandlord provided Value Line a work allowance of $417,000 which accompanied with the six months free rent worth $563,000 was applied against the Company's obligation to pay rent at our New York City headquarters, delaying the actual rent payments until November 2017.

On February 29, 2016, the Company's subsidiary VLDC and Seagis Property Group LP (the "Landlord") entered into a lease agreement, pursuant to which VLDC has leased 24,110 square feet of warehouse and appurtenant office space located at 205 Chubb Ave., Lyndhurst, NJ ("Warehouse") beginning on May 1, 2016 and ending on April 30, 2024 ("Lease"). Base rent under the Lease is $192,880 per annum payable in equal monthly installments on the first day of each month, in advance during fiscal 2017 and will gradually increase to $237,218 in fiscal 2024, subject to customary increases based on operating costs and real estate taxes. The Company provided a security deposit in cash in the amount of $32,146, which will be fully refunded after the lease term expires. The lease is a net lease requiring the Company to pay for certain operating expenses associated with the Warehouse as well as utilities supplied to the Warehouse.

Investment gains / (losses)

	Fiscal Years Ended April 30,				
				Change	
($ in thousands)	2023	2022	2021	'23 vs. '22	'22 vs. '21
Dividend income	$595	$851	$573	–30.1%	48.5%
Interest income	706	18	137	3822.2%	–86.9%
Investment gains/ (losses) recognized on sale of equity securities during the period	(81)	(1,568)	835	94.8%	–287.8%
Unrealized gains/ (losses) recognized on equity securities held at the end of the period	(45)	167	3,875	–126.9%	–95.7%
Other	(1)	(2)	—	50.0%	—
Total investment gains/(losses)	$1,174	($534)	$5,420	319.9%	–109.9%

During the twelve months ended April 30, 2023, the Company's investment gains, primarily derived from dividend and interest income, investment gains recognized on sales of equity securities during the period and unrealized gains recognized on equity securities held at the end of the period in fiscal 2023, resulted in a gain of $1,174,000. Proceeds from maturities and sales of government debt securities classified as available-for-sale during the twelve months ended April 30, 2023 and April 30, 2022, were $9,907,000 and $2,496,000, respectively. Proceeds from the sales of equity securities during the twelve months ended April 30, 2023 and April 30, 2022 were $4,706,000 and $12,039,000, respectively. There were no capital gain distributions from ETFs in fiscal 2023 or fiscal 2022.

During the twelve months ended April 30, 2022, the Company's investment gains, primarily derived from dividend and interest income, investment losses recognized on sales of equity securities during the period and unrealized gains recognized on equity securities held at the end of the period in fiscal 2022, resulted in a loss of $534,000. During the twelve months ended April 30, 2021, the Company's investment gains, primarily derived from dividend and interest income, investment gains recognized on sales of equity securities during the period and unrealized gains recognized on equity securities held at the end of the period in fiscal 2021, was $5,420,000. Proceeds from maturities and sales of government debt securities classified as available-for-sale during the twelve months ended April 30, 2022 and April 30, 2021, were $2,496,000 and $14,902,000, respectively. Proceeds from the sales of equity securities during the twelve months ended April 30, 2022 and April 30, 2021 were $12,039,000 and $8,212,000, respectively. There were no capital gain distributions from ETFs in fiscal 2022 or fiscal 2021.

Effective income tax rate

The overall effective income tax rates, as a percentage of pre-tax ordinary income for the twelve months ended April 30, 2023, April 30, 2022 and April 30, 2021 were 24.00%, 22.25% and 23.11%, respectively. The increase in the effective tax rate during for the twelve months ended April 30, 2023 as compared to April 30, 2022, is primarily a result of the non-taxable revenue derived from forgiveness of the PPP loan by the SBA offset by an increase in the state and local income taxes from 3.12% to 3.25% as a result of changes in state and local income tax allocation factors, on deferred taxes in fiscal 2023. The Company's annualized overall effective tax rate fluctuates due to a number of factors, in addition to changes in tax law, including but not limited to an increase or decrease in the ratio of items that do not have tax consequences to pre-income tax, the Company's geographic profit mix between tax jurisdictions, taxation method adopted by each locality, new interpretations of existing tax laws and rulings and settlements with tax authorities.

Liquidity and Capital Resources

The Company had working capital, defined as current assets less current liabilities, of $42,788,000 as of April 30, 2023 and $37,580,000 as of April 30, 2022. These amounts include short-term unearned revenue of $16,771,000 and $17,688,000 reflected in total current liabilities at April 30, 2023 and April 30, 2022, respectively. Cash and short-term securities were $62,064,000 and $57,825,000 as of April 30, 2023 and April 30, 2022, respectively.

The Company's cash and cash equivalents include $7,240,000 and $28,965,000 at April 30, 2023 and April 30, 2022, respectively, invested primarily in commercial banks and in Money Market Funds at brokers, which operate under Rule 2a-7 of the 1940 Act and invest primarily in short-term U.S. government securities.

Cash from operating activities

The Company had cash inflows from operating activities of $18,178,000 during the twelve months ended April 30, 2023, compared to cash inflows from operations of $24,646,000 and $16,410,000 during the twelve months ended April 30, 2022 and 2021, respectively. The decrease in cash flows from fiscal 2022 to fiscal 2023 is primarily attributable to lower pre-tax income and a decrease in cash receipts from EAM and the timing of receipts from copyright programs. The increase in cash flows from fiscal 2021 to fiscal 2022 is primarily attributable to higher pre-tax income and an increase in cash receipts from EAM and the timing of receipts from copyright programs.

Cash from investing activities

The Company's cash outflows from investing activities of $26,116,000 during the twelve months ended April 30, 2023, compared to cash outflows from investing activities of $3,389,000 and cash inflows of $7,381,000 for the twelve months ended April 30, 2022 and April 30, 2021, respectively. Cash outflows for the twelve months ended April 30, 2023 and April 30, 2022, were primarily due to the Company's decision to invest in additional fixed income securities, primarily United States government obligations, in fiscal 2023 and 2022.

Cash from financing activities

During the twelve months ended April 30, 2023, the Company's cash outflows from financing activities were $14,175,000 and compared to cash outflows from financing activities of $10,889,000 and $9,574,000 for the twelve months ended April 30, 2022 and 2021, respectively. Cash outflows for financing activities included $4,704,000, $2,484,000 and $1,526,000 for the repurchase of 75,303 shares, 53,327 shares and 53,551 shares of the Company's common stock under the July 2021, March 2022, May 2022 & October 2022 board approved common stock repurchase programs, during fiscal years 2023, 2022 and 2021, respectively. During fiscal 2020, the Company applied for and received an SBA loan under the Paycheck Protection Program in the amount of $2,331,000. The obligation to repay the SBA loan under the Paycheck Protection Program was forgiven during fiscal 2022. Quarterly regular dividend payments of $0.25 per share during fiscal 2023 aggregated $9,471,000. Quarterly regular dividend payments of $0.22 per share during fiscal 2022 aggregated $8,405,000. Quarterly regular dividend payments of $0.21 per share during fiscal 2021 aggregated $8,068,000.

At April 30, 2023 there were 9,434,540 common shares outstanding as compared to 9,509,843 common shares outstanding at April 30, 2022. The Company expects financing activities to continue to include use of cash for dividend payments for the foreseeable future.

Management believes that the Company's cash and other liquid asset resources used in its business together with the proceeds from the SBA loan and the future cash flows from operations and from the Company's non-voting revenues and non-voting profits interests in EAM will be sufficient to finance current and forecasted liquidity needs for the next twelve months and beyond next year. Management does not anticipate making any additional borrowings during the next twelve months. As of April 30, 2023, retained earnings and liquid assets were $95,979,000 and $62,064,000, respectively. As of April 30, 2022, retained earnings and liquid assets were $87,645,000 and $57,825,000, respectively.

Seasonality

Our publishing revenues are comprised of subscriptions which are generally annual subscriptions. Our cash flows from operating activities are minimally seasonal in nature, primarily due to the timing of customer payments made for orders and subscription renewals.

