June 30, 2026

BUFFALO MID CAP GROWTH FUND

QUARTERLY COMMENTARY

PERFORMANCE COMMENTARY

The Buffalo Mid Cap Growth Fund advanced 11.28% in the second quarter, a solid absolute return but one that underperformed the Russell Midcap® Growth Index return of 14.55% as the market rallied furiously due to growing optimism about a resolution to the conflict in Iran. Portfolio positioning within the Industrials sector was a primary headwind to relative performance as the fund was underweight the surging Aerospace and Defense industry. Stock selection in Health Care contributed to performance, particularly the fund's investment in Stevanato Group SpA (STVN), which was up more than 30% in the period. However, exposure to Software within Information Technology negatively impacted performance as we continued the process of repositioning investments towards AI beneficiaries. Finally, an underweight position within Energy benefited benchmark relative results as oil prices retrenched on optimism for conflict resolution.

PERFORMANCE (%) AS OF 6/30/2026

Average Annual Returns	1 Yr	3 Yr	5 Yr	10 Yr	15 Yr	Since Inception
Investor Class - BUFMX	**-5.23**	**4.55**	**0.18**	**8.85**	**8.02**	**7.94**
Institutional Class - BUIMX[1]	**-5.11**	**4.69**	**0.32**	**9.00**	**8.18**	**8.10**
Russell Midcap® Growth Index	6.17	15.61	6.03	13.04	12.01	10.00
Lipper Mid Cap Growth Index	9.58	9.96	1.77	10.71	9.80	8.43

[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

Onto Innovation Inc. (ONTO) is a leading provider of advanced packaging, inspection and metrology equipment for the semiconductor industry. We believe the value proposition of their premium solutions will benefit from increasing complexity and cost across logic, memory, and other semiconductors, in addition to elevated demand for semiconductors more broadly. During the quarter, the company successfully launched their newest Dragonfly G5 system including orders from flagship customers and reported robust quarterly results ahead of expectations, causing the stock to outperform. We believe the company is a primary beneficiary of the multi-year secular tailwind from AI-related datacenter buildout while trading at a much more attractive valuation multiple than many of its more high-profile Semiconductor Capital Equipment peers. As such, we retained our position and it remained a top idea in the portfolio.

FUND FACTS

	Inv.	Inst.
Ticker	BUFMX	BUIMX
Inception Date	12/17/01	7/1/19
Expense Ratio	1.01%	0.88%
Fund Assets	$113.19M	
Morningstar Category	Mid Cap Growth	
Benchmark Index	Russell Midcap® Growth Index	

FUND MANAGEMENT

Darren Schryer, CFA, CPA, CFP®

Manager Since 2026
B.S. - Univ. of Maryland
M.B.A. – Univ. of Texas

TOP 10 HOLDINGS (%)*

MSCI, Inc.	4.20
Vertiv Holdings Co.	3.90
Equifax, Inc.	3.47
CBRE Group, Inc.	3.35
Hilton Worldwide Holdings, Inc.	3.20
Verisk Analytics, Inc.	3.15
Procore Technologies, Inc.	2.87
Veeva Systems, Inc.	2.71
Tyler Technologies, Inc.	2.67
Copart, Inc.	2.56
Top 10 Holdings Total	32.08

▲ TOP CONTRIBUTORS

ON Semiconductor Corporation (ON) is a leading provider of advanced power management and sensing products. They are positioned as a vendor of choice to help solve complex technical problems within electric vehicle power management, advanced driver assistance, industrial automation, datacenter power management, and renewable energy deployment. The stock continued its outperformance from the prior quarter as investor excitement around the company's datacenter opportunity grew. We eliminated the investment in the quarter as the stock exceeded our view of fair value and believe better risk-reward opportunities exist within Semiconductors. We will look to potentially re-enter the position at a more favorable level in the future.

Progyny Inc. (PGNY) is a leading fertility and family-building benefits management provider for self-insured employers. The company demonstrates best-in-class fertility outcomes and is positioned to benefit from the societal trend towards later-in-life pregnancies in developed countries. They enjoy an asset-light, cash-generative business model along with strong net-cash balance sheet, undemanding valuation multiple, and are rapidly shrinking the share count through repurchases. The company reported earnings that beat investor expectations in the quarter and the stock outperformed but remained a compelling investment opportunity in our view.

