Kinetics Mutual Funds

Fourth Quarter 2020 - Conference Call with Peter Doyle

January 12, 2021

Important Risk Disclosures:

Horizon Kinetics Asset Management LLC ("HKAM") is pleased to announce that on January 12, 2021, Peter Doyle, Co-Founder of HKAM and Senior Portfolio Manager for Kinetics Mutual Funds, Inc., hosted a conference call to financial advisors. The transcript set forth below is intended to provide a summary of Mr. Doyle's remarks.

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The S&P® 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P® 600 Index measures the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable. The iShares MSCI ACWI Index seeks to measure the performance of both the MSCI World Index and MSCI Emerging Markets Index. The iShares EAFE Index measures international equity performance across large and mid-cap equities across developed markets in Europe, Australasia and the Far East, excluding the U.S. and Canada. The Barclays 1-3 U.S. Credit Bond Index is composed of investment grade U.S. credit securities with a maturity between one and three years. The Barclays U.S. Aggregate Bond Index is composed of the Barclays U.S. Government/Corporate Bond Index, Mortgage-Backed Securities Index, and Asset-Backed Securities Index, and includes securities that are of investment grade quality or better, have at least one year to maturity, and have an outstanding par value of at least $100 million. An investor cannot invest directly in an index.

Chris Bell: Good morning, everyone. Welcome; thank you for your time today for the 2020 Fourth Quarter Kinetics Mutual Funds Update Webinar. Today, we're joined by Peter Doyle, Co-Founder of Horizon Kinetics and President of Kinetics Mutual Funds, and Portfolio Manager James Davolos. They will speak about the economy, inflation, the effects of excess stimulus, and then we will take some questions. Please note that we are recording this call and a replay will be available. Also, the slide deck used will be available. Please reach out to me, Bob, Mark, Jimmy, Brandon or your HRC representative, or go to www.kineticsfunds.com for factsheets, transcripts of this and other calls and presentations. Also, please go to www.horizonkinetics.com for a new podcast with Peter Doyle and Daniel Prince, under "What's New?" Also, under the "Insights" banner are new research pieces and podcasts backing our Asset-Light Real Assets theme and our strategy updates.

Performance last quarter was outstanding, as the inflation/energy trade is recovering nicely; performance for each Fund can be seen in the fact sheets appended at the end of this transcript. The flagship Kinetics Paradigm Fund ended the year up 3.3% (No-Load), and that's quite an accomplishment after the drubbing taken by value investors through this pandemic, as you will see in James' presentation, there has been one of the widest margins ever between value and growth; but, we're seeing a shift beginning. Our best performing fund was our oldest, started in 1996: the Kinetics Internet Fund. It was up 52% (No-Load) in the 4th quarter.

Peter Doyle: Good morning. And thank you all, as always, for being on and sharing your time with us, and happy New Year to everyone. I'm going to start off with some brief general comments about how we currently see investment conditions, and then I'm going to turn it over to James, who will go through the slides that he prepared. The slides mostly pertain to valuation and inflation. After that, we will open it up for questions.

I'm really going to speak about three things. First, it's going to be about valuations and where we are and why we are there at the present moment. Then I'm going to speak briefly, very briefly, about the energy opportunity. And then, lastly, I'm going to speak about cryptocurrency. And I think that's on a lot of people's minds today.

So, first and foremost, stocks and bonds today trade at close to their all-time highs, and that's because of the near zero interest rate policy that is being conducted by the Federal Reserve. So, as we speak, the Fed Funds rate is 9 basis points, and the Federal Reserve has had a Fed Funds target of between zero and 25 basis points for some number of months now. And that's principally in reaction to stimulating the economy as a result of the serious contraction that we had as a result of the pandemic.

This causes issues for investors. As I mentioned, both bonds and stocks are trading at an all-time high, and if you look at fixed income in particular, it looks to us like it's all risk and no return. The 10-Year Treasury is yielding about 1.15%, up from 50 basis points not too many months ago, and it is actually trading with a *negative* real yield. If you look around the world, you'll see there's something like $18 trillion of debt that has a nominal negative yield and a worse real yield. So, if you're an investor, and you're hoping to be invested in the 60/40 style, and you're hoping to get a return from fixed income, you really have to hope that interest rates go much lower from here, which is not really possible, or they could actually go negative, which would not be good for any investors out there.

