

BUFFALO BLUE CHIP GROWTH FUND

QUARTERLY COMMENTARY

**PERFORMANCE COMMENTARY**

The first quarter of 2026 was defined by elevated volatility and a broad repricing across large-cap growth equities, driven in large part by geopolitical developments and shifting macro expectations. The escalation of the Iran conflict introduced a significant shock to global energy markets, as disruptions to the Strait of Hormuz—through which roughly 20% of global oil supply transits—created acute supply uncertainty and sharp price volatility. These disruptions led to a material spike in oil prices during March, with crude prices surging toward crisis levels. The resulting energy-driven inflation concerns, and macro uncertainty pressured long-duration growth equities, increasing dispersion across and within sectors. Heightened volatility during February and March reinforced the value of liquidity, balance sheet strength, and disciplined portfolio construction.

The Buffalo Blue Chip Fund declined -7.67% in the period but outperformed the Russell 1000 Growth Index return of -9.78%. We view the fund's relative outperformance as a reflection of deliberate positioning, particularly in sectors directly benefiting from the energy shock as well as disciplined risk management during a period of heightened market stress. Energy was the most significant contributor to the fund's relative results. The portfolio's overweight exposure to the sector, combined with strong underlying company performance, which benefited from the oil price volatility driven by the Iran conflict, supported earnings expectations, free cash flow generation, and investor sentiment across the sector.

Information Technology also contributed to the fund's relative performance. Resilience was driven by a more than 4% underweight position compared to the poor performing benchmark sector. Favorable stock selection within the fund's technology holdings also buffed the sector's performance decline through continued emphasis on higher-quality franchises.

Cash positioning provided an additional source of stability during the quarter. Maintaining a higher-than-normal cash allocation during the most volatile periods of February and March helped mitigate downside risk and contributed to overall relative performance.

PERFORMANCE (%) AS OF 3/31/2026

Average Annual Returns	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	Since Inception
Investor Class - BUFEX	16.98	19.55	11.11	14.78	13.36	10.74
Institutional Class - BUIEX¹	17.10	19.69	11.26	14.94	13.52	10.90
Russell 1000 Growth Index	18.81	21.18	12.76	16.83	15.33	11.02
S&P 500 Index	17.80	18.32	12.06	14.16	-	-
Morningstar Large Growth Category	16.53	18.90	8.89	14.48	13.06	-

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 to and higher than those of the Institutional Class shares. Data represented reflects past performance and is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original value. Current performance may be lower or higher than the performance quoted. Performance current to the most recent month end may be obtained by visiting the Funds' website at buffalofunds.com.

FUND FACTS

	Inv.	Inst.
Ticker	BUFEX	BUIEX
Inception Date	5/19/95	7/1/19
Expense Ratio	0.90%	0.78%
Fund Assets	\$159.05M	
Morningstar Category	Large Cap Growth	
Benchmark Index	Russell 1000 Growth Index	

FUND MANAGEMENT**Ken Laudan**

Manager since 2021
B.S. – Kansas State University

TOP 10 HOLDINGS (%)*

NVIDIA Corporation	11.98
Microsoft Corporation	10.05
Apple, Inc.	9.87
Alphabet, Inc.	6.42
Amazon.com, Inc.	5.22
Broadcom, Inc.	4.08
Meta Platforms, Inc.	3.60
Eli Lilly and Company	2.12
Mastercard, Inc.	1.74
Tesla, Inc.	1.74
Top 10 Holdings Total	56.82

▲ TOP CONTRIBUTORS

Three positions stood out as the largest contributors to performance. **Corning** shares advanced 56% during the quarter, supported by improving demand in optical communications for data centers leading to a more constructive pricing environment. **Exxon** shares rose 42%, reflecting strong underlying commodity fundamentals and continued capital discipline amid the energy price shock. The fund's overweight position to Exxon provided a meaningful positive contribution to relative returns. **APA** shares gained 74%, benefiting from operational leverage to higher energy prices and improved investor sentiment toward the sector. The fund's overweight to APA also contributed to relative performance.

