

Tickers: BUFTX | BUITX

MORNINGSTAR RATING

Overall Morningstar Rating™ of BUFTX based on risk-adjusted returns among 469 Mid-Cap Growth funds as of 3/31/2026.

FUND MANAGEMENT**Alan E. Norton, CFA**

Manager since 2026
39 Years of Investment Experience

M.B.A. – Babson College
B.A. – Trinity College

**Thomas P. Norton, CFA**

Manager since 2026
40 Years of Investment Experience

M.B.A. – UMass Boston
B.A. – Dartmouth College

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

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1 Would you comment on the mid-cap equity market in the first quarter of 2026?

The mid-cap equity market in the first quarter of 2026 was shaped by a convergence of macro, geopolitical, and valuation pressures, rather than a single catalyst. Entering the year, equities were already vulnerable due to elevated valuations, particularly those concentrated within AI and large-cap technology, and fading expectations for Fed rate cuts, which removed an important source of liquidity support.

One major theme early in the quarter was the AI software selloff, as investors questioned whether traditional software models could sustain growth in an AI-driven world. This led to sharp declines across application-layer and data-oriented companies and a rotation toward the “picks and shovels” of AI, including semiconductors, data centers, and power infrastructure.

Into March, the market narrative shifted again as escalating geopolitical tensions in the Middle East, particularly the Iran conflict, pushed oil prices higher, reigniting inflation concerns. Higher energy prices effectively acted as a “tax on consumption,” weighing on growth expectations and pressuring rate-sensitive equities, especially technology. At the same time, this environment supported a rotation into energy and value sectors, further widening performance dispersion within the market.

Overall, rather than the broadening market many expected at the start of the year, the quarter was defined by narrow, theme-driven rotations, first into AI infrastructure and later into energy, amid tightening financial conditions and geopolitical uncertainty.

2 Would you give some examples Fund holdings in a segment you are currently finding attractive?

Despite the broad sell-off in software companies during the quarter, we believe that portfolio holdings Veeva Systems, Tyler Technologies, and Guidewire represent a distinct class of AI-resilient software businesses with durable competitive advantages. While much of the market has indiscriminately repriced software due to fears of AI-driven disruption, these companies operate in highly regulated, mission-critical industries where switching costs are high and replacement risk is low. Their platforms are deeply embedded in customer workflows, often serving as systems of record, and their revenue models are less dependent on seat-based pricing, making them less vulnerable to AI-related headcount reductions. As a result, we view these holdings as high-quality, long-term compounders that are temporarily mispriced due to broad-based software pessimism rather than any fundamental deterioration in their underlying businesses.

- ▶ Veeva Systems provides cloud software that helps pharmaceutical and life sciences companies manage clinical trials, regulatory compliance, and commercial operations. We believe it is attractive because it

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operates in a highly regulated industry where software must be validated over years, creating significant switching costs and making disruption from AI unlikely.

- ▶ Tyler Technologies delivers software solutions to local and state governments for managing public sector functions like courts, taxes, and public safety. We find the company is compelling because it is deeply embedded in government workflows, where budgets, regulation, and operational risk make switching providers difficult and infrequent.
- ▶ Guidewire offers core software platforms that insurance companies use to run key operations such as policy administration, billing, and claims processing. In our view, the company is attractive due to its role as a system-of-record in a heavily regulated industry, where insurers rely on its platform to operate and scale.

3 Would you please comment on the Fund's risk management approach?

We believe that mitigating risk is an important component in mid-cap growth investing. Our approach emphasizes high-quality companies that have scalable business models, experienced management teams, and competitive advantages. We favor companies that generate consistent free cash flow, have low debt, and healthy operating margins. The Fund's portfolio has experienced less volatility, as measured by standard deviation, compared to our Morningstar Mid-Cap Growth Category peers for the 3-, 5- and 10-year periods as of March 31, 2026. In addition, the Fund has earned Morningstar's "Below Average" or "Average" Risk Rating for the same periods.

STANDARD DEVIATION

| | 3 Yr | 5 Yr | 10 Yr |
|--|--------------|--------------|--------------|
| Buffalo Mid Cap Discovery Fund | 16.87 | 19.21 | 17.73 |
| Morningstar Mid-Cap Growth Category Avg. | 18.76 | 20.59 | 19.43 |

Morningstar Risk Rating Below Avg Average Below Avg

Source: Morningstar as of 3/31/2026

PERFORMANCE (%) AS OF 3/31/2026

| | YTD | 1 Yr | 3 Yr | 5 Yr | 10 Yr | Since Inception |
|--|---------------|--------------|-------------|--------------|-------------|-----------------|
| Investor Class - BUFTX | -10.76 | -6.79 | 1.34 | -2.25 | 7.34 | 7.94 |
| Institutional Class - BUITX¹ | -10.71 | -6.67 | 1.47 | -2.11 | 7.50 | 8.11 |
| Russell Midcap Growth Index | -6.35 | 9.56 | 12.74 | 5.37 | 11.69 | 9.30 |
| Morningstar Mid-Cap Growth Cat. Avg. | -4.07 | 12.85 | 10.62 | 2.30 | 10.64 | - |

Expense Ratio: Investor Class 0.99%, Institutional Class 0.86%

Inception dates: BUFTX 4/16/2001, BUITX 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.

¹*For performance prior to 7/1/19 (Inception Date of Institutional Class), performance of the Investor Class shares is used and includes expenses not applicable to and higher than those of the Institutional Class shares.*

March 31, 2026

BUFFALO MID CAP DISCOVERY FUND



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 800.492.8332 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 Mid Cap Discovery Fund (BUFTX) received 1 star among 469 for the 3-year, 2 stars among 448 for the 5-year, and 2 stars among 374 Mid-Cap Growth funds for the 10-year period ending 3/31/2026, based on risk-adjusted returns. Morningstar rankings are based on a fund's average annual total return relative to all funds in the same Morningstar category. Fund performance used within the rankings, reflects certain fee waivers, without which, returns and Morningstar rankings would have been lower. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. © 2026 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 Russell Midcap® Growth Index measures the performance of the midcap growth segment of the US equity universe. It includes those Russell Midcap Index companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). One cannot invest directly in an index.

Free cash flow is a measure of the cash produced by the firm in a given period on behalf of equity holders. The true measure of the value of a firm's equity is considered to be the present value of all free cash flows. Standard deviation measures the distance from the mean in a set of data points, giving analysts an idea of the variance that could occur; used to illustrate volatility in a portfolio.

Holdings in the Fund as a percentage of net assets as of 12/31/2025: Veeva Systems 2.18%, Tyler Technologies 1.66%, and Guidewire Software 1.51%. 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.