So, let's say you're 60% in fixed income – that is largely cut off to you as a return source. If you look at equities, equities really suffer from the same thing as fixed income. Most of the equities that drove the stock performance in 2020 were high-growth companies, and they have a convexity similar to fixed income, meaning that the future cash flows are discounted at a very low rate, and the prices are bid up very high. So, if you go across the top names, and you all know them, from Amazon to Facebook to Tesla, etc., they're priced in a way that they're near perfection. And maybe some of those companies can grow their earnings to justify the valuations, but, in the interim, if you ever had a rising interest rate environment, they would be hit just as hard as the bonds.

So, a long way of saying that most equity valuations are also very rich, and unless you're off the beaten path doing something very different, we believe you're running tremendous risk. Now, we're not predicting a rise in interest rates, and I don't think any of these comments should come as a shock to anyone listening to this, particularly because it's been said by my colleagues Murray Stahl and Steven Bregman, and James, and Chris Bell, among others. The reason we don't think interest rates are going to rise, at least on the short end, is that we, as a country and as a planet, are in a debt crisis, and the debt burden of this country is staggeringly large. It's roughly $82 trillion. And the interest on that debt is roughly $3.8 trillion on an annual basis, and it is rising very rapidly. In fact, it is rising much faster than the overall economy.

So, historically, what you would see when you were in a debt cycle, if there was a contraction or there was some type of recession, there would be a shakeout; there would be defaults, companies would go bankrupt; there'd be a correction, and the leverage in the system would be taken down. That is not going on. The debt burden is so large that the federal government and the Federal Reserve have a policy of injecting capital into the market, injecting money into the economy. And if you look at what happened during 2020, the money supply, as measured by M2, rose by close to 24%. It started the year off at slightly above $15 trillion and ended the year slightly above $19 trillion.

Now, with a change in administration that's coming in a few days, we're already talking about stimulus checks of $2,000 being mailed out in the very early part of the administration. In addition to that, we are talking about a fiscal program that's likely to add $2-3 trillion more. So, couple that with the $3-plus trillion deficit that we had in 2020, and we're likely to see deficits on that magnitude in 2021, and we're likely to see the money supply increase by a very significant amount – probably not close to 24%, but probably somewhere in the mid-teens.

And when you have a debt burden, just the U.S. national debt, of roughly 130% of GDP, and you have a government that's printing up money, there's really only one out for this, and the out is that they continue to print money until, hopefully, you pay back that debt in cheaper and cheaper dollars in the future. And I think we're watching in real time as investors wake up to that reality. And really, in my opinion, the stock market has degenerated into a kind of a game of let's try to exploit where the spending by the federal government is going to occur.

In an environment of rational pricing – I'm just going to pick on Tesla as an example because Elon Musk has recently become the richest man in the world – in a rational world, somebody's net worth should not go up eight-fold in a given year. So, Elon Musk started 2020 at roughly a $20 billion net worth; and ended the year with $180 billion. So, it's a nine-fold increase. And now Tesla basically would have to grow its earnings in such a wide way in order to justify that valuation, and it doesn't seem plausible to us. So, it's become a cult stock: it's become a cult personality that is driving it up, added to the fact that it's been added to the S&P 500 Index ("S&P 500"), and you get these crazy, crazy valuations.

Now, just to give you an example of how indiscriminant people are, yesterday, because of some of the privacy issues, Elon Musk said people should switch from WhatsApp to Signal, and investors took that to mean Signal Healthcare, and the small unknown stock was bid up by over 400% yesterday based on nothing: just pure speculative mania. And that's what you see in an environment where there's really collapsing economics and tremendous money printing, and people are just trying to outguess where the money's going to flow.

So, as you all know, we are about as far away from that as you can possibly be. And the area that we're most focused on is the energy sector, particularly through our largest holding, Texas Pacific Land Corp. We're of the belief that energy represents – not just Texas Pacific Land Corp.– a generational opportunity to make money. And the reason for that is there's been this complete divestiture over the last, literally, 10-20 years by large institutions, investments from pensions, endowments, etc. And as I mentioned in past calls, when I first got into this business, the energy sector was roughly 25% of the S&P 500; today it's roughly 3%, and its only that high because it had a pretty good move in the recent past.

