

Firsthand Technology Opportunities Fund

Investment Strategy

The Fund invests primarily in equity securities of high-technology companies in the industries and markets that we believe hold the most growth potential within the technology sector. Due to the Fund's focus on emerging opportunities within the technology sector, its investments tend to include younger companies with market capitalizations in the small- or mid-cap categories.

Total Returns as of 6/30/18

	Firsthand Technology Opportunities Fund	NASDAQ Composite Index	S&P 500 Index
Since inception (9/30/99)	3.39%	6.54%	6.10%
10-Year	17.12%	13.96%	10.16%
5-Year	25.03%	18.61%	13.40%
3-Year	21.83%	16.04%	11.92%
1-Year	46.18%	23.64%	14.36%
Q2 '18 (not annualized)	9.81%	6.61%	3.43%

The performance data quoted represent past performance. Past performance cannot guarantee future results, and current performance may be lower or higher than the performance quoted. Performance information does not reflect the impact of taxes. Both the return from and the principal value of an investment in the Funds will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. To obtain performance as of the most recent month-end, please contact Firsthand Funds by calling 1.888.884.2675 or go to www.firsthandfunds.com.

The NASDAQ Composite Index (NASDAQ), and the Standard & Poor's 500 Index (S&P 500) each represent an unmanaged, broad-based basket of stocks and are typically used as benchmarks for overall market performance. The indices' performance figures assume the reinvestment of all dividends (except where noted), but do not reflect the impact of taxes. Additionally, because an investor cannot invest in an index directly, indices' performance figures do not reflect the expenses associated with the management of an actual mutual fund portfolio.

Fund Facts as of 6/30/18

Portfolio Manager	Kevin Landis	2017 Gross Expense Ratio	1.86%
Manager Tenure	Since Inception	2017 Net Expense Ratio	1.85%
Inception	9/30/99	Sales Load	None
Ticker	TEFQX	Redemption Fee	None
Cusip	337941504	Number of Companies	36
Net Assets	\$ 208.4M	2017 Portfolio Turnover	19%

The Fund's total gross operating expenses are 1.86%. The Fund's total net operating expenses are 1.85%. Under the Investment Advisory Agreements, the Investment Adviser has agreed to reduce its fees and/or make expense reimbursements so that the Fund's total operating expenses (excluding independent trustees' compensation, brokerage and commission expenses, litigation costs and any extraordinary and non-recurring expenses) are limited to 1.85% of the Fund's average daily net assets up to \$200 million, 1.80% of such assets from \$200 million to \$500 million, 1.75% of such assets from \$500 million to \$1 billion, and 1.70% of such assets in excess of \$1 billion. The current expense waiver is in effect until 8/31/19.

Holdings as of 6/30/18

Top 10

1. Arista Networks, Inc.	8.7%
2. Netflix, Inc.	6.6%
3. Nutanix, Inc.	6.2%
4. Tencent Holdings Ltd.	5.9%
5. Roku, Inc.	4.9%
6. Facebook, Inc.	4.2%
7. Amazon.com, Inc.	4.1%
8. Chegg, Inc.	3.9%
9. Twilio, Inc.	3.8%
10. Cree, Inc.	3.4%

Percentage of net assets	51.7%
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By Industry

Internet	27.8%
Networking	17.5%
Software	14.9%
Social Networking	5.9%
Consumer Electronics	5.2%
Communications	4.6%
Education	3.9%
Semiconductors	3.5%
Other Electronics	3.4%
Services	2.1%
Cloud Computing	1.8%
Computer Storage Devices	1.7%
Other	1.5%
Net Cash	6.2%

The top 10 holdings are current as of June 30, 2018, and may not be representative of current or future investments. Portfolio assets such as cash, treasuries, options, and warrants are not presented in the top 10 list. The holdings by industry are presented to illustrate examples of the industries in which the Fund has bought securities and may not be representative of the Fund's current or future industry investments.



Portfolio Commentary for Q2 2018

Contributors

Netflix (NFLX) was the top contributor to Fund performance for the second quarter, with shares finishing up 32.53%. The streaming giant saw shares hit an all-time high during Q2 following better-than-expected Q1 subscriber numbers--7.4 million net new users signed up during the first quarter.