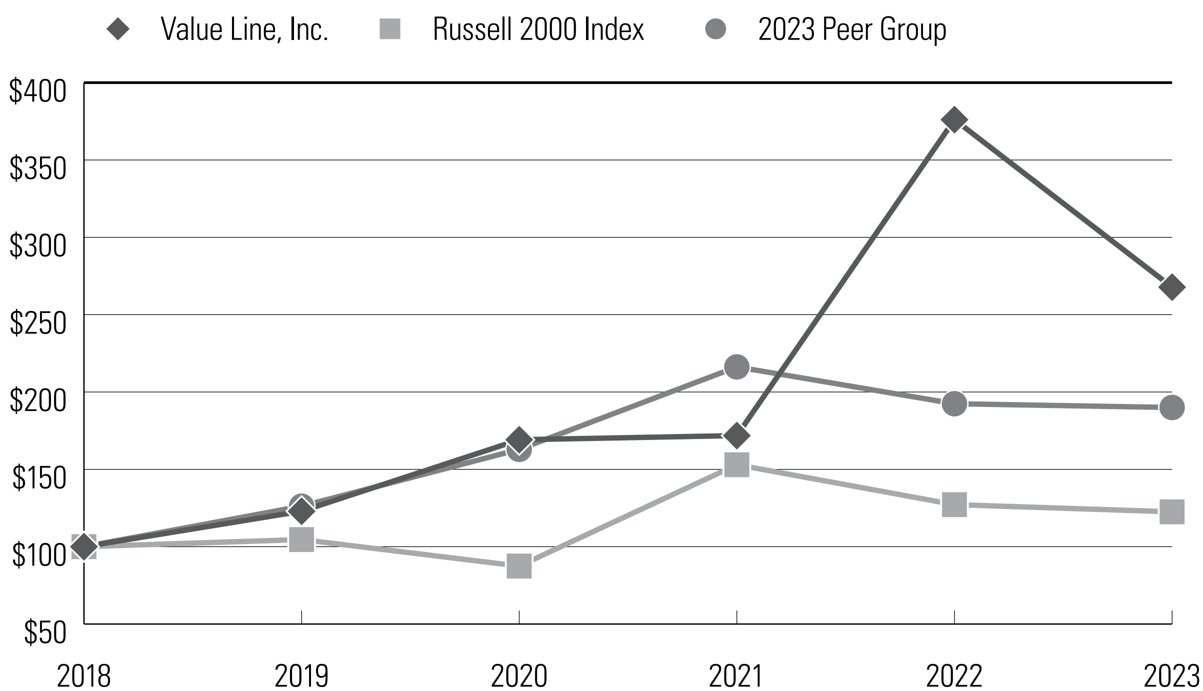
Recent Accounting Pronouncements

In December 2019, the Financial Accounting Standards Board ("FASB") issued ASU 2019-12, "Income Taxes (Topic740): Simplifying the Accounting for Income Taxes" as part of its initiative to reduce complexity in the accounting standards. The standard eliminates certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The standard also clarifies and simplifies other aspects of the accounting for income taxes including interim-period accounting for enacted changes in tax laws. The Company adopted this guidance effective May 1, 2021. The adoption of this standard did not have a material impact on the Company's financial statements.

On June 21, 2018, the United States Supreme Court reversed the 1992 ruling in *Quill*, which protected firms delivering items by common carrier into a state where it had no physical presence from having to collect sales tax in such state. The Company has integrated the effects of the various state laws into its operations and continues to do so.

Comparison of Five-Year Cumulative Total Return*

	2018	2019	2020	2021	2022	2023
Value Line, Inc.	$100.00	$122.91	$169.14	$171.82	$376.08	$267.78
Russell 2000 Index	$100.00	$104.61	$87.47	$152.99	$127.18	$122.55
2023 Peer Group	$100.00	$126.19	$162.92	$216.23	$192.42	$189.99



Source: Research Data Group

Assumes $100 invested at the close of trading 4/30/18 in Value Line, Inc. common stock, Russell 2000 Index, and 2023 Peer Group.

*Cumulative total return assumes reinvestment of dividends.

Factual material is obtained from sources believed to be reliable, but the publisher is not responsible for any errors or omissions contained herein.

The Comparative Five-Year Total Return graph shall not be deemed to be "soliciting material" or to be "filed" with the Securities and Exchange Commission or subject to Regulations of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or to the liabilities of Section 18 of the Exchange Act.

The 2023 Peer Group consists of: Daily Journal Corp.; Forrester Research, Inc.; Donnelley Financial Solutions, Marketaxess Holdings, Moody's Corporation and Morningstar, Inc.

Consolidated Financial Statements

Value Line, Inc. Consolidated Balance Sheets

(in thousands, except share amounts)	April 30, 2023	April 30, 2022
Assets		
Current Assets:		
Cash and cash equivalents (including short term investments of $7,240 and $28,965, respectively)	$7,590	$29,703
Equity securities	14,546	17,647
Available-for-sale Fixed Income securities	39,928	10,475
Accounts receivable, net of allowance for doubtful accounts of $36 and $31, respectively	2,124	1,677
Prepaid and refundable income taxes	425	588
Prepaid expenses and other current assets	1,463	1,248
Total current assets	**66,076**	**61,338**
Long term assets:		
Investment in EAM Trust	58,775	59,971
Restricted money market investments	305	305
Property and equipment, net	5,788	7,058
Capitalized software and other intangible assets, net	132	71
Total long term assets	65,000	67,405
Total assets	**$131,076**	**$128,743**
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accounts payable and accrued liabilities	$1,263	$1,314
Accrued salaries	961	1,137
Dividends payable	2,642	2,378
Accrued taxes on income	307	2
Operating lease obligation-short term	1,344	1,239
Unearned revenue	16,771	17,688
Total current liabilities	**23,288**	**23,758**
Long term liabilities:		
Unearned revenue	6,202	6,085
Operating lease obligation-long term	4,784	6,129
Deferred income taxes	13,129	13,126
Total long term liabilities	24,115	25,340
Total liabilities	**47,403**	**49,098**
Shareholders' Equity:		
Common stock, $0.10 par value; authorized 30,000,000 shares; issued 10,000,000 shares	1,000	1,000
Additional paid-in capital	991	991
Retained earnings	95,979	87,645
Treasury stock, at cost (565,460 shares and 490,157 shares, respectively)	(14,671)	(9,967)
Accumulated other comprehensive income, net of tax	374	(24)
Total shareholders' equity	83,673	79,645
Total liabilities and shareholders' equity	**$131,076**	**$128,743**

See independent auditor's report and accompanying notes to the consolidated financial statements.

Value Line, Inc. Consolidated Statements of Income

For the fiscal years ended April 30 (in thousands, except share and per share amounts)	**2023**	**2022**	**2021**
Revenues:			
Investment periodicals and related publications	$ 26,232	$ 27,145	$ 27,629
Copyright fees	13,463	13,380	12,763
Total publishing revenues	39,695	40,525	40,392
Expenses:			
Advertising and promotion	3,049	3,223	3,745
Salaries and employee benefits	15,203	17,323	18,865
Production and distribution	5,210	5,003	5,440
Office and administration	4,763	4,176	4,807
Total expenses	**28,225**	**29,725**	**32,857**
Income from operations	11,470	10,800	7,535
Gain on forgiveness of SBA loan	—	2,331	—
Revenues interest in EAM Trust	10,397	15,899	15,190
Profits interest in EAM Trust	734	2,142	2,131
Investment gains/(losses)	1,174	(534)	5,420
Income before income taxes	23,775	30,638	30,276
Income tax provision	5,706	6,816	6,996
Net income	$ 18,069	$ 23,822	$ 23,280
Earnings per share, basic & fully diluted	$ 1.91	$ 2.50	$ 2.43
Weighted average number of common shares	9,458,605	9,544,421	9,596,912

See independent auditor's report and accompanying notes to the consolidated financial statements.

Value Line, Inc. Consolidated Statements of Comprehensive Income

For the fiscal years ended April 30 (in thousands)	2023	2022	2021
Net income	$18,069	$23,822	$23,280
Other comprehensive income/(loss), net of tax:			
Change in unrealized gains on securities, net of taxes	398	(27)	(128)
Other comprehensive income/(loss)	398	(27)	(128)
Comprehensive income	**$18,467**	**$23,795**	**$23,152**

See independent auditor's report and accompanying notes to the consolidated financial statements.

Value Line, Inc. Consolidated Statements of Cash Flows

For the fiscal years ended April 30 (in thousands)	2023	2022	2021
Cash flows from operating activities:			
Net income	$ 18,069	$ 23,822	$ 23,280
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	1,349	1,336	1,293
Investment (gains)/losses	125	1,402	(4,710)
Non-voting profits interest in EAM Trust	(734)	(2,142)	(2,131)
Non-voting revenues interest in EAM Trust	(10,397)	(15,899)	(15,190)
Revenues distribution received from EAM Trust	11,284	16,608	13,907
Profits distributions received from EAM Trust	1,043	2,439	1,602
Full forgiveness of SBA, PPP loan	—	(2,331)	—
Deferred rent	(1,240)	(1,087)	(962)
Deferred income taxes	20	(89)	543
Changes in operating assets and liabilities:			
Unearned revenue	(800)	(1,315)	350
Accounts payable & accrued expenses	(51)	(763)	21
Accrued salaries	(176)	(26)	18
Accrued taxes on income	185	321	(1,487)
Prepaid and refundable income taxes	163	28	(616)
Prepaid expenses and other current assets	(215)	34	39
Accounts receivable	(447)	2,308	453
Total adjustments	109	824	(6,870)
Net cash provided by operating activities	**18,178**	**24,646**	**16,410**
Cash flows from investing activities:			
Purchases/sales of securities classified as available-for-sale:			
Proceeds from sales of equity securities	4,706	12,039	8,212
Purchases of equity securities	(1,732)	(7,508)	(12,958)
Proceeds from sales of Fixed Income securities	9,907	2,496	14,902
Purchases of Fixed Income securities	(38,857)	(10,405)	(2,597)
Acquisition of property and equipment	(30)	(11)	(33)
Expenditures for capitalized software	(110)	—	(145)
Net cash used in investing activities	**(26,116)**	**(3,389)**	**7,381**
Cash flows from financing activities:			
Purchase of treasury stock at cost	(4,704)	(2,484)	(1,526)
Receivable from clearing broker	—	—	608
Payable to clearing broker	—	—	(588)
Dividends paid	9,471)	(8,405)	(8,068)
Net cash provided by financing activities	**(14,175)**	**(10,889)**	**(9,574)**
Net change in cash and cash equivalents	(22,113)	10,368	14,217
Cash, cash equivalents and restricted cash at beginning of year	30,008	**19,640**	**5,423**
Cash, cash equivalents and restricted cash at end of year	**$ 7,895**	**$ 30,008**	**$ 19,640**

See independent auditor's report and accompanying notes to the consolidated financial statements.