So, if people want exposure to that, and they're invested in the broad index, the S&P 500, the Russell 2000, they're not going to get that exposure. And if energy prices ever were to spike in a dramatic fashion, they're not positioned to capitalize on that. And we think that needs to change, and we're positioned accordingly – and you're watching it in real time. If you looked at commodity prices during 2020, you would see in a year where there's tremendous contraction in the economy, you wouldn't expect commodity prices to rise. But whether it was aluminum, soybeans, lumber, natural gas, etc., with the exception of oil, a lot of commodities rose and rose very significantly. And that's because there was a supply chain disruption, and the demand for many of those commodities didn't fall to the extent that people thought they would.

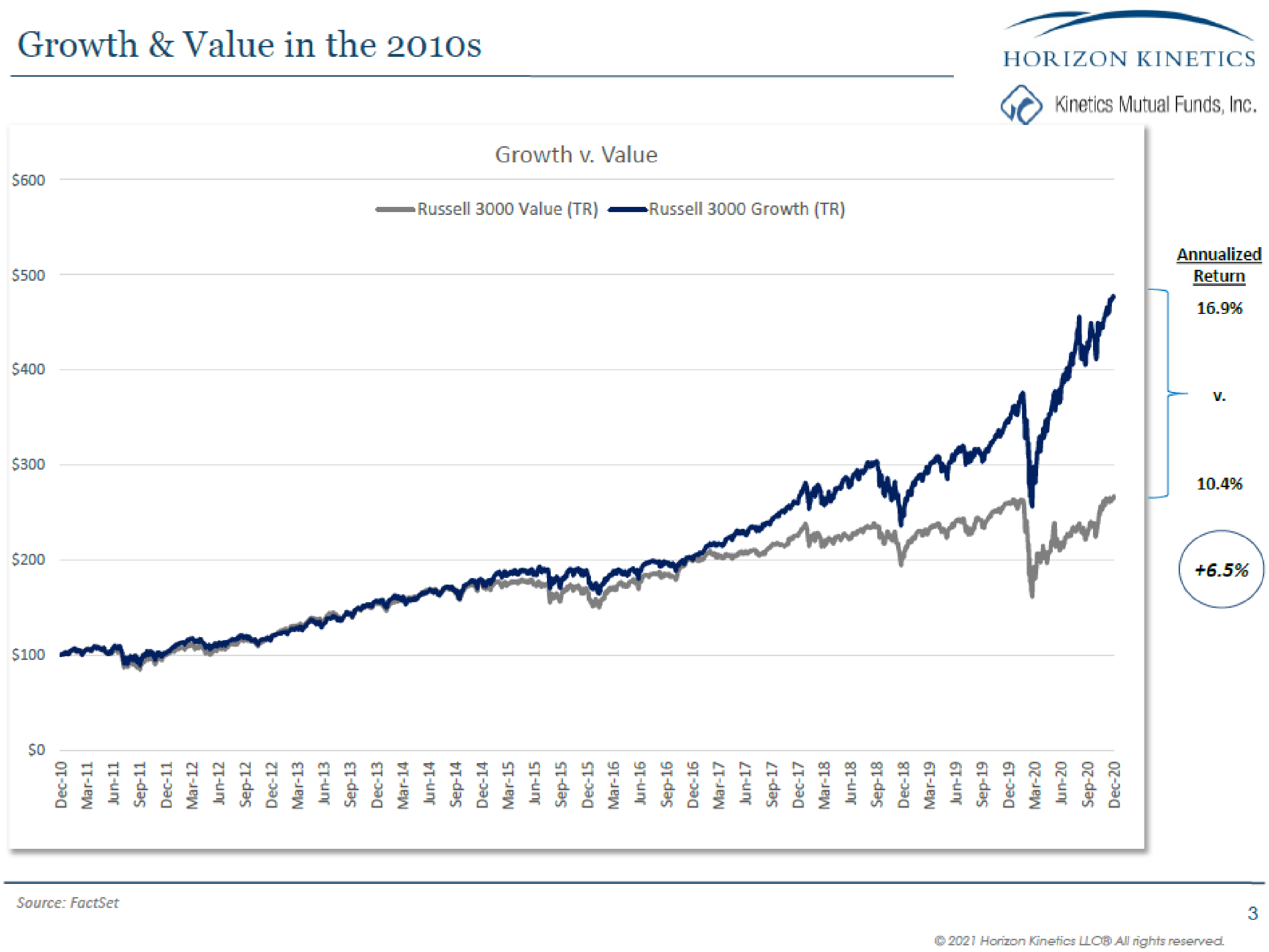
So, a long way of saying we're focused there because that's where the opportunity is. There's been a mispricing in that sector for a long period of time, and we think that the under-investment by the various large companies in the energy sector, be it ExxonMobil, be it British Petroleum, and the under-investment – they're not keeping up with their current year's production and replacing that current year's production – we think there's going to be a shortage. And when there's a shortage of a very desirable commodity, the correcting mechanism is the price. So, you saw the price of oil go to, literally, negative $37 a barrel in 2020, and it closed the year at roughly $50 a barrel. It would not surprise me in the least – I'm not saying my colleagues are on board with making this type of statement – if we saw an energy shock, where the price could go well over $100 in the not too distant future. And that belief is based on the lack of investment, the shutting down of rigs that occurred in 2020 as a result of the pandemic, and the underinvestment by institutions and the marketplace over the last 10-20 years.

