

Firsthand Alternative Energy Fund

Investment Strategy

The Fund invests in alternative energy and energy technology companies, both U.S. and international. Alternative energy includes solar, hydrogen, wind, geothermal, hydroelectric, tidal, biofuel, and biomass. Because there are no market capitalization restrictions on the Fund's investments, the Fund may purchase stocks of any capitalization.

Total Returns as of 9/30/21

	Firsthand Alternative Energy Fund	WilderHill Clean Energy Index	S&P 500 Index
Since inception (10/29/07)	2.11%	-2.95%	9.92%
10-Year	11.24%	11.84%	16.63%
5-Year	20.07%	32.72%	16.90%
3-Year	28.16%	46.61%	15.99%
1-Year	20.40%	27.45%	30.00%
Q3 '21	-8.13%	-16.98%	0.58%

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.

Fund Facts as of 9/30/21

Portfolio Manager	Kevin Landis	Gross Expense Ratio	2.12%
Manager Tenure	Since inception	Net Expense Ratio	2.01%
Inception	10/29/07	Redemption Fee	None
Ticker	ALTEX	Number of Companies	40
Cusip	337941827	Sales Load	None
Net Assets	\$18 Million	2020 Portfolio Turnover	14%

The Fund's total gross operating expenses are 2.12%. The Fund's total net operating expenses are 2.01%. Under the Investment Advisory Agreement, the Investment Adviser has agreed to reduce its fees and/or make expense reimbursements so that the Fund's total annual operating expenses (excluding independent trustees' compensation, brokerage and commission expenses, short sale expenses, litigation costs and any extraordinary and non-recurring expenses) are limited to 1.98% of the Fund's average daily net assets up to \$200 million, 1.93% of such assets from \$200 million to \$500 million, 1.88% of such assets from \$500 million to \$1 billion, and 1.83% of such assets in excess of \$1 billion. The current expense waiver is in effect until 4/30/22.

Holdings as of 9/30/21

Top 10

SolarEdge Technologies, Inc.	10.5%
Aspen Aerogels, Inc.	9.1%
Cree, Inc.	4.6%
Enphase Energy, Inc.	4.2%
Hyzon Motors, Inc.	3.9%
Kratos Defense & Security Solutions, Inc.	3.8%
Vestas Wind Systems A/S	3.4%
Corning, Inc.	3.4%
Quanta Services, Inc.	3.2%
Maxar Technologies	3.2%
% of Net Assets	49.3%

By Industry

Renewable Energy	30.6%
Materials	9.1%
Alternative Energy	8.0%
Defense & Aerospace	7.5%
Other Electronics	7.4%
Automotive	4.2%
Advanced Materials	3.4%
Engineering Service	3.2%
Energy Efficiency	3.1%
Services	2.7%
Waste & Environment Service	1.4%
Other	3.2%
Net Cash	16.2%

The top 10 holdings are current as of September 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 Q3 '21

Contributors

Firsthand Alternative Energy Fund outperformed its primary benchmark in the third quarter, declining 8.13% compared with a loss of 16.98% for the WilderHill Clean Energy Index. By comparison, the S&P 500 Index gained 0.58% during the period.

The leading contributor to fund performance in Q3 was Aspen Aerogels (ASPN), a provider of thermal management solutions to the energy insulation market. The company's stock continued to climb following the late Q2 announcement of a private placement of \$75 million of common stock to an affiliate of Koch Strategic Platforms.

Quanta Services (PWR) stock was up approximately 25% in Q3 and was the second largest contributor to fund performance during the quarter. A third major contributor to the Fund's performance during the quarter was Power Integrations (POWI). The company's Q2 results exceeded analysts' expectations for revenue and earnings.

Detractors

The stock of space technology company Maxar Technologies (MAXR) slid during Q3, finishing the quarter down more than 29%. The company, which was the largest detractor from fund performance for the second quarter, announced in early August a delay to the launch of its next-generation imagery satellites.

Enphase (ENPH) was another significant detractor from the Fund's performance in Q3. Enphase shares slumped in September as investors worried about the impacts of semiconductor supply chain issues on the company's business.

Military drone manufacturer Kratos Defense & Security Solutions (KTOS) also was among the largest detractors from the Fund's performance during the quarter. The company reported Q2 financial results that exceeded analysts' expectations, but its book-to-bill ratio for the quarter and forward-looking revenue guidance came in lower than expected.

Firsthand Alternative Energy 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 the alternative energy and energy technology sectors. Specific risks associated with these investments 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 alternative energy and energy technology sectors 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 9/30/21: ASPN (9.09% of ALTEX), PWR (3.21% of ALTEX), POWI (0.89% of ALTEX), MAXR (3.20% of ALTEX), ENPH (4.23% of ALTEX), KTOS (3.78% of ALTEX). 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 Standard & Poor's 500 Index (S&P 500) represents an unmanaged, broad-based basket of stocks and is typically used as a benchmark for overall market performance. The WilderHill Clean Energy Index is a market-weighted index of 53 companies in the cleaner fuel, energy conversion, energy storage, greener utilities, power delivery and conservation, and renewable energy harvesting sectors. 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. Read the prospectus carefully before investing or sending money.