

Tickers: **BUFIX** | **BUIIX**

MORNINGSTAR RATING



Overall Morningstar Rating™ of BUIIX based on risk-adjusted returns among 394 Foreign Large Growth funds as of 12/31/2023.

FUND MANAGEMENT



Nicole Kornitzer, CFA

Manager since 2009
 23 Years Investment Experience

MBA - INSEAD
 M.A. - Columbia University
 B.A. - Univ. of Pennsylvania



Pat Srinivas

International Equity Research Analyst
 17 Years Investment Experience

MBA - Univ. of Chicago
 M.S. - Univ. of Texas-Dallas
 B.S. - Karnatak Univ. (India)



Frank Diebold, CFA

International Equity Research Analyst
 12 Years Investment Experience

B.A. - Univ. of Pennsylvania

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

800.49.BUFFALO
 buffalofunds.com

1 Would you please comment on the Buffalo International Fund's performance relative to the Morningstar Foreign Large Growth category in 2023 and for longer-term periods?

We are pleased that, for the one-year period ended December 31, 2023, the Fund outperformed the Morningstar Foreign Large Growth Funds category average return, as the Fund returned 18.33% vs. the category's average of 16.18%. In addition, the Fund has outperformed the category average over longer-term periods, including the 3-, 5-, and 10-year periods as of December 31, 2023.

In fact, the Fund is one of only three funds (out of 69 unique funds) in the Morningstar Foreign Large Growth Funds category that has **top 20% or better performance for the 3-, 5- and 10-year periods, while maintaining Morningstar's "Average" or lower Risk Rating for the 3-, 5- and 10-year periods** as of December 31, 2023.

We believe this long-term, attractive risk/reward profile is primarily due to our investment approach: selecting high-quality growth companies that have proven management teams, strong balance sheets, increasing margins, and that are benefiting from secular global growth trends.

2 Would you please provide an update on the Fund's portfolio holdings benefitting from the Digitalization and Artificial Intelligence (AI) trends?

The Fund's strategy is to invest using secular trends. Both the Digitalization and Artificial Intelligence secular trends have provided numerous opportunities for growth in the Fund's portfolio. Our investments in this theme cover the spectrum of the production chain, starting from the creation of silicon wafers to fabrication of electronic components, including those used in the development of devices for bandwidth, all the way to the end user of AI applications.

Continued

PERFORMANCE (%) AS OF 12/31/2023

	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Investor Class - BUIIX	18.33	18.33	3.04	10.77	7.06	5.54
Institutional Class - BUIIX¹	18.47	18.47	3.20	10.94	7.22	5.70
FTSE All-World ex US Index	16.20	16.20	2.30	7.85	4.55	2.97
Morningstar Foreign Large Growth Cat. Avg.	16.18	16.18	-2.05	8.42	5.02	-
Percentile Rank in Morningstar Cat. - BUIIX		31	9	16	12	
# of Funds in Category		417	394	336	229	
Morningstar Risk Rating			Avg.	Avg.	Avg.	
Expense Ratio: Investor Class 1.04%, Institutional Class 0.89%						

Morningstar Rankings based on total return.

Inception dates: BUIIX 9/28/2007, BUIIX 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. 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 and lower than those of Investor Class shares.

Some examples of Fund holdings engaged in this endeavor include:

- ▶ **Shin-Etsu Chemical Co (Japan):** Shin-Etsu is a leader in silicon technology and produces silicon wafers for a wide variety of industries.
- ▶ **DISCO Corp. (Japan):** DISCO manufactures precision equipment and specializes in cutting and grinding wafers into ultrathin forms that are ultimately used in digital products.
- ▶ **Taiwan Semiconductor Manufacturing Company (TSMC) (Taiwan):** TSMC is the dominant chip foundry that fabricates semiconductors into integrated circuits.
- ▶ **Capgemini (France):** Capgemini helps companies with the digital transformation process to include developing generative AI services for their customers.

3 Would you please provide an example of where you are finding opportunities in the Latin American market?

Mercado Libre is an Argentine company that is benefitting from secular trends including Growth in E-commerce and the Emerging Middle Class. Mercado Libre has a strong, sustainable business model and is the dominant e-commerce brand in Latin America. The company is vertically integrated, controlling the warehousing, fulfillment, and logistics including its own fleet of planes. Mercado Libre serves customers in multiple countries in Latin America, handling transactions in 18 different currencies. Compared to e-commerce in other markets, Latin America is currently underpenetrated, allowing for further potential expansion in this large, addressable market. We believe the business is well positioned for continued long-term growth.

4 What is your outlook for the international equity market in 2024?

We maintain an optimistic outlook for the international markets in 2024 based on several improving economic factors in the U.S. and abroad. For example, the U.S. appears to be gliding toward a soft landing with slowing inflation and the probability of interest rate cuts in the new year. In the EU, consumer savings are strong, and the labor market and real wage growth are poised to turn positive. Likewise, in the UK, real incomes are turning positive and consumer confidence is improving.

Regardless of the economic environment, we continue to search for high-quality international companies that can increase both top-line and bottom-line results at sustainable rates as they continue to execute their growth plans.

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) 49-BUFFALO 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 International Fund (BUFIX) received 5 stars among 394 for the 3-year, 4 stars among 336 for the 5-year, and 5 stars among 229 Foreign Large Growth funds for the 10-year period ending 12/31/23 based on risk-adjusted returns. © 2024 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 Buffalo International Fund received Morningstar's "Average" Risk Rating for the 3-, 5- and 10-year periods as of 12/31/2023.

December 31, 2023

BUFFALO INTERNATIONAL FUND



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.

The Financial Times Stock Exchange (FTSE) All-World ex US Index is a market-capitalization weighted index representing the performance of around 2200 large cap and mid cap companies in 46 developed and emerging markets worldwide, excluding the US. One cannot invest directly in an index.

Holdings in the Fund as a percentage of net assets as of 9/30/2023: Shin-Etsu Chemical Co. 1.12%, DISCO Corp. 0.74%, Taiwan Semiconductor Manufacturing Company 1.81%, Capgemini 1.50%, and Mercado Libre 1.63%. 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 advisor to the Buffalo Funds, which are distributed by Quasar Distributors, LLC.