So, really, that's all I have to say. It's nothing that should be too new to any of the people that have listened to us over the years. We're, as always, off the beaten path. We've been positioning ourselves because we recognize the issue of debt growth over the years, starting with the Greenspan tenure, accelerating during the financial crisis of 2008-2009, and then really accelerating with the pandemic. Now, obviously, nobody forecasted a pandemic in 2020, but the response to it was very predictable, and the response was: let's just inject liquidity, print up more money, and we have an issue – we have a debt burden. Let's basically print money and pay people back in cheaper and cheaper dollars.

That world is being recognized now and, as Chris mentioned, in the early part of 2021, many of those asset inflationary beneficiary securities that we own have done incredibly well, but we think it's just the start.

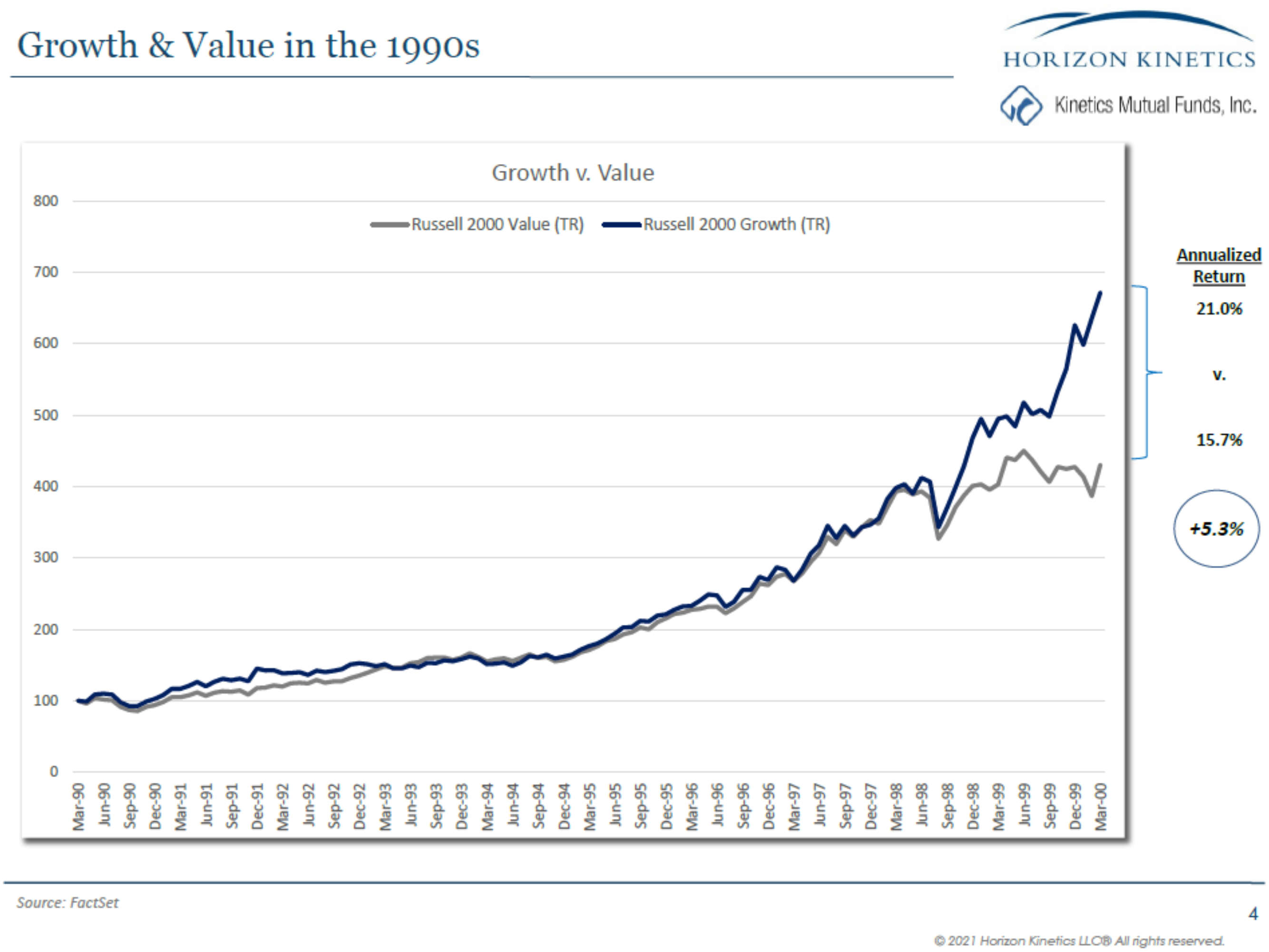
So, with that, I will stop, and I will hand it over to James to go through the slides.

James Davolos: Thanks Peter. And I'll start working through the slides and have some concluding comments, and hopefully we'll have a good amount of time for Q&A. I'm sure people have some questions. There are a lot of things going on today with the firm.



One of the things that Chris mentioned in the introductory comments was the extreme amount of outperformance for growth over the past decade. So, this chart basically shows from 2010-2020, the Russell 3000 Growth has compounded at 6.5% a year over the Russell 3000 Value. So, pretty remarkable in terms of magnitude as well as the duration. I don't want to get into the nuances of what defines growth and what defines value, but I feel like one of the greatest strengths of Horizon is to have a holistic pragmatic view of value. We're not beholden to book value, we're not beholden to accounting measures of value, but we're also very strict in our methodology where we require a company to be justifiably valued based on discounted cash flows. Because, at the end of the day, no financial asset is worth anything other than the full time series of cash flows discounted back.