▼ TOP DETRACTORS

Procore Technologies (PCOR) provides cloud-based construction management software. The stock experienced a significant drawdown in the quarter as the broader software industry faced ongoing multiple compression due to market fears surrounding AI coding tools and lower barriers to entry for AI-native software startups. We chose to close our position in the quarter and continued the process of repositioning software weight to the most durable competitive positions and clearest AI beneficiaries we can identify.

CoStar Group, Inc. (CSGP) is the leading provider of commercial real estate data, leasing tools, and marketplaces. As discussed last quarter, the stock has been pressured by the company's aggressive margin-dilutive investments to expand its single-family residential platform, Homes.com. Although there are signs of profitability improvement, revenue growth in residential has underwhelmed relative to the magnitude of internal investment. We exited the investment during the period and will monitor for potential re-entry in the future.

Equifax Inc. (EFX) is a global data, analytics, and technology company that maintains proprietary consumer databases including income and employment verification known as "The Work Number." Persistently high interest rates pressured mortgage origination volume in the quarter, a headwind to earnings. Additionally, regulatory fears increased in the quarter as Federal Housing Finance Agency director Bill Pulte referenced potential actions targeting credit bureau pricing and the existing tri-merge credit reporting standard. This incremental regulatory risk caused us to moderate the investment position size, but we retained exposure to the company.

OUTLOOK

In the previous quarterly commentary, we highlighted the stark dichotomy being driven by AI innovation, with a massive capital expenditure boom in physical infrastructure on one side and the looming threat of technological disruption on the other. The second quarter marked the clear next phase in this paradigm-shifting AI megatrend. First, we experienced the market realization of the growing importance and shortage of high-bandwidth memory. Although larger cap memory manufacturers like SK Hynix Inc. (SKY) and Micron Technology, Inc. (MU) grabbed the headlines, there is a wide swath of beneficiaries in the mid-cap investable universe, many of which we already owned

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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OUTLOOK

or added to in the quarter. These include the previously mentioned ONTO along with Teradyne, Inc. (TER), FormFactor, Inc. (FORM), among others. The latter portion of the quarter involved a sharp correction in the AI physical infrastructure investments, as investors feared Chinese substitution, double-ordering, and other signs of peak buildout. We believe the AI infrastructure buildout remains in the early innings and increased our total exposure to this major multi-year growth catalyst.

Within Software, we continued the process of reducing exposure to vertical software and data businesses that we believe face an eroding competitive position. We favor the data infrastructure and cybersecurity layers of software that we believe have a much more clearly defined upside related to AI deployment, with the potential for exponential demand growth as AI agents capture more corporate workloads.

As we navigate this period of rapid technological disruption, we remain steadfast in our belief that investing in leading businesses with high returns on capital, strong balance sheets, and exposure to secular growth trends at rational prices will compound value over time. We believe portfolio actions taken in the first half of this year have significantly improved the durability of the portfolio while increasing exposure to higher-growth ideas and maintaining discipline to avoid the most speculative corners of the market. Thank you for your continued trust and support.

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 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.

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 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. The Lipper Mid Cap Growth Index is an unmanaged, equally weighted performance index of the 30 largest qualifying mutual funds (based on net assets) in the Lipper Mid-Cap classification. 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 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® Index is a market capitalization weighted equity index maintained by the Russell Investment Group that seeks to be a benchmark of the entire U.S. stock market, encompassing the 3,000 largest U.S.-traded stocks, in which the underlying companies are all incorporated in the U.S. The Russell 1000® Index is an unmanaged capitalization-weighted index of approximately 1,000 of the largest companies in the U.S. equity markets. 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 Microcap® Index is an unmanaged capitalization weighted index of 2,000 small cap and micro cap companies. The Russell Midcap® Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. One cannot invest directly in an index. The Conference Board of Leading Economic Index provides an early indication of significant turning points in the business cycle and where the economy is heading in the near term. A basis point 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. The Magnificent Seven is a term used to describe the technology-oriented, highly influential companies of Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla. Return on Invested Capital (ROIC) is a profitability ratio measured using net income divided by invested capital. Return on Assets (ROA) is a profitability ratio that measures how well a company is generating profits from its total assets. Return on Equity (ROE) is the measure of a company's net income divided by its shareholders' equity. 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. 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 Price-Earnings Ratio or P/E Ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings. The price-to-sales ratio is a valuation ratio that compares a company's stock price to its revenues. EBITDA, short for earnings before interest, taxes, depreciation, and amortization, is an alternate measure of profitability to net income.

*Top Ten Holdings for the quarter are not disclosed until 60 days after quarter end. Those listed are as of 3/31/2026. 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.