

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 9/30/17

	Firsthand Technology Opportunities Fund	NASDAQ Composite Index	S&P 500 Index
Since inception (9/30/99)	2.00%	5.91%	5.83%
10-Year	11.66%	10.46%	7.42%
5-Year	16.79%	17.36%	14.18%
3-Year	15.35%	14.52%	10.79%
1-Year	34.45%	23.79%	18.60%
Q3 '17 (not annualized)	11.82%	6.07%	4.48%

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 9/30/17

Portfolio Manager	Kevin Landis	2016 Gross Expense Ratio	1.86%
Manager Tenure	Since Inception	2016 Net Expense Ratio	1.85%
Inception	9/30/99	Sales Load	None
Ticker	TEFQX	Redemption Fee	None
Cusip	337941504	Number of Companies	30
Net Assets	\$ 101.5M	2016 Portfolio Turnover	18%

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 8/31/18.

Holdings as of 9/30/17

Top 10

1. Arista Networks, Inc.	13.1%
2. Tencent Holdings Ltd.	10.4%
3. Facebook, Inc.	7.6%
4. Alibaba Group Holding Ltd.	6.8%
5. Netflix, Inc.	6.3%
6. Nutanix, Inc.	5.5%
7. Amazon.com, Inc.	4.7%
8. Equinix, Inc.	4.4%
9. Alphabet, Inc.	4.3%
10. Workday, Inc.	4.2%

Percentage of net assets	67.3%
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By Industry

Internet	41.2%
Networking	22.6%
Social Networking	9.2%
Software	7.9%
Communications	5.0%
Automotive	3.4%
Semiconductors	3.1%
Other	2.1%
Computer Storage Devices	1.6%
Net Cash	3.9%

The top 10 holdings are current as of September 30, 2017, 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 Q3 2017

Contributors

Firsthand Technology Opportunities Fund outperformed its primary benchmarks, returning 11.82% for the third quarter, compared with 6.07% and 4.48% gains for the Nasdaq Composite and the S&P 500 indices, respectively. Arista Networks (ANET) was the top contributor to the Fund's outperformance. Shares of the networking equipment vendor jumped following a significant Q2 earnings beat and upbeat Q3 guidance, which helped Arista shares finish Q3 up 26.58%.

Tencent Holdings (TCEHY) was another strong performer, up 20.36% for the quarter. The Chinese tech giant reported a Q2 earnings beat, with revenue up 59% year-over-year. Its online games continue to dominate the industry. Honor of Kings has approximately 55 million daily active users, with monthly revenues of more than \$147 million. Following government-imposed limits to the number of hours players under 18 can access the game in China, Tencent plans to launch Honor of Kings in the U.S. and Europe.

The Chinese government also stepped up pressure on several tech companies this summer to reign in controversial and illegal content. Alibaba (BABA) was one of the companies specifically called out by state officials, but that did not stop shares of the e-commerce giant from surging 22.58% in Q3. The gains were based in part on its Q2 earnings report that showed operating profit more than doubling year-over-year to \$2.88 billion.

Detractors

The biggest detractor from Fund performance for the quarter was Pandora (P). The music streaming company's CEO stepped down at the end of June, following the sale of its Ticketfly business unit to Eventbrite at a steep loss. In September, the company received a \$480 million investment from SiriusXM (SIRI), which quashed rumors of the company being sold outright, at least for now. Despite reporting a Q2 loss that was smaller than Wall Street estimates and subscription revenue that was up 25% year over year, Pandora's listener hours were down compared to last year and shares finished Q3 down 13.68%.

Shares of Tesla (TSLA) also declined in Q3, finishing down 5.67%. The electric car maker delivered an earnings beat for Q2, with a smaller-than-anticipated loss of \$1.33 per share, and better-than-expected revenues of \$2.79 million. The company also announced that Model 3 reservations were up to more than 500,000. However, production of the Model 3 has been slow, with the company saying it would produce 1,500 of the sedans in September, but with actual production figures standing at fewer than 300 since July.

Other detractors included MaxLinear (MXL) and Rocket Fuel (FUEL). MaxLinear (MXL) was down 14.84% for the quarter. We received shares of MaxLinear in May when the semiconductor manufacturer acquired Exar for \$13 per share. Ad tech company Rocket Fuel was acquired in September by Sizmek, a private ad tech company, for \$2.60 per share.

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 9/30/17: ANET (13.07% of TEFQX), BABA (6.80% of TEFQX), BIDU (3.66% of TEFQX), MXL (1.17% of TEFQX), NFLX (6.25% of TEFQX), P (1.52% of TEFQX), TCEHY (10.38% of TEFQX), TSLA (3.48% of ALTEX, 3.36% of TEFQX). As of 9/30/17 FUEL and SIRI were 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.