September 30, 2026

BUFFALO BLUE CHIP GROWTH FUND

QUARTERLY COMMENTARY

PERFORMANCE COMMENTARY

The Buffalo Blue Chip Growth Fund advanced 3.41% for the quarter, outperforming the Russell 1000® Growth Index return of 0.92%. Strong stock selection in Information Technology and Industrials were the primary contributors to relative results. The period marked a shift in large-cap growth leadership. After strong first-half gains in AI infrastructure, investors became more discriminating about earnings durability, AI monetization, and the cost of financing future growth. AI leadership shifted toward financially strong mega-cap platforms, while investor enthusiasm for semiconductor, equipment, and optical-connectivity companies waned despite compelling long-term demand.

Sticky inflation and elevated interest rates challenged long-duration valuations. Companies demonstrating resilient earnings and free cash flow were generally favored during the period. Hyperscaler capital spending faced greater scrutiny as investors weighed the timing of AI revenue conversion against expanding commitments for compute, electricity, cooling, and data-center infrastructure. The Russell 1000® Growth Index entered the quarter with substantially higher semiconductor-related exposure following the late-June index rebalance, which increased the significance of volatile AI supply-chain stocks.

Information Technology was the largest source of relative outperformance for the fund supported by strong stock selection despite a meaningful benchmark underweight. The fund's investments within Industrials also contributed to results through favorable stock selection and sector allocation positioning.

PERFORMANCE (%) AS OF 9/30/2026

Average Annual Returns	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	Since Inception
Investor Class - BUFEX	**11.64**	**23.49**	**12.59**	**15.75**	**16.16**	**11.20**
Institutional Class - BUIEX[1]	**11.79**	**23.64**	**12.74**	**15.91**	**16.33**	**11.37**
Russell 1000® Growth Index	7.50	24.26	13.66	18.16	17.64	11.41
S&P 500 Index	15.74	22.89	13.79	15.33	–	–
Morningstar Large Growth Category	10.93	23.55	10.78	15.91	15.69	–

[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. 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

Microsoft added approximately 60 basis points to relative performance, as the fund benefited from benchmark exposure to this leading enterprise software and cloud franchise. Underweight positioning to **KLA Corporation** and **Caterpillar** (CAT) benefited relative results as those benchmark constituents lagged during the quarter.

FUND FACTS

	Inv.	*Inst.*
Ticker	BUFEX	BUIEX
Inception Date	5/19/95	7/1/19
Expense Ratio	0.91%	0.78%
Fund Assets	$187.51M	
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	12.87
Alphabet, Inc.	8.46
Apple, Inc.	8.41
Microsoft Corporation	6.36
Amazon.com, Inc.	4.64
Broadcom, Inc.	4.08
Meta Platforms, Inc.	2.86
Eli Lilly and Company	2.75
Micron Technology, Inc.	1.86
Tesla, Inc.	1.62
Top 10 Holdings Total	53.91

TOP DETRACTORS

Materials was the largest headwind to fund performance, with **CRH** and **Linde** among the sector's detractors. Separately, the portfolio's investment in **Corning**, which is classified within Information Technology, weighed on the fund's return during the period.

Meanwhile **Palantir** and **CrowdStrike** detracted approximately 50 basis points and 20 basis points from relative results, primarily reflecting the opportunity cost due to the fund's underweight exposure to the strong performing benchmark constituents. **NVIDIA** detracted approximately 20 basis points, on a relative basis, despite contributing positively to the absolute return due to a slight benchmark underweight allocation.

OUTLOOK

We remain constructive but selective in terms of portfolio construction. Fund management continues to favor high-quality businesses with durable organic growth, strong balance sheets, disciplined capital allocation, and improving cashflow returns on invested capital. Within AI, we are focusing more intensely on measurable revenue adoption and free cashflow returns relative to the magnitude of investment commitments, while monitoring financing costs, power access, and project delays.

We also see opportunities beyond the most crowded AI trades, particularly in healthcare and select industrial companies where better execution and reasonable valuations can create differentiated earnings growth. Persistent inflation, elevated long-term yields, and tighter capital conditions remain important risks to growth company valuations. We will not replicate concentrated benchmark exposures at the expense of return and risk standards.

The quarter illustrated the value of disciplined stock selection across a market marked by pronounced dispersion. Our objective remains to own high-quality companies capable of compounding earnings and free cash flow over time while adjusting portfolio risk as valuations and fundamentals evolve. 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 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%). 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. Cash-flow return on invested capital (CFROIC) is a valuation metric that acts as a proxy for a company's economic return. This return is compared to the cost of capital to determine value-added potential. CFROIC measures the average economic return on a company's investment projects for one year.

*Top Ten Holdings for the quarter are not disclosed until 60 days after quarter end. Those listed are as of 6/30/2026. 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.