Value Line, Inc. Consolidated Statements of Changes in Shareholders' Equity

For the Fiscal Years Ended April 30, 2022, 2021 and 2020 (in thousands, except share amounts)

	Common stock		Additional paid-in capital	Treasury Stock		Retained earnings	Accumulated Other Comprehensive income	Total
	Shares	Amount		Shares	Amount			
Balance as of April 30, 2020	10,000,000	$1,000	$991	(383,279)	$(5,957)	$57,374	$131	$53,539
Net income						23,280		23,280
Change in unrealized gains on Fixed Income securities, net of taxes							(128)	(128)
Purchase of treasury stock				(53,551)	(1,526)			(1,526)
Dividends declared						(8,152)		(8,152)
Balance as of April 30, 2021	10,000,000	$1,000	$991	(436,830)	$(7,483)	$72,502	$3	$67,013

Dividends declared per share were $0.21 for each of the three months ended July 31, 2020, October 31, 2020 and January 31, 2021 and $0.22 for the three months ended April 30, 2021

	Common stock		Additional paid-in capital	Treasury Stock		Retained earnings	Accumulated Other Comprehensive income	Total
	Shares	Amount		Shares	Amount			
Balance as of April 30, 2021	10,000,000	$1,000	$991	(436,830)	$(7,483)	$72,502	$3	$67,013
Net income						23,822		23,822
Change in unrealized gains on Fixed Income securities, net of taxes							(27)	(27)
Purchase of treasury stock				(53,327)	(2,484)			(2,484)
Dividends declared						(8,679)		(8,679)
Balance as of April 30, 2022	10,000,000	$1,000	$991	(490,157)	$(9,967)	$87,645	$(24)	$79,645

Dividends declared per share were $0.22 for each of the three months ended July 31, 2021, October 31, 2021 and January 31, 2022 and $0.25 for the three months ended April 30, 2022.

	Common stock		Additional paid-in capital	Treasury Stock		Retained earnings	Accumulated Other Comprehensive income	Total
	Shares	Amount		Shares	Amount			
Balance as of April 30, 2022	10,000,000	$1,000	$991	(490,157)	$(9,967)	$87,645	$(24)	$79,645
Net income						18,069		18,069
Change in unrealized gains on Fixed Income securities, net of taxes							398	398
Purchase of treasury stock				(75,303)	(4,704)			(4,704)
Dividends declared						(9,735)		(9,735)
Balance as of April 30, 2023	10,000,000	$1,000	$991	(565,460)	$(14,671)	$95,979	$374	$83,673

Dividends declared per share were $0.25 for each of the three months ended July 31, 2022, October 31, 2022 and January 31, 2023 and $0.28 for the three months ended April 30, 2023.

See independent auditor's report and accompanying notes to the consolidated financial statements.

Notes to Consolidated Financial Statements

Note 1 — Organization and Summary of Significant Accounting Policies:

Value Line, Inc. ("Value Line" or "VLI", and collectively with its subsidiaries, the "Company") is incorporated in the State of New York. The name "Value Line" as used to describe the Company, its products, and its subsidiaries, is a registered trademark of the Company. The Company's core business is producing investment periodicals and their underlying research and making available certain Value Line copyrights, Value Line trademarks and Value Line Proprietary Ranks and other proprietary information, to third parties under written agreements for use in third-party managed and marketed investment products and for other purposes. The Company maintains a significant investment in Eulav Asset Management LLC ("EAM") from which it receives a non-voting revenues interest and a non-voting profits interest. Pursuant to the EAM Declaration of Trust dated as of December 23, 2010 (the "EAM Trust Agreement"), VLI granted EAM the right to use the Value Line name for all existing Value Line Funds and agreed to supply, without charge or expense, the Value Line Proprietary Ranking System information to EAM for use in managing the Value Line Funds. EAM was established to provide investment management services to the Value Line Mutual Funds ("Value Line Funds" or the "Funds").

Use of Estimates:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Principles of Consolidation:

The Company follows the guidance in the Financial Accounting Standards Board's ("FASB") Topic 810 "Consolidation" to determine if it should consolidate its investment in a variable interest entity ("VIE"). A VIE is a legal entity in which either (i) equity investors do not have sufficient equity investment at risk to enable the entity to finance its activities independently or (ii) the equity holders at risk lack the obligation to absorb losses, the right to receive residual returns or the right to make decisions about the entity's activities that most significantly affect the entity's economic performance. A holder of a variable interest in a VIE is required to consolidate the entity if it is determined that it has a controlling financial interest in the VIE and is therefore the primary beneficiary. The determination of a controlling financial interest in a VIE is based on a qualitative assessment to identify the variable interest holder, if any, that has (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance, and (ii) either the obligation to absorb losses of the entity or the right to receive benefits from the entity that could potentially be significant to the VIE. The accounting guidance requires the Company to perform an ongoing assessment of whether the Company is the primary beneficiary of a VIE and the Company has determined it is not the primary beneficiary of a VIE (see Note 5).

In accordance with FASB's Topic 810, the assets, liabilities, and results of operations of subsidiaries in which the Company has a controlling interest have been consolidated. All significant intercompany accounts and transactions have been eliminated in consolidation. The Company holds a significant non-voting revenues interest (excluding distribution revenues) and a significant non-voting profits interest in EULAV Asset Management, a Delaware statutory trust ("EAM" or "EAM Trust"). The Company relied on the guidance in FASB's ASC Topics 323 and 810 in its determination not to consolidate its investment in EAM and to account for such investment under the equity method of accounting. The Company reports the amount it receives for its non-voting revenues and non-voting profits interests as a separate line item below operating income in the Consolidated Statements of Income.

Revenue Recognition:

Depending upon the product, subscription fulfillment for Value Line periodicals and related publications is available in print or digitally, via internet access. The length of a subscription varies by product and offer received by the subscriber. Generally, subscriptions are offered as annual subscriptions with the majority of subscriptions paid in advance. Subscription revenues, net of discounts, are recognized ratably on a straight line basis when the product is served to the client over the life of the subscription. Accordingly, the amount of subscription fees to be earned by fulfilling subscriptions after the date of the balance sheets are shown as unearned revenue within current and long-term liabilities.

Copyright fees are derived from providing certain Value Line trademarks and the Value Line Proprietary Ranks to third parties under written agreements for use in selecting securities for third party marketed products, including unit investment trusts, annuities and exchange traded funds ("ETFs"). The Company earns asset-based copyright fees upon delivery of the product to the customer as specified in the individual agreements. Revenue is recognized monthly and received either quarterly or in advance over the term of the agreement and, because it is asset-based, will fluctuate as the market value of the underlying portfolio increases or decreases in value.

EAM earns investment management fees from the Value Line Funds. The management fees and average daily net assets for the Value Line Funds are calculated by State Street Bank, which serves as the fund accountant, fund administrator, and custodian of the Value Line Funds.

The Value Line Funds are open-end management companies registered under the Investment Company Act of 1940 (the "1940 Act"). Shareholder transactions for the Value Line Funds are processed each business day by the third party transfer agent of the Funds. Shares can be redeemed without advance notice upon request of the shareowners each day that the New York Stock Exchange is open.

Investment in Unconsolidated Entities:

The Company accounts for its investment in its unconsolidated entity, EAM, using the equity method of accounting in accordance with FASB's ASC 323. The equity method is an appropriate means of recognizing increases or decreases measured by GAAP in the economic resources underlying the investments. Under the equity method, an investor recognizes its share of the earnings or losses of an investee in the periods for which they are reported by the investee in its financial statements rather than in the period in which an investee declares a dividend or distribution. An investor adjusts the carrying amount of an investment for its share of the earnings or losses recognized by the investee.