So, there are plenty of people out there who think that the world is changing and there are disruptive business models, and that platforms and ideas and dreams are worth an infinite amount of money. But eventually, one day, you're going to have to see what amount of money is in your pocket. And that's why we continue to believe in this trend. But clearly it's been a pretty painful experience for the value investing community, while very pleasant for the growth community.



I think this might surprise some people, but this actually shows the same time series from 1990 through March of 2000 – March of 2000 being kind of the blow-off top in the growth market. And what you'll notice here is that 5.3% compounded over that decade, which is over 100 basis points less a year than what is going on right now.

I joined Horizon Kinetics towards the end of 2005, and through the evolution of my career I've asked Murray, and Peter, and Steve on many occasions what it was like to experience that 1998, '99 and 2000 period as somebody who was discounting cash flows and looking at intrinsic value. And, lo and behold, I'm living through something right now that's actually more extreme.

Now, the acceleration – so, you see the divergence there where you were in the middle of '98 where it really went extreme. I think it's been a little bit more of a slow burn. But you can also notice at the very end there, the slope of the curve and the slope of the outperformance sweeps up very dramatically, which I think statisticians and historians would argue is certainly indicative of an extreme conclusion to a bubble. Obviously, there are a lot of contributing factors that I think are beyond the scope of this call that are driving some of these companies to all-time highs.