▼ TOP DETRACTORS

Relative results were partially offset by Lam Research, KLA, and Costco Wholesale. Lam's shares increased 26% during the quarter, driven by improving semiconductor capital expenditure trends. The fund is underweight Lam compared to the benchmark which created a headwind to relative performance. Similarly, KLA shares rose 41%, supported by strong demand in process control solutions for AI oriented semi-conductor manufacturing. The fund's underweight position also detracted from relative results. Meanwhile Costco's shares advanced 15%, reflecting resilient consumer demand and its defensive characteristics during a volatile period. The fund's underweight position compared to the Russell 1000 Growth Index was a headwind.

| OUTLOOK

The first quarter highlighted how quickly market leadership can shift in response to exogenous shocks. The Iran conflict and resulting energy volatility reinforced the importance of diversification, active sector positioning, and maintaining flexibility in portfolio construction. While near-term macro conditions remain uncertain, we continue to focus on identifying high-quality growth businesses with durable competitive advantages, strong free cash flow profiles, and disciplined capital allocation. We believe this balanced approach—combining structural growth with selective exposure to cyclical opportunities—positions the fund to navigate evolving market conditions while remaining aligned with long-term compounding objectives.

As always, thank you for your continued confidence in the Buffalo Blue Chip Growth Fund.

INTERESTED IN MORE INFO?

For questions or to speak with a relationship manager about adding any of the 10 Buffalo Funds to your portfolio, contact:

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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 can be obtained by calling 800-492-8332 or visiting buffalofunds.com. Read carefully before investing.

Mutual fund investing involves risk. Principal loss is possible. The Fund invests in U.S. based companies with substantial interests outside of the U.S. which may involve additional risk such as greater volatility and political, economic and/or currency risks. This risk is greater in emerging markets.

Earnings growth is not representative of the Fund's future performance.

The opinions expressed are those of the Portfolio Managers and are subject to change, are not guaranteed, and should not be considered recommendations to buy or sell any security. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any security.

The S&P 500 Index is a capitalization weighted index of 500 large capitalization stocks which is designed to measure broad domestic securities markets. The Russell 1000 Index is a subset of the Russell 3000 Index and measures the performance of the 1,000 largest publicly-held companies incorporated in the U.S. based on market capitalization. The Russell 1000 Growth Index is an unmanaged index that measures the performance of those Russell 1000 Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 2000 Index is an unmanaged index that consists of the smallest 2,000 securities in the Russell 3000 Index, representing approximately 10% of the Russell 3000 total market capitalization. The Russell Micro Cap Index is an unmanaged capitalization weighted index of 2,000 small cap and micro cap companies. The Bloomberg US Aggregate Bond Index is a broad base, market capitalization weighted bond market index representing intermediate term investment grade bonds traded in the United States. The Russell 3000 Value Index is an unmanaged index with a market-capitalization weighted equity based on the Russell 3000 Index, which measures how U.S. stocks in the equity value segment perform. The Russell 3000 Growth Index is a market-capitalization weighted index that measures the performance of those Russell 3000 Index companies with higher price-to-book

March 31, 2026

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ratios and higher forecasted growth rates. The Russell Midcap Index is an unmanaged index that measures the performance of the 800 smallest companies in the Russell 1000 Index, which represent approximately 26% of the total market capitalization of the Russell 1000 Index. One cannot invest directly in an index. A basis point (bps) is one hundredth of a percentage point (0.01%). 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. Earnings per share (EPS) is the portion of a company's profit allocated to each outstanding share of common stock. Earnings per share serves as an indicator of a company's profitability. The yield curve is a graph which depicts how the yields on debt instruments such as bonds vary as a function of their years remaining to maturity. EBITDA stands for earnings before interest, taxes, depreciation and amortization. EBITDA is one indicator of a company's financial performance and is used as a proxy for a company's current operating profitability. The Magnificent Seven is a term used to describe the technology oriented, highly influential companies of Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. The Fab 4 refers to four technology stocks including Nvidia, Amazon, Meta Platforms and Microsoft. 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. Revenue growth is the increase (or decrease) in a company's sales from one period to the next. Capital expenditure (cap-ex) are funds used to acquire or upgrade assets such as buildings or equipment. Price-Earnings (P/E) Ratio is the ratio for valuing a company that measures its current share price relative to its per-share earnings. Capital expenditure or cap-ex is the money an organization or corporate entity spends to buy, maintain, or improve its fixed assets, such as buildings, vehicles, equipment, or land.

*Top Ten Holdings for the quarter are not disclosed until 60 days after quarter end. Those listed are as of 12/31/2025. Fund holdings and sector allocations are subject to change and are not recommendations to buy or sell any securities.

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