The Company's "interests" in EAM, the investment adviser to and the sole member of the distributor of the Value Line Funds, consist of a "non-voting revenues interest" and a "non-voting profits interest" in EAM as defined in the EAM Trust Agreement. The non-voting revenues interest entitles the Company to receive a range of 41% to 55%, based on the amount of EAM's adjusted gross revenues, excluding EULAV Securities' distribution revenues ("Revenues Interest"). The non-voting profits interest entitles the Company to receive 50% of EAM's profits, subject to certain limited adjustments as defined in the EAM Trust Agreement ("Profits Interest"). The Revenues Interest and at least 90% of the Profits Interest are to be distributed each quarter to all interest holders of EAM, including Value Line. The Company's Revenues Interest in EAM excludes participation in the service and distribution fees of EAM's subsidiary EULAV Securities. The Company reflects its non-voting revenues and non-voting profits interests in EAM as non-operating income under the equity method of accounting. Although the Company does not have control over the operating and financial policies of EAM, pursuant to the EAM Trust Agreement, the Company has a contractual right to receive its share of EAM's revenues and profits.

Recent Accounting Pronouncements:

In December 2019, the Financial Accounting Standards Board ("FASB") issued ASU 2019-12, "Income Taxes (Topic740): Simplifying the Accounting for Income Taxes" as part of its initiative to reduce complexity in the accounting standards. The standard eliminates certain exceptions related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. The standard also clarifies and simplifies other aspects of the accounting for income taxes including interim-period accounting for enacted changes in tax laws. The Company adopted this guidance effective May 1, 2021. The adoption of this standard did not have a material impact on the Company's financial statements.

On June 21, 2018, the United States Supreme Court reversed the 1992 ruling in Quill, which protected firms delivering items by common carrier into a state where it had no physical presence from having to collect sales tax in such state. The Company has integrated the effects of the various state laws into its operations and continues to do so.

Valuation of Securities:

The Company's securities classified as cash equivalents, equity securities and available-for-sale fixed income securities consist of shares of money market funds that invest primarily in short-term U.S. Government securities and investments in equities including ETFs and are valued in accordance with the requirements of the Fair Value Measurements Topic of the FASB's ASC 820. The securities classified as equity securities reflected in the Consolidated Balance Sheets are valued at market and unrealized gains and losses are recorded in the Consolidated Statements of Income per FASB Accounting Standards Update No. 2016-01 ("ASU 2016-01"). The securities classified as available-for-sale fixed income securities reflected in the Consolidated Balance Sheets are valued at market and unrealized gains and losses, net of applicable taxes, are reported as a separate component of shareholders' equity. Investment gains and losses on sales of the equity securities are the difference between proceeds from sales and the fair value of the equity securities sold at the beginning of the period or the purchase date, if later. Investment gains and losses on sales of the available-for-sale fixed income securities are the difference between proceeds from sales and the cost of the securities. Investment gains and losses on sales of the securities are recorded in earnings as of the trade date and are determined on the identified cost method.

The Company classifies its equity securities and available-for-sale fixed income securities as current assets to properly reflect its liquidity and to recognize the fact that it has liquid assets available-for-sale should the need arise.

Market valuations of securities listed on a securities exchange and ETF shares are based on the closing sales prices on the last business day of each month. The market value of the Company's fixed maturity U.S. Government debt securities is determined utilizing publicly quoted market prices. Cash equivalents consist of investments in money market funds that invest primarily in U.S. Government securities valued in accordance with rule 2a-7 under the 1940 Act.

The Fair Value Measurements Topic of FASB's ASC defines fair value as the price that the Company would receive upon selling an investment in a timely transaction to an independent buyer in the principal or most advantageous market for the investment. The Fair Value Measurements Topic established a three-tier hierarchy to maximize the use of observable market data and minimize the use of unobservable inputs and to establish classification of fair value measurements for disclosure purposes. Inputs refer broadly to the information that market participants would use in pricing the asset or liability, including assumptions about risk. Examples of risks include those inherent in a particular valuation technique used to measure fair value such as the risk inherent in the inputs to the valuation technique. Inputs are classified as observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

The three-tier hierarchy of inputs is summarized in the three broad levels listed below.

Level 1 — quoted prices in active markets for identical investments

Level 2 — other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.)

Level 3 — significant unobservable inputs (including the Company's own assumptions in determining the fair value of investments)

The following summarizes the levels of fair value measurements of the Company's investments:

	As of April 30, 2023			
($ in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	$7,240	$—	$—	$7,240
Equity securities	14,546	—	—	14,546
Available-for-sale fixed income securities	39,928	—	—	39,928
	$61,714	$—	$—	$61,714

	As of April 30, 2022			
($ in thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Cash equivalents	$28,965	$—	$—	$28,965
Equity securities	17,647	—	—	17,647
Available-for-sale fixed income securities	10,475	—	—	10,475
	$57,087	$—	$—	$57,087

The Company had no other financial instruments such as futures, forwards and swap contracts. For the periods ended April 30, 2023 and April 30, 2022, there were no Level 2 nor Level 3 investments. The Company does not have any liabilities subject to fair value measurement.

Advertising expenses:

The Company expenses advertising costs as incurred.

Income Taxes:

The Company computes its income tax provision in accordance with the Income Tax Topic of the FASB's ASC. Deferred tax liabilities and assets are recognized for the expected future tax consequences of events that have been reflected in the Consolidated Financial Statements. Deferred tax liabilities and assets are determined based on the differences between the book values and the tax bases of particular assets and liabilities, using tax rates currently in effect for the years in which the differences are expected to reverse. The Company adopted the provisions of ASU 2015-17, Income taxes (Topic 740) and classifies all deferred taxes as long-term liabilities on the Consolidated Balance Sheets.

The Income Tax Topic of the FASB's ASC establishes for all entities, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. As of April 30, 2023, management has reviewed the tax positions for the years still subject to tax audit under the statute of limitations, evaluated the implications, and determined that there is no material impact to the Company's financial statements.

Earnings per share:

Earnings per share are based on the weighted average number of shares of common stock and common stock equivalents outstanding during each period. Any shares that are reacquired during the period are weighted for the portion of the period that they are outstanding. The Company does not have any potentially dilutive common shares from outstanding stock options, warrants, restricted stock, or restricted stock units.

Cash and Cash Equivalents:

For purposes of the Consolidated Statements of Cash Flows, the Company considers all cash held at banks and short-term liquid investments with an original maturity of less than three months to be cash and cash equivalents. As of April 30, 2023 and April 30, 2022, cash equivalents included $7,240,000 and $28,965,000, respectively, for amounts invested in money market mutual funds that invest in short-term U.S. government securities.

Note 2 — Supplementary Cash Flow Information:

Reconciliation of Cash, Cash Equivalents, and Restricted Cash:

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the Consolidated Statement of Cash Flows that sum to the total of the same such amounts shown in the Consolidated Statement of Cash Flows.

	Fiscal Years Ended April 30,		
($ in thousands)	**2023**	**2022**	**2021**
Cash and cash equivalents	$7,590	$29,703	$19,171
Restricted cash	$305	$305	$469
Total cash, cash equivalents, and restricted cash shown in the Consolidated Statement of Cash Flows	$7,895	$30,008	$19,640

Income Tax Payments:

The Company made income tax payments as follows:

	Fiscal Years Ended April 30,		
($ in thousands)	**2023**	**2022**	**2021**
State and local income tax payments	$923	$894	$1,406
Federal income tax payments to the Parent	$4,425	$5,400	$7,154

See Note 3 — Related Party Transactions for tax amounts associated with Arnold Bernhard and Co., Inc. ("AB&Co." or the "Parent").

Note 3 — Related Party Transactions:

Investment Management (overview):

The Company has substantial non-voting revenues and non-voting profits interests in EAM, the asset manager to the Value Line Mutual Funds. Accordingly, the Company does not report this operation as a separate business segment, although it maintains a significant interest in the cash flows generated by this business and receives non-voting revenues and non-voting profits interests, as discussed below.

Total assets in the Value Line Funds managed and/or distributed by EAM at April 30, 2023, were $3.09 billion, which is $0.27 billion, or 8.0%, below total assets of $3.36 billion in the Value Line Funds managed and/or distributed by EAM at April 30, 2022.

The Company's non-voting revenues and non-voting profits interests in EAM entitle it to receive quarterly distributions in a range of 41% to 55% of EAM's revenues (excluding distribution revenues) from EAM's mutual fund and separate account business and 50% of the residual profits of EAM (subject to temporary increase in certain limited circumstances). The Voting Profits Interest Holders will receive the other 50% of residual profits of EAM. Distribution is not less than 90% of EAM's profits payable each fiscal quarter under the provisions of the EAM Trust Agreement. Value Line's percent share of EAM's revenues is calculated each fiscal quarter.