Roku (ROKU) beat analysts' estimates for revenue and earnings and was another strong contributor to the Fund this quarter. Year-over-year, the streaming device company saw net revenue up 36%, active accounts up 47%, and streaming hours up 56%. Recent data show Roku continuing to dominate the industry, with 37% of the streaming device market, and the company announced in January that it is entering the smart speaker market. Roku shares finished Q2 up 37.04%.

Cloud communications platform-as-a-service company Twilio (TWLO) had a solid Q1 as well, reporting better-than-anticipated revenue and a smaller-than-expected loss for the quarter. The company's active customer roster grew by 33% and management offered a solid Q2 outlook and upped its full-year revenue guidance. Shares of Twilio closed out the second quarter up 46.73%.

Chegg (CHGG), a provider of online textbook rentals and homework-help products, reported in-line earnings on better-than-expected revenue for the first quarter, raised its full-year guidance, and saw its shares finish up 34.51%.

Detractors

Cree (CREE) was the biggest detractor from Fund performance in Q2. The LED company reported financials for Q1 that beat the Street and also raised the Q2 outlook, helping shares finish the quarter up 3.13%. However, the Fund began purchasing shares of Cree in late May, when the stock was trading higher than its Q2 closing price.

Chip maker Ambarella (AMBA) was another poor performer during the second quarter, with the company reporting lackluster fiscal Q1 2019 revenues resulting from declining chip sales to camera-maker GoPro (GPRO) and slowing drone sales. Ambarella offered weak Q2 guidance and shares finished the second quarter down 21.19%.

Other detractors included MaxLinear and Tencent. MaxLinear (MXL) reported slightly better-than-expected Q1 earnings on less-than-expected revenue and saw its shares decline 31.47% for the second quarter. Chinese online giant Tencent Holdings (TCEHY) saw its shares decline 3.83% despite Q1 revenue of \$3.66 in net profit, which handily beat analyst estimates. Combined, the company's WeChat and Weixin platforms now boast 1 billion users.

Firsthand Technology Opportunities Fund is subject to greater risk than more diversified funds because of its investments in fewer securities and because of its concentration of investments in certain industries in the technology sector. Specific risks associated with investments in the technology industries (as described in the Fund's Prospectus) could cause the Fund's share price to fluctuate dramatically. The Fund's investments in small-cap companies present greater risk than investments in larger companies. The Fund invests in several industries within the technology sector and the relative weightings of these industries in the Fund's portfolio may change at any time. Equity investing involves risks, including the potential loss of the principal amount invested. The Fund's performance information assumes reinvestment of all dividends and includes all Fund expenses, but does not reflect the impact of taxes

Equity investing involves risks, including the potential loss of the principal amount invested. Firsthand Funds are subject to greater risk than more diversified funds.

As of 6/30/18: AMBA (0.93% of TEFQX), CHGG (3.87% of TEFQX), CREE (6.01% of ALTEX, 3.39% of TEFQX), MXL (0.52% of TEFQX), NFLX (6.57% of TEFQX), ROKU (4.91% of TEFQX). As of 6/30/18, GPRO was not held in any Firsthand Funds portfolio. A complete list of portfolio holdings for Firsthand Funds is available on www.firsthandfunds.com and is updated 45 days after the end of the every calendar quarter. The portfolio holdings discussed are subject to change. Please visit www.firsthandfunds.com for a complete list of holdings.

The information provided should not be considered a recommendation to purchase or sell a particular security and there is no assurance that, as of the date of publication, the securities purchased remain in a Fund's portfolio or that securities sold have not been repurchased. Also, you should note that the securities discussed, even if they have been purchased by a Fund, do not represent a Fund's entire portfolio and, in the aggregate, may represent only a small percentage of that Fund's holdings. There can be no assurance that any Firsthand Funds will buy, sell, or hold any particular security after the date referred to in the discussion.

An investor should consider investment objectives, risks, charges, and expenses of the Funds carefully before investing. To obtain a prospectus, which contains this and other information, please call 1.888.884.2675 or visit www.firsthandfunds.com. Read the prospectus carefully before investing or sending money.