

Kinetics Multi-Disciplinary Income Fund



3Q 2018

Kinetics Asset Management LLC

- Kinetics Asset Management LLC, employee-owned SEC-registered investment adviser, established in 1996.
- With its affiliated investment advisors, manages approximately \$6.0 billion in assets as of 09/30/2018.
- Oversees investments in 9 U.S. mutual funds, separate accounts and alternative products.
- Utilizes the proprietary research capabilities of Horizon Kinetics LLC.

Portfolio Management Team

Murray Stahl

Chief Investment Officer
40 years of management experience
Co-Manager of Fund since inception (2008)

Matt Houk

Co-Portfolio Manager
13 years of management experience
Co-Manager of Fund since 2015

Class Information

| Class | Ticker | Cusip | 12b-1 fee |
|---------|--------|-----------|-----------|
| Adv. A | KMDAX | 494613664 | 0.25% |
| Adv. C | KMDCX | 494613656 | 1.00% |
| Inst. | KMDYX | 494613649 | - |
| No Load | KMDNX | 494613672 | - |

Fund Characteristics

| | |
|----------------------------|----------------|
| Total Net Assets | \$40.7 million |
| Total Number of Positions* | 34 |
| Turnover Ratio | 2% |
| Minimum Purchase | \$2,500 |

*Calculated such that all securities issued by one issuer are counted as one position.

Portfolio Allocation

| | |
|---------------------------|-------|
| Fixed Income | 91.3% |
| Other Investments | 8.9% |
| Cash and Cash Equivalents | -0.2% |

Multi-Disciplinary Income Fund Overview

- ◆ Multi-strategy investment approach that opportunistically invests in income oriented securities and utilizes an equity option strategy which seeks to generate income and capital gains in excess of traditional fixed income indexes while assuming less interest rate risk or duration risk.
- ◆ Fixed income investments generally comprise limited duration securities, including investment grade and high yield bonds, and emphasize the avoidance of permanent capital losses.
- ◆ A selective equity option strategy supplements fixed income investments through the monetization of equity market volatility. The investment adviser aims to moderate incremental risks by selecting option strike prices that are below their underlying stock prices and by limiting option notional exposures.

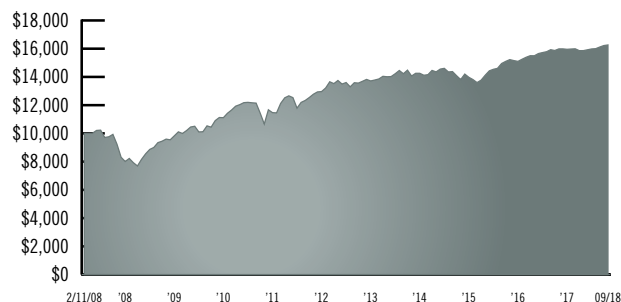
Historical Total Return (No-Load Class) as of 09/30/18

| | 2008* | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|---------|--------|--------|-------|--------|--------|-------|--------|--------|-------|
| Fund (KMDNX) | -17.76% | 22.90% | 13.04% | 0.24% | 15.38% | 4.28% | 2.46% | -2.17% | 10.41% | 4.75% |
| Bloomberg Barclays US Aggregate Bond Index | 4.08% | 5.93% | 6.54% | 7.84% | 4.21% | -2.02% | 5.97% | 0.55% | 2.65% | 3.54% |
| Bloomberg Barclays US HY Corp. Bond Index | -27.02% | 58.21% | 15.12% | 4.98% | 15.81% | 7.44% | 2.45% | -4.47% | 17.13% | 7.50% |

*Cumulative return from Fund's inception to year-end.

Growth of \$10,000 Returns Since Inception

\$16,264



Statistics as of 09/30/18 Fund Barclays Agg.

| | | |
|---------------------------|------|------|
| Beta | 0.39 | 1.00 |
| Standard Deviation | 4.05 | 2.70 |
| Up Market Capture Ratio | 0.98 | - |
| Down Market Capture Ratio | 0.44 | - |
| Sharpe Ratio | 0.73 | 0.60 |

Recent Fund Distributions** Fund

| | |
|----------|--------|
| Sep-2018 | \$0.11 |
| Jun-2018 | \$0.11 |
| Mar-2018 | \$0.12 |
| Dec-2017 | \$0.08 |