The non-voting revenues and 90% of the Company's non-voting profits interests due from EAM to the Company are payable each fiscal quarter under the provisions of the EAM Trust Agreement. The distributable amounts earned through the balance sheet date, which is included in the Investment in EAM Trust on the Consolidated Balance Sheets, and not yet paid, were $2,601,000 and $3,657,000 at April 30, 2023 and April 30, 2022, respectively.

EAM Trust — VLI's non-voting revenues and non-voting profits interests:

The Company holds non-voting revenues and non-voting profits interests in EAM which entitle the Company to receive from EAM an amount ranging from 41% to 55% of EAM's investment management fee revenues from its mutual fund and separate accounts business. EAM currently has no separately managed account clients. The Company recorded income from its non-voting revenues interest and its non-voting profits interests in EAM as follows:

	Fiscal Years Ended April 30,		
($ in thousands)	**2023**	**2022**	**2021**
Non-voting revenues interest in EAM	$10,397	$15,899	$15,190
Non-voting profits interest in EAM	734	2,142	2,131
	$11,131	$18,041	$17,321

Transactions with Parent:

During the fiscal years ended April 30, 2023 and April 30, 2022, the Company was reimbursed $369,000 and $385,000, respectively for payments it made on behalf of and for services it provided to AB&Co. There were no receivables due from the Parent at April 30, 2023 or April 30, 2022.

The Company is a party to a tax-sharing arrangement with the Parent which allocates the tax liabilities of the two Companies between them. For the years ended April 30, 2023, 2022, and 2021, the Company made payments to the Parent for federal income tax amounting to $4,425,000, $5,400,000, and $7,154,000, respectively.

From time to time, the Parent has purchased additional shares of common stock of the Company in the market when and as the Parent has determined it to be appropriate. The Parent may make additional purchases of common stock of the Company from time to time in the future. As of April 30, 2023, the Parent owned 91.51% of the outstanding shares of common stock of the Company.

Note 4 — Investments:

Investments held by the Company and its subsidiaries are classified as equity securities and available-for-sale fixed income securities in accordance with FASB's ASC 321, Investments — Equity Securities and with FASB's ASC 320, Investments — Debt Securities. All of the Company's securities were readily marketable or had a maturity of twelve months or less and are classified as current assets on the Consolidated Balance Sheets.

Equity Securities:

Equity securities on the Consolidated Balance Sheets, consist of ETFs held for dividend yield that attempt to replicate the performance of certain equity indexes and ETFs that hold preferred shares primarily of financial institutions.

As of April 30, 2023 and April 30, 2022, the aggregate cost of the equity securities, which consist of investments in the SPDR Series Trust S&P Dividend ETF (SDY), First Trust Value Line Dividend Index ETF (FVD), ProShares Trust S&P 500 Dividend Aristocrats ETF (NOBL), IShares DJ Select Dividend ETF (DVY) and other Exchange Traded Funds and common stock equity securities was a combined total $10,169,000 and $13,318,000, respectively, and the fair value was $14,546,000 and $17,647,000, respectively.

The carrying value and fair value of equity securities at April 30, 2023 were as follows:

($ in thousands)	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
ETFs — equities	$10,169	$4,392	$(15)	$14,546

The carrying value and fair value of equity securities at April 30, 2022 were as follows:

($ in thousands)	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
ETFs — equities	$13,318	$4,348	$(19)	$17,647

Government Debt Securities (Fixed Income Securities):

Fixed income securities consist of certificates of deposits and securities issued by federal, state and local governments within the United States.

Proceeds from maturities and sales of government debt securities classified as available-for-sale during the twelve months ended April 30, 2023 and April 30, 2022, were $9,907,000 and $2,496,000, respectively. As of April 30, 2023, Accumulated Other Comprehensive Income included unrealized gains of $473,000, net of deferred taxes of $99,000. As of April 30, 2022, Accumulated Other Comprehensive Income included unrealized gains of $30,000, net of deferred taxes of $6,000.

The aggregate cost and fair value at April 30, 2023 of fixed income securities classified as available-for-sale were as follows:

($ in thousands)	Amortized Historical Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
Maturity				
Due within 1 year	$34,384	$486	$(5)	$34,865
Due within 1 year through 5 years	5,071	—	(8)	5,063
Total investment in government debt securities	$39,455	$486	$(13)	$39,928

The increase in gross unrealized gains of $503,000 on fixed income securities classified as available-for-sale net of deferred income tax liability of $105,000, was included in Accumulated Other Comprehensive Income on the Consolidated Balance Sheet as of April 30, 2023.

The aggregate cost and fair value at April 30, 2022 of fixed income securities classified as available-for-sale were as follows:

($ in thousands)	Amortized Historical Cost	Gross Unrealized Holding Gains	Fair Value
Maturity			
Due within 1 year	$10,505	$(30)	$10,475
Total investment in government debt securities	$10,505	$(30)	$10,475

The increase in gross unrealized losses of $34,000 on fixed income securities classified as available-for-sale net of deferred income tax benefit of $7,000, was included in Accumulated Other Comprehensive Income on the Consolidated Balance Sheet as of April 30, 2022.

The average yield on the Government debt securities classified as available-for-sale at April 30, 2023 and April 30, 2022 was 2.55% and 0.6%, respectively.

Investment Gains/(Losses):

Investment gains/(losses) were comprised of the following:

	Fiscal Years Ended April 30,		
($ in thousands)	2023	2022	2021
Dividend income	$595	$851	$573
Interest income	706	18	137
Investment gains/(losses) recognized on sales of equity securities during the period	(81)	(1,568)	835
Unrealized gains/(losses) recognized on equity securities held at the end of the period	(45)	167	3,875
Other	(1)	(2)	—
Total investment gains/(losses)	$1,174	$(534)	$5,420

Proceeds from sales of equity securities during the twelve months ended April 30, 2023 and April 30, 2022 were $4,706,000 and $12,039,000, respectively. Taxable realized gains/(losses) on equity securities sold during fiscal years 2023 and 2022, which are generally the difference between the proceeds from sales and our original cost, were losses of $174,000 in fiscal 2023 and losses of $1,254,000 in fiscal 2022.

Investment in Unconsolidated Entities:

Equity Method Investment:

As of April 30, 2023 and April 30, 2022, the Company's investment in EAM Trust, on the Consolidated Balance Sheets was $58,775,000 and $59,971,000, respectively.

The value of VLI's investment in EAM at April 30, 2023 and April 30, 2022 reflects the fair value of contributed capital of $55,805,000 at inception, which included $5,820,000 of cash and liquid securities in excess of working capital requirements contributed to EAM's capital account by VLI, plus VLI's share of non-voting revenues and non-voting profits from EAM less distributions, made quarterly to VLI by EAM, during the period subsequent to its initial investment through the dates of the Consolidated Balance Sheets.

It is anticipated that EAM will have sufficient liquidity and earn enough profit to conduct its current and future operations so the management of EAM will not need additional funding.

The Company monitors its Investment in EAM Trust for impairment to determine whether an event or change in circumstances has occurred that may have a significant adverse effect on the fair value of the investment. Impairment indicators include, but are not limited to the following: (a) a significant deterioration in the earnings performance, asset quality, or business prospects of the investee, (b) a significant adverse change in the regulatory, economic, or technological environment of the investee, (c) a significant adverse change in the general market condition of the industry in which the investee operates, or (d) factors that raise significant concerns about the investee's ability to continue as a going concern such as negative cash flows, working capital deficiencies, or noncompliance with statutory capital and regulatory requirements. EAM did not record any impairment losses for its assets during the fiscal years 2023 or 2022.

The components of EAM's investment management operations, provided to the Company by EAM, were as follows:

	Fiscal Years Ended April 30,		
($ in thousands)	**2023**	**2022**	**2021**
Investment management fees earned from the Value Line Funds, net of waivers shown below	$19,824	$29,598	$29,022
12b-1 fees and other fees, net of waivers shown below	$ 5,964	$ 9,310	$ 9,604
Other income/(losses)	$ 142	$ (20)	$ 361
Investment management fee waivers and reimbursements	$ 164	$ 547	$ 121
12b-1 fee waivers	$ 105	$ 644	$ 651
Value Line's non-voting revenues interest	$10,397	$15,899	$15,190
EAM's net income (1)	$ 1,468	$ 4,284	$ 4,262

(1) Represents EAM's net income, after giving effect to Value Line's non-voting revenues interest, but before distributions to voting profits interest holders and to the Company in respect of its 50% non-voting profits interest.

	Fiscal Years Ended April 30,	
($ in thousands)	**2023**	**2022**
EAM's total assets	$61,389	$63,592
EAM's total liabilities[1]	(4,357)	(6,282)
EAM's total equity	$57,032	$57,310

(1) At April 30, 2023 and 2022, EAM's total liabilities included a payable to VLI for its accrued non-voting revenues and non-voting profits interests of $2,601,000 and $3,657,000, respectively.

