

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 12/31/18

	Firsthand Technology Opportunities Fund	NASDAQ Composite Index	S&P 500 Index
Since inception (9/30/99)	2.59%	5.71%	5.55%
10-Year	19.72%	16.85%	13.10%
5-Year	14.39%	11.05%	8.48%
3-Year	19.78%	11.16%	9.24%
1-Year	4.31%	-2.81%	-4.39%
Q4 '18	-17.32%	-17.28%	-13.52%

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 12/31/18

Portfolio Manager	Kevin Landis	2018 Gross Expense Ratio	1.86%
Manager Tenure	Since inception	2018 Net Expense Ratio	1.85%
Inception	9/30/99	Redemption Fee	None
Ticker	TEFQX	Number of Companies	36
Cusip	337941504	Sales Load	None
Net Assets	\$158.1M	2018 Portfolio Turnover	25%

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 12/31/18

Top 10

Arista Networks, Inc.	9.3%
Twilio, Inc.	7.9%
Nutanix, Inc.	6.6%
Tencent Holdings Ltd.	6.2%
Netflix, Inc.	5.9%
Chegg, Inc.	5.2%
Roku, Inc.	4.7%
Facebook, Inc.	3.7%
Cree, Inc.	3.5%
Workday, Inc	3.0%
% of Net Assets	56.1%

By Industry

Software	28.7%
Internet	26.7%
Networking	15.9%
Education	5.2%
Consumer Electronics	5.0%
Semiconductors	4.4%
Social Networking	3.7%
Other Electronics	3.5%
Cloud Computing	2.7%
Communications	1.1%
Computer	1.0%
Other	1.1%
Net Cash	1.0%

The top 10 holdings are current as of December 31, 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 Q4 '18

Contributors

Firsthand Technology Opportunities Fund underperformed its primary benchmarks in the fourth quarter, declining 17.32%, compared with a 17.28% loss for the Nasdaq Composite Index and a 13.52% loss for the S&P 500 Index.

Cree (CREE) was the top contributor to the Fund's performance in the fourth quarter. The company has been reducing its exposure to the lighting industry and focusing on higher-margin businesses such as power and radio frequency semiconductors.

Database software provider MongoDB (MDB) was another top contributor to the Fund's performance during the quarter. Although the company's stock was up only modestly during the quarter, we made our first purchase of MongoDB shares in mid October, after a sharp sell off in the market. As of December 31, 2018, our investment in MongoDB was up 19.71% since that initial purchase.

Twilio (TWLO) stock was up only 3.5% in Q4, but it was one of the few positive contributors during Q4. During the quarter, the company reported revenue and earnings that topped consensus estimates and announced that its client base continues to grow.

Detractors

Roku (ROKU) stock declined sharply during the fourth quarter and was the largest detractor from fund performance for the quarter. In early November, the company announced third quarter revenue and earnings that beat analysts' expectations, but disappointed investors with lower-than-expected guidance for its fourth fiscal quarter.

Another big detractor from the Fund's performance during the quarter was Arista Networks (ANET). Despite third quarter financial results that topped analysts' expectations, the company cautioned that uptake of its newly-announced 400 gigabit Ethernet product would take some time.

Netflix (NFLX) was a third major detractor from the Fund's performance during Q4. Even though the stock was up for the year, it slid in the fourth quarter along with other FAANG stocks. The company reported strong growth in new subscriber additions in Q3 and predicted even stronger additions in Q4.

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 12/31/18: CREE (3.52% of TEFQX), MDB (2.12% of TEFQX), TWLO (7.91% of TEFQX), ROKU (4.65% of TEFQX), ANET (9.33% of TEFQX), NFLX (5.93% of TEFQX). A complete list of portfolio holdings for Firsthand Funds is available on www.firsthandfunds.com and is updated 45 days after the end of 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.