

# 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 6/30/21

	Firsthand Technology Opportunities Fund	NASDAQ Composite Index	S&P 500 Index
Since inception (9/30/99)	7.33%	9.00%	7.76%
10-Year	22.04%	19.32%	14.84%
5-Year	39.00%	25.80%	17.65%
3-Year	35.61%	25.72%	18.67%
1-Year	86.01%	45.23%	40.79%
Q2 '21	18.75%	9.68%	8.55%

*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](http://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 6/30/21

Portfolio Manager	Kevin Landis	Gross Expense Ratio	1.85%
Manager Tenure	Since inception	Net Expense Ratio	1.85%
Inception	9/30/99	Redemption Fee	None
Ticker	TEFQX	Number of Companies	38
Cusip	337941504	Sales Load	None
Net Assets	\$414 million	2020 Portfolio Turnover	65%

The Fund's total gross operating expenses are 1.85%. 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 4/30/22.

## Holdings as of 6/30/21

### Top 10

Roku, Inc.	26.6%
Chegg, Inc.	6.8%
Pivotal Systems, Inc.	5.6%
DocuSign, Inc.	5.4%
Zscaler, Inc.	5.2%
Cree, Inc.	5.0%
Pinterest, Inc.	5.0%
Domo, Inc.	4.9%
Twilio, Inc.	2.9%
Upwork, Inc.	2.8%
<b>% of Net Assets</b>	<b>70.2%</b>

### By Industry

Software	31.1%
Consumer Electronics	26.6%
Internet	10.4%
Education	8.1%
Semiconductor Equipment	6.5%
Other Electronics	5.0%
Renewable Energy	4.2%
Networking	2.1%
Defense & Aerospace	1.9%
Aerospace	1.3%
Alternative Energy	1.2%
Other	0.7%
Net Cash	0.9%

The top 10 holdings are current as of June 30, 2021 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 Q2 '21

### Contributors

Firsthand Technology Opportunities Fund outperformed its primary benchmarks in the first quarter, gaining 18.75%, compared with gains of 9.68% and 8.55% for the Nasdaq Composite Index and the S&P 500 Index, respectively.

The largest positive contributor to the Fund's performance in Q2 was streaming TV provider Roku (ROKU). The company's active user accounts, streaming hours, and average revenue per user have continued to increase over the past several quarters. Roku finished the quarter as the Fund's largest holding and its stock was up more than 40% during Q2.

Other significant contributors to the Fund's performance in Q2 included DocuSign (DOCU) and Domo (DOMO). DocuSign company's stock leapt more than 35% in June after reporting fiscal first quarter revenues and earnings that topped analysts' estimates. Domo (DOMO) posted revenue and earnings for its fiscal fourth quarter that beat consensus estimates and issued financial guidance for fiscal year 2022 that topped expectations.

### Detractors

Cree (CREE) was the biggest detractor from the Fund's performance in Q2. Despite reporting revenues and earnings for its third fiscal quarter that beat analysts' expectations, Cree shares slumped in April and May after the company provided mixed guidance for its quarter ending June 30, 2021.

Another significant detractor from performance in the second quarter was Peloton Interactive (PTON). We liquidated our position in Q2 and, despite losing value in the position during the quarter, realized a substantial gain since buying the stock in April 2020.

Online learning company Chegg (CHGG) was the third largest detractor from fund performance in Q2. In May the company announced results for its first quarter ended March 31, 2021, with revenues that beat expectations and earnings that fell short of consensus estimates. Chegg stock finished the quarter down nearly 3%.

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. 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 6/30/21: ROKU (26.62% of TEFQX), DOCU (5.40% of TEFQX), DOMO (4.88% of TEFQX), CREE (4.97% of TEFQX), PTON (0.00% of TEFQX), CHGG (6.83% of TEFQX). A complete list of portfolio holdings for Firsthand Funds is available on [www.firsthandfunds.com](http://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](http://www.firsthandfunds.com) for a complete list of holdings.

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.

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](http://www.firsthandfunds.com). Read the prospectus carefully before investing or sending money.**