

Tickers: **BUFHX** | **BUIHX**

INVESTMENT OBJECTIVE

The Buffalo High Yield Fund's investment objective is primarily current income, with long-term growth of capital as a secondary objective.

MORNINGSTAR RATING



Overall Morningstar Rating™ of BUFHX based on risk-adjusted returns among 618 High Yield Bond funds as of 12/31/2023.

FUND MANAGEMENT



Paul Dlugosch, CFA
 Co-Manager since 2007
 26 Years of Investment Experience



Jeff Sitzmann, CFA
 Co-Manager since 2007
 36 Years of Investment Experience



Jeff Deardorff, CFA
 Co-Manager since 2015
 26 Years of Investment Experience

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

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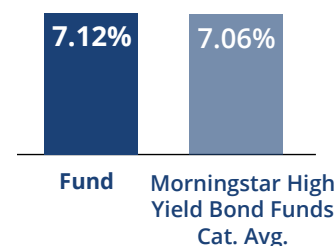
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3 REASONS TO CONSIDER THE BUFFALO HIGH YIELD FUND

1 An Industry Standout – The Only Fund to Deliver These Impressive Risk/Reward Results

The Buffalo High Yield Fund provides access to high yield bonds and floating rate bank loans that have the potential to generate a high level of current income along with capital appreciation. Through our disciplined bottom-up approach we construct our portfolio seeking to produce an attractive yield combined with significant downside protection in order to outperform throughout credit cycles.

30-DAY SEC YIELD



Source: Fund and Morningstar as of 12/31/2023

We are pleased that the Fund has delivered impressive results over time. In fact, the Fund is currently 1 of only 4 funds out of 126 unique funds in the Morningstar High Yield category that has both top 15% or better performance for the 3-, 5- and 10-year periods, along with Morningstar's "Below Average" or "Low" Risk Rating for the 3-, 5- and 10-year periods, as of December 31, 2023.

2 Investing in the "Sweet Spot" of High Yield Securities

We believe that the single-B average credit rating is the "sweet spot" for investing in high yield bonds and non-investment grade loans. The Fund focuses on small to medium size single B issuances, which may not be as widely followed by the sell side or larger funds. As a result, there can be pricing anomalies which can result in higher current yields compared what the underlying credit metrics may suggest.

Our ability to invest in floating rate bank loans offers investors an opportunity for increasing income stream in rising rate environments. As rates stabilize, they should continue to provide investors with attractive levels of income. In addition, we believe that bank loans can offer a more defensive position than high yield bonds as they offer senior positioning in the capital structure.

CREDIT QUALITY BREAKDOWN

Grades	Fund %	High Yield Bond Cat. %
AAA	0.00	3.92
AA	0.00	0.38
A	0.00	0.26
BBB	1.07	5.90
BB	25.40	36.20
B	66.21	40.32
Below B	4.81	11.07
Not Rated	2.51	1.95

Source: Fund and Morningstar as of 12/31/2023. Credit Quality Data is based on the long position of the holdings.

ASSET ALLOCATION (%)

Corporate Bonds	59.58
Bank Loans	27.37
Preferred Stock	5.43
Convertible Bonds	4.43
Cash	3.19

Source: Fund as of 12/31/2023

3 A Research Intensive, Defensive Portfolio

Due to our rigorous, bottom-up credit analysis, we buy issues that we prefer to own until maturity, resulting in a high-conviction portfolio with lower turnover than our Morningstar category.

The Fund focuses on small and medium sized companies that generate free cash flow, have management teams that are focused on improving or maintaining a good balance sheet, typically have public equity – resulting in more transparent corporate governance. The Fund has historically been underweight the riskier parts of the credit market such as CCCs and distressed debt. As a result of our high-quality underwriting standards, the Fund enjoys a lower downside capture ratio relative to its Morningstar peer group.

PORTFOLIO TURNOVER

Buffalo High Yield Fund	37%
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Morningstar High Yield Bond Funds Category Avg. 56%

Source: Fund and Morningstar as of 12/31/2023

DOWNSIDE CAPTURE RATIO

	3 Yr	5 Yr	10 Yr
Buffalo High Yield Fund	10	24	18

Morningstar High Yield Bond Funds Category Avg. 44 62 56

Source: Morningstar as of 12/31/2023

PERFORMANCE (%) AS OF 12/31/2023

	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Inception
Investor Class - BUFHX	11.68	11.68	3.64	6.44	4.59	6.72
Institutional Class - BUIHX¹	11.85	11.85	3.80	6.59	4.74	6.87
ICE BofA U.S. High Yield Index	13.54	13.54	2.05	5.24	4.53	6.64
Morningstar High Yield Bond Cat. Avg.	12.08	12.08	1.88	4.70	3.68	-
Percentile Rank in Morningstar Cat. - BUFHX		66	10	5	11	
# of Funds in Category		670	618	586	432	

Expense Ratio: Investor Class 1.03%, Institutional Class 0.87%

Inception dates: BUFHX 5/19/1995, BUIHX 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.

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. Investment by the Fund in lower-rated and non-rated securities presents a greater risk of loss to principal and interest than higher-rated securities. Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in foreign securities include additional risk such as greater volatility, and political, economic, and currency risks, as well as difference 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 High Yield Fund (BUFHX) received 5 stars among 618 for the 3-year, 5 stars among 586 for the 5-year, and 5 stars among 432 High Yield Bond 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 ICE BofA U.S. High Yield Index is an unmanaged index that tracks the performance of U.S. dollar denominated, below investment-grade rated corporate debt publicly issued in the U.S. domestic market. One cannot invest directly in an index.

December 31, 2023

BUFFALO HIGH YIELD FUND



Quality ratings reflect the credit quality of the underlying securities in the Fund's portfolio and not that of the fund itself. Quality ratings are subject to change. A nationally recognized statistical rating organization such as Moody's or Standard & Poor's assigns a rating of AAA as the highest to Below B as the lowest credit quality rating.

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. Turnover ratio 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. Downside capture is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. An investment manager who has a downside capture less than 100 has outperformed the index during the down-market. For example, a manager with downside capture of 80 indicates the manager's portfolio declined only 80% as much as the index during the period in question.

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