Fixed Income Overview as of 09/30/18

Fixed Income Statistics

| | |
|--------------------------|-----|
| Average Duration (years) | 2.9 |
| Average Maturity (years) | 3.6 |

Top 10 Fixed Income Holdings (%)

as of 09/30/18

| | |
|-----------------------------------|------|
| Penske Automotive Group, Inc. | 8.9% |
| Lamb Weston Holdings, Inc. | 8.8% |
| Brookfield Residential Properties | 8.0% |
| Icahn Enterprises | 7.5% |
| Ashland Inc. | 7.5% |
| TRI Pointe Holdings, Inc. | 5.0% |
| Lennar Corporation | 4.8% |
| Stolt-Nielsen Limited | 4.8% |
| The Howard Hughes Corporation | 4.0% |
| Murphy Oil Corporation | 3.0% |

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Performance (No-Load Class)

| | Annualized Returns as of 09/30/18 | | | | | | | 5 Year Standard Deviation |
|---|-----------------------------------|--------|--------|-------|-------|-------|-----------------|---------------------------|
| | 3 Month | YTD | 1YR | 3YR | 5YR | 10YR | Since Inception | |
| Multi-Disciplinary Income Fund (KMDNX) | 1.65% | 1.80% | 1.74% | 5.60% | 3.51% | 5.83% | 4.68% | 4.05% |
| Bloomberg Barclays US Aggregate Bond Index | 0.02% | -1.60% | -1.22% | 1.31% | 2.16% | 3.77% | 3.44% | 2.70% |
| Bloomberg Barclays US HY Corp.Bond Index | 2.40% | 2.57% | 3.05% | 8.15% | 5.54% | 9.46% | 8.05% | 4.95% |

The Multi-Disciplinary Income Fund No Load Class inception date is 2/11/08. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Call 1-800-930-3828 or visit us at www.kineticsfunds.com for the most recent fund month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of sales load or fee which, if reflected, would reduce the performance quoted. You will be charged a redemption fee equal to 2.00% of the net amount of the redemption if you redeem or exchange your shares less than 30 days after you purchase them.

Expense Ratios by Share Class

| | Adv. A | Adv. C | No Load | Inst. |
|--------------|--------|--------|---------|-------|
| Gross | 2.42% | 2.92% | 2.17% | 2.17% |
| Net | 2.00% | 2.50% | 1.75% | 1.75% |

The Gross expense ratios listed are as of 12/31/2017 as reported in the 4/30/2018 prospectus.

The Fund's adviser has voluntarily agreed to waive management fees and reimburse fund expenses so that net annual fund operating expenses do not exceed certain levels, not including acquired fund fees and expenses (AFFE), through May 1, 2019 and may be discontinued at any time by the Fund's adviser after May 1, 2019.

Definitions:

Beta: A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. Beta has been calculated for the past five years. **Down Market Capture Ratio:** A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated for the past five years. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated for the past five years using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated for the past five years. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period. **Up Market Capture Ratio:** A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated for the past five years.

**Distributions by the Fund are subject to change and may discontinue at any time without notice.

On April 30, 2015, the Fund changed its name from The Multi-Disciplinary Fund to The Multi-Disciplinary Income Fund.

The Growth of \$10,000 chart illustrates the performance of a hypothetical \$10,000 investment made in No Load Class shares on commencement of operations (2/11/08). It assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance.

Holdings are expressed as a percentage of total net investments and may vary over time. Holdings are subject to change, and may not be indicative of actual market position due to the use of call and put options.

The Top Sectors displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities. For purposes of calculating the top percentage holdings of the fund, the top 10 equity and fixed income holdings are valued at their applicable market value. Fixed Income Statistics include details on instruments held directly by the Fund and do not include securities which may be held within a portfolio owned by the Fund.

You should consider the investment objectives, risks, charges and expenses of the fund carefully before investing. For a free copy of the fund's prospectus, which contains this and other information, visit our website at www.kineticsfunds.com or call 1-800-930-3828. You should read the prospectus carefully before you invest.

The Fund is classified as diversified; however, asset allocation/diversification does not guarantee a profit or eliminate risk of loss. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Non-investment grade debt securities, i.e., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

The Bloomberg Barclays US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency). The Bloomberg Barclays US Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded. Both Bloomberg indices are trademarks of Bloomberg. An investor cannot invest directly in an index.

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