

Tickers: **BUFIX** | **BUIIX**

MORNINGSTAR RATING



Overall Morningstar Rating™ of BUFIX based on risk-adjusted returns among 369 Foreign Large Growth funds as of 3/31/2025.

FUND MANAGEMENT



Nicole Kornitzer, CFA

Manager since 2009
23 Years Investment Experience

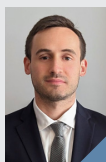
MBA - INSEAD
M.A. - Columbia University
B.A. - Univ. of Pennsylvania



Pat Srinivas

International Equity Research Analyst
17 Years Investment Experience

MBA - Univ. of Chicago
M.S. - Univ. of Texas-Dallas
B.S. - Karnatak Univ. (India)



Frank Diebold, CFA

International Equity Research Analyst
12 Years Investment Experience

B.A. - Univ. of Pennsylvania

ABOUT US

The Buffalo Funds are a family of 10 actively-managed, no-load mutual funds, which provide a variety of long-term investment options for investors. We believe that patient investing, backed by solid, intelligent research, can be the best way to achieve long-term financial returns.

CONTACT US

800.49.BUFFALO
buffalofunds.com

1 How did the Fund perform in the first quarter and over longer-term periods?

In the first quarter of 2025, the Fund gained 5.10%, outperforming both the Morningstar Foreign Large Growth category average and the FTSE All-World ex US Index, which returned 2.89% and 5.05%, respectively. When looking at longer-term periods, the Fund outperformed the Morningstar category average over the 3-, 5- and 10-year periods ended March 31, 2025.

The Fund's investment approach features high-quality companies that possess proven management teams, strong balance sheets, and a history of high and/or increasing margins. The Fund also emphasizes companies that are beneficiaries of secular global growth trends and are less sensitive to economic cycles. As such, we believe the Fund is well positioned for continued future growth.

2 Would you please comment on the international markets in the first quarter, and Europe in particular?

In the first quarter of 2025, the international markets were impacted by several geopolitical events. Significant factors included the continued war between Ukraine and Russia, as well as the new Trump administration implementing a series of tariffs impacting international commerce.

During this period, the European Union has made plans to increase defense spending by approximately \$800 billion over the next four years. A large majority of this planned spending is expected to come from each country's budget, with the goal to increase defense spending from about 2% of gross domestic product (GDP) to 3.5%. In addition, the EU has declared that each country's government can surpass their 3% deficit rule to accommodate the increased defense spending.

Continued

PERFORMANCE (%) AS OF 3/31/2025

| | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Inception |
|--|-------------|--------------|-------------|--------------|-------------|-----------------|
| Investor Class - BUFIX | 5.10 | -2.19 | 2.67 | 10.87 | 7.16 | 5.32 |
| Institutional Class - BUIIX¹ | 5.20 | -2.01 | 2.83 | 11.05 | 7.32 | 5.48 |
| FTSE All-World ex US Index | 5.05 | 6.65 | 4.98 | 11.67 | 5.62 | 3.40 |
| Morningstar Foreign Large Growth Cat. Avg. | 2.89 | 1.27 | 2.65 | 9.09 | 5.53 | – |
| Morningstar Risk Rating | | | Avg. | Avg. | Avg. | |
| Expense Ratio: Investor Class 1.05%, Institutional Class 0.90% | | | | | | |

Morningstar Rankings based on total return.

Inception dates: BUFIX 9/28/2007, BUIIX 7/1/2019. Average annual total return represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate and redemption value may be more or less than original cost. Fund performance current to the most recent month-end may be lower or higher than the performance quoted and can be obtained by visiting buffalofunds.com. ¹For performance prior to 7/1/19 (Inception Date of Institutional Class), performance of the Investor Class shares is used and includes expenses not applicable and lower than those of Investor Class shares.

While the details are in early stages, we believe these new initiatives, along with planned infrastructure spending in Germany, may lead toward an increased sense of fiscal unity in Europe. The incremental boost to Eurozone GDP growth could also help to offset pressure from the decline in exports to the U.S. that could result from the Trump administration tariffs. From a global perspective, valuations of European companies are relatively low compared to the U.S. and European consumers are well positioned compared to U.S. consumers.

3 Would you please discuss how increased defense spending impacts portfolio opportunities?

When selecting companies for investment, we seek companies that we believe stand to benefit from secular growth trends. We have identified Evolving Risk Complexity as a global growth trend that encompasses the increasing demand for defense spending.

For example, portfolio holding Thales is a French defense company with business operations in defense and security, aerospace and space, and cybersecurity. Defense accounts for about half of the company's revenue. In the first quarter, Thales' stock price increased over 124% underpinned by strong sentiment in the defense industry. We believe that Thales is poised for long-term growth.

4 Digitalization has been a long-standing secular trend in the Fund's portfolio. Would you please provide a portfolio example?

The Fund owns a position in Japanese company BayCurrent, which provides digital, operations, IT, and business strategy consulting services. The Digitalization trend and cloud software industry has accelerated in Japan since the COVID pandemic, when companies experienced enhanced productivity as they increasingly implemented digital technologies. The demand for AI products and services are also catalysts for Japanese digitalization, which we believe is an ongoing trend. BayCurrent benefited from these trends and also benefits from having no direct exposure to tariffs, as all revenue is earned inside Japan. Baycurrent was a significant contributor to the Fund's performance in the first quarter as the stock rose 7%.

The Fund's investment objectives, risks, charges, and expenses must be considered carefully before investing. The summary and statutory prospectuses contain this and other important information about the investment company and may be obtained by calling (800) 49-BUFFALO or visiting buffalofunds.com. Read them carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in small and mid-cap companies, which involve additional risks such as limited liquidity and greater volatility than large-cap companies. The Fund invests in foreign securities which involve greater volatility and political, economic, and currency risks as well as differences in accounting methods.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a 3-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its 3-, 5-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all 3 rating periods. The Buffalo International Fund (BUFIX) received 3 stars among 369 for the 3-year, 3 stars among 335 for the 5-year, and 4 stars among 213 Foreign Large Growth funds for the 10-year period ending 3/31/2025 based on risk-adjusted returns. © 2025 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **Past performance is no guarantee of future results.**

Morningstar Risk scores for a given time period (three, five, or 10 years) reflect the Fund's Morningstar risk score plotted on a bell curve: Monthly calculations are based on whether the Fund scores in the top 10% of its category, its risk score is considered High; if it falls in the next 22.5% Above Average; a place in the middle 35% is Average; those lower still, in the next 22.5%, are Below Average and the bottom Low. Overall Morningstar risk score is a weighted average of the available three, five, and 10 year Morningstar risk scores. Investments with less than three years of performance history are not rated.

The Financial Times Stock Exchange (FTSE) All-World ex US Index is a market-capitalization weighted index representing the performance of around 2200 large cap and mid cap companies in 46 developed and emerging markets worldwide, excluding the US. One cannot invest directly in an index.

Holdings in the Fund as a percentage of net assets as of 12/31/2024: Thales 1.29% and BayCurrent 2.35%. Fund holdings are subject to change and should not be considered a recommendation to buy or sell any security. Holdings for the quarter are not disclosed until 60 days after quarter end.

Kornitzer Capital Management is the adviser to the Buffalo Funds, which are distributed by Quasar Distributors, LLC.