Rate Sensitivity of Growth

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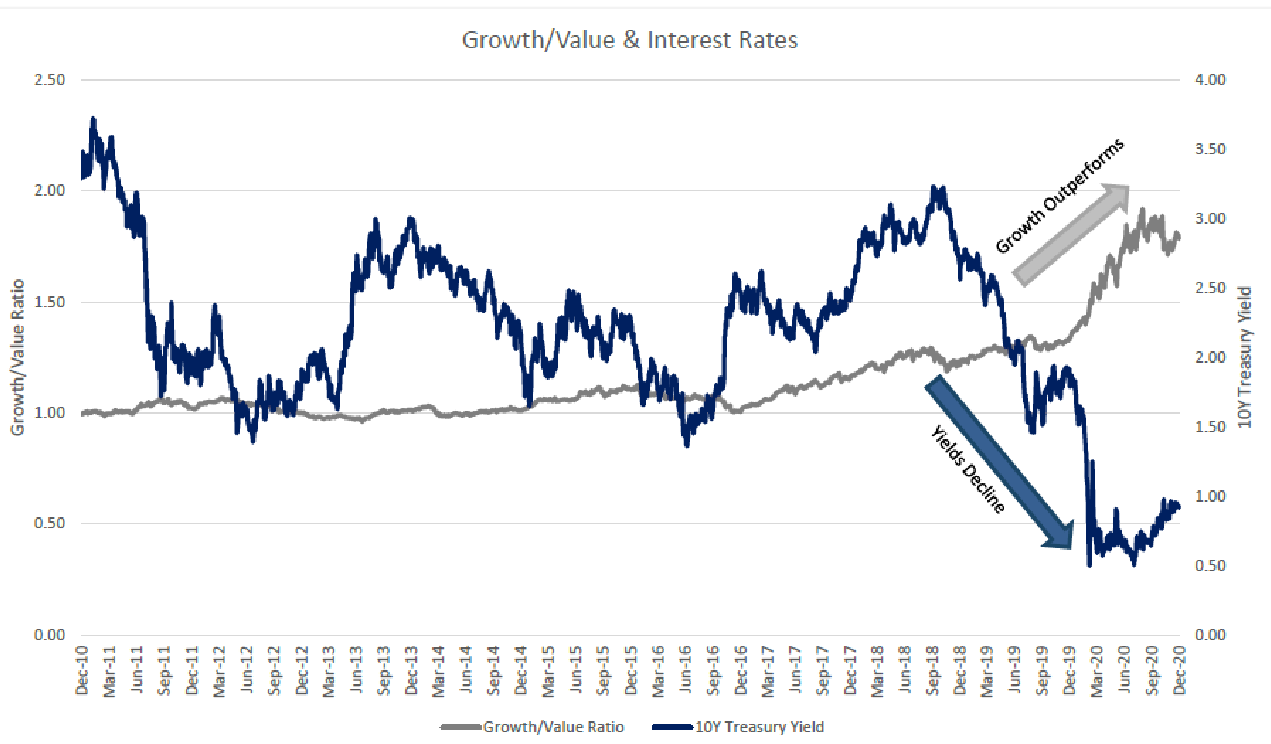

Source: FactSet

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So, on Slide 5, I think another factor that is not properly appreciated by the broader community is the sensitivity of growth stocks to interest rates. So, this just shows again, going back to 2010, the Growth

Index divided by the Value Index. And, obviously, you can see the Growth index really spikes up here towards the end of 2019, as interest rates plunge. And the interest rate is the 10-year bond. And so if you were to think about the interest rate risk you're taking in a 30-year bond portfolio, it's fairly intuitive, it's fairly easy to understand the convexity of those bonds, and your duration risk where you're getting, in today's terms, an extremely modest coupon and then your principal repaid in year 30. Growth stocks are far more sensitive to this dynamic – Peter brought up Tesla, which makes zero money other than regulatory credits and probably won't for many years.