Note 5 — Variable Interest Entity:

The Company holds a non-voting revenues interest and a 50% non-voting profits interest in EAM, the adviser to the Value Line asset management and mutual fund distribution businesses. EAM is considered to be a VIE in relation to the Company. The Company makes its determination for consolidation of EAM as a VIE based on a qualitative assessment of the purpose and design of EAM, the terms and characteristics of the variable interests in EAM, and the risks EAM is designed to originate and pass through to holders of variable interests. Other than EAM, the Company does not have an interest in any other VIEs.

The Company has determined that it does not have a controlling financial interest in EAM because it does not have the power to direct the activities of EAM that most significantly impact its economic performance. Value Line does not hold any voting stock of EAM and it does not have any involvement in the day-to-day activities or operations of EAM. Although the EAM Trust Agreement provides Value Line with certain consent rights and contains certain restrictive covenants related to the activities of EAM, these are considered to be protective rights and therefore Value Line does not maintain control over EAM.

In addition, although EAM is expected to be profitable, there is a risk that it could operate at a loss. While all of the profit interest shareholders in EAM are subject to variability based on EAM's operations risk, Value Line's non-voting revenues interest in EAM is a preferred interest in the revenues of EAM, rather than a profits interest in EAM, and Value Line accordingly believes it is subject to proportionately less risk than other holders of the profits interests.

The Company has not provided any explicit or implicit financial or other support to EAM other than what was contractually agreed to in the EAM Trust Agreement. Value Line has no obligation to fund EAM in the future and, as a result, has no exposure to loss beyond its initial investment and any undistributed revenues and profits interests retained in EAM. The following table presents the total assets of EAM, the maximum exposure to loss due to involvement with EAM, as well as the value of the assets and liabilities the Company has recorded on its Consolidated Balance Sheets for its interest in EAM.

		Value Line		
($ in thousands)	VIE Assets	Investment in EAM Trust[(1)]	Liabilities	Maximum Exposure to Loss
As of April 30, 2023	$61,389	$58,775	$—	$58,775
As of April 30, 2022	$63,592	$59,971	$—	$59,971

(1) Reported within Long-Term Assets on Consolidated Balance Sheets.

Note 6 — Property and Equipment:

Property and equipment are carried at cost. Depreciation and amortization are provided using the straight-line method over the estimated useful lives of the assets, or in the case of leasehold improvements, over the remaining terms of the leases. For income tax purposes, depreciation of furniture and equipment is computed using accelerated methods and buildings and leasehold improvements are depreciated over prescribed extended tax lives. Property and equipment, net, on the Consolidated Balance Sheets was comprised of the following:

	As of April 30,	
($ in thousands)	2023	2022
Building and leasehold improvements	$1,013	$1,013
Operating lease — right-of-use asset	5,300	6,442
Furniture and equipment	4,079	4,091
	10,392	11,546
Accumulated depreciation and amortization	(4,604)	(4,488)
Total property and equipment, net	$5,788	$7,058

Note 7 — Federal, State and Local Income Taxes:

In accordance with the requirements of the Income Tax Topic of the FASB's ASC, the Company's provision for income taxes includes the following:

	Fiscal Years Ended April 30,		
($ in thousands)	2023	2022	2021
Current tax expense:			
Federal	$4,702	$5,625	$5,407
State and local	984	1,280	1,046
Current tax expense	5,686	6,905	6,453
Deferred tax expense (benefit):			
Federal	23	239	859
State and local	(3)	(328)	(316)
Deferred tax expense (benefit):	20	(89)	543
Income tax provision	$5,706	$6,816	$6,996

On December 22, 2017 H.R. 1, originally known as the Tax Cuts and Jobs Act (the "Tax Act"), was enacted. The Tax Act lowered the U.S. federal income tax rate ("Federal Tax Rate") from 35% to 21% effective January 1, 2018. Accordingly, the Company computes Federal income tax expense using the Federal Tax Rate of 21% in fiscal year 2019 and each year thereafter.

The overall effective income tax rates, as a percentage of pre-tax ordinary income for the twelve months ended April 30, 2023, April 30, 2022 and April 30, 2021 were 24.00%, 22.25% and 23.11%, respectively. The increase in the effective tax rate during for the twelve months ended April 30, 2023 as compared to April 30, 2022, is primarily a result of the non-taxable revenue derived from forgiveness of the PPP loan by the SBA (see note 19) in fiscal 2022 offset by an increase in the state and local income taxes from 3.12% to 3.25% as a result of changes in state and local income tax allocation factors, on deferred taxes in fiscal 2023. The Company's annualized overall effective tax rate fluctuates due to a number of factors, in addition to changes in tax law, including but not limited to an increase or decrease in the ratio of items that do not have tax consequences to pre-income tax, the Company's geographic profit mix between tax jurisdictions, taxation method adopted by each locality, new interpretations of existing tax laws and rulings and settlements with tax authorities.

Deferred income taxes, a liability, are provided for temporary differences between the financial reporting basis and the tax basis of the Company's assets and liabilities. The tax effect of temporary differences giving rise to the Company's long-term deferred tax liability are as follows:

	Fiscal Years Ended April 30,	
($ in thousands)	**2023**	**2022**
Federal tax liability (benefit):		
Deferred gain on deconsolidation of EAM	$10,669	$10,669
Deferred non-cash post-employment compensation	(372)	(372)
Depreciation and amortization	59	77
Unrealized gain on securities held for sale	919	909
Right of Use Asset	(174)	(188)
Deferred charges	(136)	(154)
Other	(333)	(300)
Total federal tax liability	10,632	10,641
State and local tax liabilities (benefits):		
Deferred gain on deconsolidation of EAM	2,062	2,131
Deferred non-cash post-employment compensation	(72)	(74)
Depreciation and amortization	125	180
Unrealized gain on securities held for sale	178	194
Other	204	54
Total state and local tax liabilities	2,497	2,485
Deferred tax liability, long-term	$13,129	$13,126

The tax effect of temporary differences giving rise to the Company's long-term deferred tax liability is primarily a result of the federal, state and local taxes related to the $50,805,000 gain from deconsolidation of the Company's asset management and mutual fund distribution subsidiaries, partially offset by the long-term tax benefit related to the non-cash post-employment compensation of $1,770,000 granted to VLI's former employee.

The Company uses the effective income tax rate determined to provide for income taxes on a year-to-date basis and reflects the tax effect of any tax law changes and certain other discrete events in the period in which they occur.

The provision for income taxes differs from the amount of income tax determined by applying the applicable U.S. statutory income tax rate to pre-tax income as a result of the following:

	Fiscal Years Ended April 30,		
	2023	**2022**	**2021**
U.S. statutory federal tax rate	21.00%	21.00%	21.00%
Increase (decrease) in tax rate from:			
State and local income taxes, net of federal income tax benefit	3.25%	3.12%	2.05%
Nontaxable SBA loan forgiveness	—	(1.60%)	—
Effect of dividends received deductions	(0.26%)	(0.29%)	(0.31%)
Other, net	0.01%	0.02%	0.37%
Effective income tax rate	24.00%	22.25%	23.11%

The Company believes that, as of April 30, 2023, there were no material uncertain tax positions that would require disclosure under GAAP.

The Company is included in the consolidated federal income tax return of the Parent. The Company has a tax sharing agreement which requires it to make tax payments to the Parent equal to the Company's liability/(benefit) as if it filed a separate return. Beginning with the fiscal year ended April 30, 2017, the Company files combined income tax returns with the Parent on a unitary basis in certain states as a result of changes in state tax regulations.

The Company's federal income tax returns (included in the Parent's consolidated returns) and state and city tax returns for fiscal years ended 2020 through 2022, are subject to examination by the tax authorities, generally for three years after they are filed with the tax authorities.

Note 8 — Employees' Profit Sharing and Savings Plan:

Substantially all employees of the Company and its subsidiaries are members of the Value Line, Inc. Profit Sharing and Savings Plan (the "Plan"). In general, this is a qualified, contributory plan which provides for a discretionary annual Company contribution which is determined by a formula based on the salaries of eligible employees and the amount of consolidated net operating income as defined in the Plan. For the fiscal years ended April 30, 2023, 2022 and 2021, the estimated profit sharing plan contribution, which is included as an expense in salaries and employee benefits in the Consolidated Statements of Income, was $410,000, $557,000 and $980,000, respectively.

