

PERFORMANCE COMMENTARY

The Buffalo Early Stage Growth Fund posted a return of -5.11% for the quarter compared to the Russell 2000 Growth Index return of -2.81%. Small cap growth stocks outperformed their large cap counterparts during this volatile market period with the Russell 1000 Growth (large caps) down -9.78% and the Russell Mid Cap Growth down -6.35%. On a current trailing 10-year basis, the large cap growth index has averaged a 16.83% annualized return compared to the small cap growth index return of 9.79%.

The performance of Quality as a factor remains a bit of a mixed bag. Within the Russell 2000 Index, Quality is beginning to make a comeback, but weakened in March, and profitable companies significantly outperformed unprofitable ones during the quarter. Elsewhere, Quality continues to struggle as a performance factor with the S&P 600 SmallCap Quality Index lagging the S&P Small Cap 600 Index and the Russell 2000 Index during the first quarter. Geopolitical events including the war in Iran have caused instability in the market and sent energy prices skyrocketing which has stoked inflation fears. Small cap earnings appear to have bottomed and continue to show an improved outlook with expectations for 2026 earnings steadily improving while valuations remain historically low relative to large caps.

Information Technology was the standout sector from a performance attribution standpoint for the Fund, led by strong performance in Communication Equipment. Consumer Staples and Materials also performed well, advancing over 28% and 36% respectively, while other sectors were flat to negative for the quarter. The Fund's relative underperformance in the quarter was due primarily to poor stock selection within the Industrials, Energy and Healthcare sectors. The largest detractor from benchmark relative performance for the Fund was in the Industrial sector.

PERFORMANCE (%) AS OF 3/31/2026

Average Annual Returns	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	Since Inception
Investor Class - BUFOX	8.60	2.54	-4.33	9.12	9.31	7.63
Institutional Class - BUIOX¹	8.73	2.60	-4.23	9.26	9.45	7.78
Russell 2000 Growth Index	23.58	12.27	1.62	9.79	9.09	8.80

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.

▲ TOP CONTRIBUTORS

One of the top contributors to performance for the quarter was **Applied Optoelectronics**. Applied produces high speed fiber-optic networking semiconductors and modules, as well as cable TV amplifiers. The company has seen increased interest in its high-speed transceiver products for datacenters due to their US-based manufacturing capability. Management is forecasting a very strong 2026 and 2027 outlook as hyperscalers qualify Applied's transceivers into their datacenters.

FUND FACTS

	Inv.	Inst.
Ticker	BUFOX	BUIOX
Inception Date	5/21/04	7/1/19
Expense Ratio	1.39%	1.36%
Fund Assets		\$61.18M
Morningstar Category	Small Cap Growth	
Benchmark Index	Russell 2000 Growth Index	

FUND MANAGEMENT



Tim Miller, CFA

Manager since 2025
M.B.A. – Indiana University
B.A., Economics – UCLA

TOP 10 HOLDINGS (%)*

TAT Technologies Ltd.	2.68
Applied Optoelectronics, Inc.	2.61
Willdan Group, Inc.	2.59
Cadre Holdings, Inc.	2.39
WisdomTree, Inc.	2.36
OneSpaWorld Holdings Ltd.	2.34
Champion Homes, Inc.	2.29
Impinj, Inc.	2.22
Guardian Pharmacy Services, Inc.	2.07
Harrow, Inc.	2.05
Top 10 Holdings Total	23.60

▼ TOP DETRACTORS

One of the largest detractors in the quarter was **ADMA Biologics**. ADMA is a biotechnology company marketing plasma-derived products for the prevention and treatment of infectious diseases in immune compromised patients. Shares were weak on concerns that the market for its key drug had peaked, coupled with elevated accounts receivables level. The stock took a further hit when a short seller report attacked the company's receivables levels and questioned distributor channel inventory levels.

| OUTLOOK

As has been the case since inception, the fund typically invests at the smaller end of the small cap growth spectrum where less investor interest in that segment of the market creates an opportunity to uncover value over the long term. The fund continues to be distinct from the index and category peers with an active share of greater than 90%.

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 smaller companies, which involves additional risks such as limited liquidity and greater volatility than larger companies. Investments in foreign securities involve greater volatility and political, economic and currency risks and differences in accounting methods. 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 Nasdaq Composite Index is a market capitalization-weighted index of more than 3,700 stocks listed on the Nasdaq stock exchange. The Russell 3000 Index measures the performance of the 3,000 largest publicly held companies incorporated in the U.S. based on market capitalization. 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 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 3000 Growth Index is an unmanaged index comprised of those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000 Growth or the Russell 2000 Growth indices. 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 Midcap Growth Index is an unmanaged index that measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values. One cannot invest directly in an index. Active share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index. Alpha is a risk-adjusted measure of the so-called active return on an investment. It is the return in excess of the compensation for the risk. An alpha of 1 means the investment's return on investment over a selected period of time was 1% better than the market during that same period; an alpha of -1 means the investment underperformed the market. 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 Microcap Index measures the performance of the microcap segment of the U.S. equity market. The Russell 2000 Growth Index is an unmanaged index that measures the performance of those Russell 2000 Index companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Growth 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 price-to-earnings (P/E) ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings. Active share is a measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index. Turnover is a measure of the fund's trading activity computed by taking the lesser of purchases or sales (excluding all securities with maturities of less than one year) and dividing by average monthly net assets. A turnover ratio of 100% or more does not necessarily suggest that all securities in the portfolio have been traded. In practical terms, the resulting percentage loosely represents the percentage of the portfolio's holdings that have changed over the past year. Benefits: A low turnover figure (20% to 30%) would indicate a buy-and-hold strategy. The Magnificent Seven is a term used to describe the technology-oriented, highly influential companies of Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. Basis points (BPS) are one hundredth of a percentage point (0.01%). The Fund does not directly invest in Bitcoin. Bitcoin and other cryptocurrencies are a relatively new asset class and are subject to unique and substantial risks. A yield curve is a line that plots the yields, or interest rates, of bonds that have equal credit quality but different maturity dates. The S&P SmallCap 600® Quality Index is designed to measure the 120 highest-quality stocks in the S&P SmallCap 600 on the basis of their quality score, which is calculated using three fundamental measures: return on equity, accruals ratio, and financial leverage ratio. The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

*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.