Note 9 — Lease Commitments:

On November 30, 2016, Value Line, Inc., received consent from the landlord at 551 Fifth Avenue, New York, NY to the terms of a new sublease agreement between Value Line, Inc. and ABM Industries, Incorporated ("ABM" or the "Sublandlord") commencing on December 1, 2016. Pursuant to the agreement Value Line leased from ABM 24,726 square feet of office space located on the second and third floors at 551 Fifth Avenue, New York, NY ("Building" or "Premises") beginning on December 1, 2016 and ending on November 29, 2027. Base rent under the sublease agreement is $1,126,000 per annum during the first year with an annual increase in base rent of 2.25% scheduled for each subsequent year, payable in equal monthly installments on the first day of each month, subject to customary concessions in the Company's favor and pass-through of certain increases in utility costs and real estate taxes over the base year. The Company provided a security deposit represented by a letter of credit in the amount of $469,000 in October 2016, which was reduced to $305,000 on October 3, 2021 and is to be fully refunded after the sublease ends. This Building became the Company's new corporate office facility. The Company is required to pay for certain operating expenses associated with the Premises as well as utilities supplied to the Premises. The sublease terms provide for a significant decrease (23% initially) in the Company's annual rental expenditure taking into account free rent for the first six months of the sublease. Sublandlord provided Value Line a work allowance of $417,000 which accompanied with the six months free rent worth $563,000 was applied against the Company's obligation to pay rent at our NYC headquarters, delaying the actual rent payments until November 2017.

On February 29, 2016, the Company's subsidiary VLDC and Seagis Property Group LP (the "Landlord") entered into a lease agreement, pursuant to which VLDC has leased 24,110 square feet of warehouse and appurtenant office space located at 205 Chubb Ave., Lyndhurst, NJ ("Warehouse") beginning on May 1, 2016 and ending on April 30, 2024 ("Lease"). Base rent under the Lease is $192,880 per annum payable in equal monthly installments on the first day of each month, in advance during fiscal 2017 and will gradually increase to $237,218 in fiscal 2024, subject to customary increases based on operating costs and real estate taxes. The Company provided a security deposit in cash in the amount of $32,146, which will be fully refunded after the lease term expires. The lease is a net lease requiring the Company to pay for certain operating expenses associated with the Warehouse as well as utilities supplied to the Warehouse.

In February 2016, the FASB issued ASU No. 2016-02, "Leases (Topic 842)". This ASU requires that, for leases longer than one year, a lessee recognizes in the statements of financial position a right-of-use asset, representing the right to use the underlying asset for the lease term, and a lease liability, representing the liability to make lease payments. It also requires that for finance leases, a lessee recognizes interest expense on the lease liability, separately from the amortization of the right-of-use asset in the statements of earnings, while for operating leases, such amounts should be recognized as a combined expense. The firm adopted this ASU in May 2019 under a modified retrospective approach.

The Company adopted ASU 2016-02 using a modified retrospective transition approach as of the Effective Date as permitted by the amendments in ASU 2018-11, which provides an alternative modified retrospective transition method. As a result, the Company was not required to adjust its comparative period financial information for effects of the standard or make the new required lease disclosures for periods before the date of adoption (i.e. May 1, 2019). The Company has elected to employ the transitional relief offered by the FASB and, therefore, has not reassessed (1) whether existing or expired contracts contain a lease, (2) lease classification for existing or expired leases or (3) the accounting for initial direct costs that were previously capitalized.

The Company leases office space in New York, NY and a warehouse and appurtenant office space in Lyndhurst, NJ. The Company has evaluated these leases and determined that they are operating leases under the definitions of the guidance of ASU 2016-02.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the net present value of the lease liability adjusted for lease payments made at or before the lease commencement date, plus any initial direct costs incurred less any lease incentives received. For operating leases, the right-of-use asset is subsequently measured throughout the lease term at the carrying amount of the net present value of the lease liability, plus initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received.

On May 1, 2019, the Company recorded a right-of-use asset in the amount of $9,575,000, which represents the lease liability of $10,340,000 adjusted for previously recorded unamortized lease incentives in the amount of $765,000. The right-of-use asset will be amortized over the remaining lease term in the amount equal to the difference between the calculated straight-line expense of the total lease payments less the monthly interest calculated on the remaining lease liability. As of April 30, 2023, the Company had a long-term lease asset of $5,300,000 recorded in property and equipment in its consolidated balance sheets.

The Company recognizes lease expense, calculated as the remaining cost of the lease allocated over the remaining lease term on a straight-line basis. Lease expense are presented as part of continuing operations in the consolidated statements of income. For the twelve months ended April 30, 2023, the Company recognized $1,499,000 in lease expense.

For the twelve months ended April 30, 2023, the Company paid $1,597,000 in rent relating to the leases. As a payment arising from an operating lease, the $1,597,000 will be classified within operating activities in the consolidated statements of cash flows.

The Company's leases generally do not provide an implicit interest rate, and therefore the Company estimated an incremental borrowing rate, or IBR, as of the commencement date, to determine the present value of its operating lease liabilities. The IBR is defined under ASC 842 as the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments in a similar economic environment. The following table reconciles the undiscounted future minimum lease payments to the total operating lease liabilities recognized on the consolidated balance sheet as of April 30, 2023:

Fiscal Years Ended April 30,	($ in thousands)
2024	$1,634
2025	1,429
2026	1,461
2027	1,493
Thereafter	882
Total undiscounted future minimum lease payments	6,899
Less: difference between undiscounted lease payments & the present value of future lease payments	771
Total operating lease liabilities	$6,128

For the fiscal years ended April 30, 2023, 2022 and 2021, rental expenses were $1,499,000 each year.

Note 10 — Disclosure of Credit Risk of Financial Instruments with Off-Balance Sheet Risk:

Other than EAM and the Value Line Funds as explained in Note 3 — Related Party Transactions, a single customer accounted for a significant portion of the Company's sales in fiscal 2023, 2022 or 2021, and its accounts receivable as of April 30, 2023 or 2022. During the twelve months ended April 30, 2023, 2022 and 2021, 33.9%, 33.0% and 31.6%, respectively, of total publishing revenues were derived from a single customer as explained in Note 16 — Concentration.

Note 11 — Comprehensive Income:

The FASB's ASC Comprehensive Income topic requires the reporting of comprehensive income in addition to net income from operations. Comprehensive income is a more inclusive financial reporting methodology that includes disclosure of certain financial information that otherwise would not be recognized in the calculation of net income.

As of April 30, 2023 and April 30, 2022 the Company held fixed income securities consisting of securities issued by federal, state, and local governments within the United States that are classified as securities available-for-sale on the Consolidated Balance Sheets. The change in valuation of fixed income securities, net of deferred income taxes, has been recorded in Accumulated Other Comprehensive Income in the Company's Consolidated Balance Sheets.

The components of comprehensive income that are included in the Consolidated Statement of Changes in Shareholders' Equity for the twelve months ending April 30, 2023 are as follows:

	Fiscal Year Ended April 30, 2023		
($ in thousands)	Amount Before Tax	Tax (Expense)/ Benefit	Amount Net of Tax
Change in unrealized gains on available-for-sale fixed income securities	$503	$(105)	$398
	$503	$(105)	$398

The components of comprehensive income that are included in the Consolidated Statement of Changes in Shareholders' Equity for the twelve months ending April 30, 2022 are as follows:

	Fiscal Year Ended April 30, 2022		
($ in thousands)	Amount Before Tax	Tax (Expense)/ Benefit	Amount Net of Tax
Change in unrealized gains on available-for-sale fixed income securities	$(34)	$7	$(27)
	$(34)	$7	$(27)

The components of comprehensive income that are included in the Consolidated Statement of Changes in Shareholders' Equity for the twelve months ending April 30, 2021 are as follows:

	Fiscal Year Ended April 30, 2021		
($ in thousands)	Amount Before Tax	Tax (Expense)/ Benefit	Amount Net of Tax
Change in unrealized gains on available-for-sale fixed income securities	$(173)	$45	$(128)
	$(173)	$45	$(128)

Note 12 — Accounting for the Costs of Computer Software Developed for Internal Use:

The Company has adopted the provisions of the Statement of Position 98-1 (SOP 98-1), "Accounting for the Costs of Computer Software Developed for Internal Use". SOP 98-1 requires companies to capitalize as long-lived assets many of the costs associated with developing or purchasing software for internal use and amortize those costs over the software's estimated useful life in a systematic and rational manner. Such costs, when incurred, are capitalized and amortized over the expected useful life of the asset, normally 3 to 5 years.

During the twelve months ended April 30, 2023, the Company capitalized $110,000 related to the third party programmers' costs. The Company did not incur and did not capitalize expenditures related to third party programmers' costs during the twelve months ended April 30, 2022 and capitalized $145,000 during fiscal year 2021. Total amortization expenses for the years ended April 30, 2023, 2022 and 2021 were $49,000, $73,000 and $70,000, respectively.

Note 13 — Treasury Stock and Repurchase Program:

"On October 21, 2022, the Company's Board of Directors approved a share repurchase program authorizing the repurchase of shares of the Company's common stock up to an aggregate purchase price of $3,000,000. The repurchases may be made from time to time on the open market at prevailing market prices, in negotiated transactions off the market, in block purchases or otherwise. The repurchase program may be suspended or discontinued at any time at the Company's discretion and has no set expiration date.

($ in thousands except for cost per share)	Shares	Cost Assigned	Average Cost per Share	Aggregate Purchase Price Remaining Under the Program
Balance as of April 30, 2019	336,439	$4,743	$14.10	$1,438
Purchases effected in open market	46,840	$1,214	$25.91	$—
Balance as of April 30, 2020	383,279	$5,957	$15.54	$2,000
Purchases effected in open market[1]	53,551	$1,526	$28.50	$—
Balance as of April 30, 2021	436,830	$7,483	$17.13	$474
Purchases effected in open market[2]	53,327	$2,484	$46.58	$—
Balance as of April 30, 2022	490,157	$9,967	$20.33	$1,241
Purchases effected in open market[3]	75,303	$4,704	$62.47	$—
Balance as of April 30, 2023	565,460	14,671	$25.95	$1,266

(1) Were acquired during the $2 million repurchase program authorized in April 2020.

(2) Were acquired during the $2 million repurchase program authorized in July 2021 and the $2 million repurchase program authorized in March 2022.

(3) Were acquired during the $3 million repurchase program authorized in May 2022 and the $3 million repurchase program authorized in October 2022.

Note 14 — Copyright Fees:

During the twelve months ended April 30, 2023, copyright fees of $13,463,000 were 0.6% above fiscal 2022. During the twelve months ended April 30, 2022, copyright fees of $13,380,000 were 4.8% above fiscal 2021. During the twelve months ended April 30, 2021, copyright fees of $12,763,000 were 0.7% above fiscal 2020. As of April 30, 2023, total third party sponsored assets were $12.39 billion, as compared to $12.45 billion in assets at April 30, 2022.

Note 15 — Restricted Cash and Deposits:

Restricted Money Market Investment in the noncurrent assets on the Consolidated Condensed Balance Sheet at April 30, 2023, includes $305,000, which represents cash invested in a bank money market fund securing a letter of credit ("LOC") in the amount of $305,000 issued to the sublandlord as a security deposit for the Company's New York City leased corporate office facility. According to the sublease agreement the LOC and restricted cash were reduced from $469,000 to $305,000 in the third quarter of fiscal year 2022.

Note 16 — Concentration:

During the twelve months ended April 30, 2023, 33.9% of total publishing revenues of $39,695,000 were derived from a single customer. During the twelve months ended April 30, 2022, 33.0% of total publishing revenues of $40,525,000 were derived from a single customer. During the twelve months ended April 30, 2021, 31.6% of total publishing revenues of $40,392,000 were derived from a single customer.

Note 17 — Concentration of Credit Risk:

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash deposits. Accounts at each institution are insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000. At April 30, 2023 and 2022, the Company had $1,569,000 and $1,978,000, respectively, in excess of the FDIC insured limit. Management has concluded the excess does not represent a material risk, based on the creditworthiness of the counter parties.

The Company maintains a deposit account of $305,000 at Signature Bank as security for a letter of credit in a similar amount (See Note 15). The bank was closed March 12, 2023 by its state chartering authority. In a joint statement of the U.S. Treasury department, the Federal Reserve, and the Federal Deposit Insurance Corporation, these federal entities confirmed that all depositors of this institution will be made whole.

Note 18 — Business Segments:

The Publishing business segment, the Company's only reportable segment subsequent to December 23, 2010, produces investment periodicals and related publications (retail and institutional) in both print and digital form, and includes Value Line copyrights and Value Line Proprietary Ranks and other proprietary information.

As described in Note 1 — Organization and Summary of Significant Accounting Policies, the Company deconsolidated its investment management business on December 23, 2010 and therefore no longer reports the investment management operation as a separate business unit. Although VLI continues to receive significant cash flows from these operations through its non-controlling investment in EAM, it no longer considers this to be a reportable business segment due to its lack of control over the operating and financial policies of EAM.

Note 19 — Paycheck Protection Program Loan:

Shortly after declaration of the COVID-19 pandemic and "lockdowns" of numerous non-essential businesses, the Company in April of 2020 executed a note and received a loan (the "PPP Loan") from JP Morgan Chase Bank under the Paycheck Protection Program ("PPP") which was established under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") and was administered by the U.S. Small Business Administration ("SBA"). The proceeds from the PPP Loan were used in accordance with the terms of the CARES Act program.

Under the terms of the CARES Act, borrowers could apply for and be granted forgiveness for all or a portion of the PPP Loan. Such forgiveness is determined, subject to limitations, based on the use of loan proceeds in accordance with the terms of the CARES Act. The Company was granted total loan forgiveness of $2,331,365 by the SBA during the second quarter of fiscal 2022. Accrued interest was also forgiven.

Report of Independent Accountants

HOROWITZ & ULLMANN, P.C.
Certified Public Accountants

A member of the
AICPA Center for Audit Quality
New York State Society of CPAs
PCAOB registered

275 Madison Avenue
New York, NY 10016
Telephone: (212) 532-3736
Facsimile: (212) 545-8997
E-mail: cpas@horowitz-ullmann.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and
Board of Directors of Value Line, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Value Line, Inc. and Subsidiaries (the "Company") as of April 30, 2023 and 2022, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for each of the years in the three-year period ended April 30, 2023, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of April 30, 2023 and 2022, and the results of its operations and its cash flows for each of the years in the three-year period ended April 30, 2023, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to the accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgements. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which they relate.

Investment in Unconsolidated Entity

As described in note 4 to the consolidated financial statements, the Company uses the equity method of accounting to report its investment in its unconsolidated entity. As of April 30, 2023, the carrying value of the investment was $58,775,000. On an annual basis, management performs an impairment assessment to ensure that the carrying value of the investment in its unconsolidated entity is properly reflected.

The principal considerations for our determination that performing procedures relating to such assessment is a critical audit matter are that there were significant judgements made by management in estimating the fair value of the investment and the fact that management utilized a specialist to assist in its determination of fair value. This in turn led to a high degree of auditor judgement, subjectivity, and audit effort in evaluating management's estimation of the fair value of the investment in its unconsolidated entity, including management's assessment of the unconsolidated entity's financial condition and results of operations.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, reviewing management's process for estimating the fair value of the investment in its unconsolidated entity, evaluating the appropriateness of the valuation model, testing the completeness and accuracy of data used in the model, and evaluating the significant assumptions used by management.

/s/ Horowitz & Ullmann, P.C.
We have served as the Company's auditor since 1996.

Horowitz & Ullmann, P.C.

New York, NY
July 27, 2023

Miscellaneous

Board of Directors

Stephen R. Anastasio
Vice President and Treasurer

Mary Bernstein
Secretary; Retired Director of Accounting

Howard A. Brecher
Chairman and Chief Executive Officer

Stephen P. Davis
Retired Deputy Commissioner, New York City Police Department (NYPD)

Alfred Fiore
Retired Chief of Police, Westport, CT

Glenn Muenzer
Retired Special Agent, Federal Bureau of Investigation

Miscellaneous

Independent Auditors,
Horowitz & Ullmann, P.C.

Transfer Agent and Registrar,
American Stock Transfer & Trust Company, LLC

NASDAQ Symbol, VALU

Common Stock Performance

The Company's Common Stock is traded on NASDAQ under the symbol "VALU". The approximate number of record holders of the Registrant's Common Stock at April 30, 2023 was 30. As of April 28, 2023, the closing stock price was $45.80.

The reported high and low prices and the dividends declared on these shares during the past two fiscal years were as follows:

Quarter Ended	High	Low	Dividend Declared Per Share
April 30, 2023	$53.77	$45.00	$0.28
January 31, 2023	$69.85	$42.02	$0.25
October 31, 2022	$118.40	$42.52	$0.25
July 31, 2022	$92.00	$52.55	$0.25
April 30, 2022	$91.72	$52.61	$0.25
January 31, 2022	$61.79	$33.46	$0.22
October 31, 2021	$39.51	$30.44	$0.22
July 31, 2021	$33.77	$28.60	$0.22

The Board of Directors of Value Line at its July 2023 meeting declared an increased regular quarterly dividend of $0.28 per share, which was paid on August 11, 2023.

Form 10-K

Stockholders may obtain a copy of Value Line, Inc.'s Form 10-K for fiscal year 2023, as filed with the Securities and Exchange Commission, without charge, by writing to: Secretary, Value Line, Inc., 551 Fifth Avenue, New York, NY 10176 or on our Website: http://www.valueline.com/About/InvestorRelation.aspx. Also available at www.sec.gov under the symbol VALU.

Code of Ethics

The Company's Code of Business Conduct and Ethics that applies to its principal executive officer, principal financial officer, all other officers, and all other employees is available on the Company's website at http://www.valueline.com/About/Code_of_Ethics.aspx

Value Line®

Value Line, Inc.

551 Fifth Avenue
New York, NY 10176

1-800-VALUELINE

www.valueline.com
www.valuelinepro.com
www.valuelinelibrary.com