So, for any of these software companies or data companies that are trading at extremely rich valuations – you know, there's a recent IPO trading at 200x revenue that earns no money. If you have no cash flow to discount for five years, you're basically putting all of your value on the terminal value or the perpetual value of this company, which you hope and dream is going to be profitable and growing. But what that means is that you have nothing to discount, so all of your cash flow is 5, 10, 15, 20 years out. So, the sensitivity to interest rate movements is far heavier in these stocks, but the market doesn't seem to want to recognize that, at least in the shorter term, now that you've seen a bit of a backup or an increase in yields and the dollar increasing. But I think that if our inflation scenario comes to fruition, maybe you won't see the Fed really allow the yield curve to move, but the recognition of the populace that the implied interest rate on longer term cash flows could really decimate not only a 60/40 portfolio but also these companies trading at 20x to 200x revenue.

10Y Bond Yields & Inflation Break-Even

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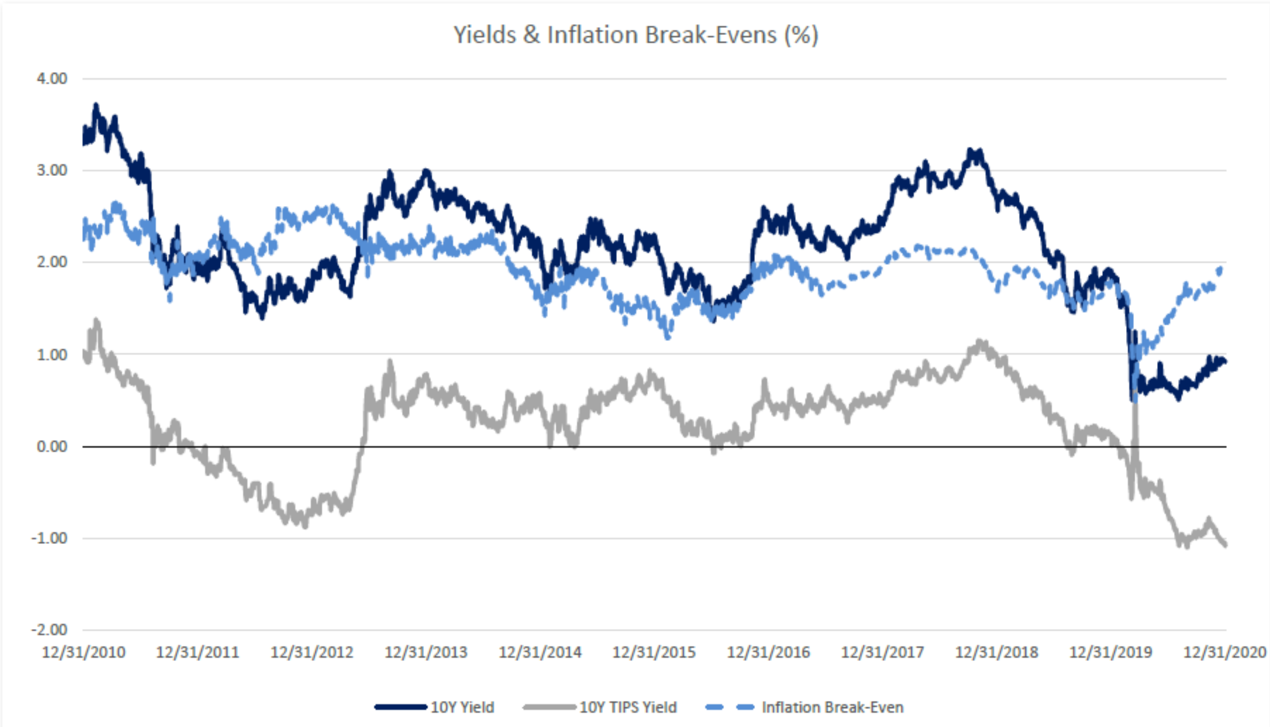

Source: FactSet

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So, moving on to Slide 6, this again goes through the inflation and inflation break-evens where I think that a big difference in the current environment is – you can see the 10-year yield in absolute terms there in dark blue, and then the TIPS yield in gray. So, the TIPS yield is about negative 100 basis points. And with the 10-year yield, you can see the inflation breakeven is about 200 basis points. So, the market is saying almost exactly what it was saying back in 2010 and throughout the entire decade. That we're pricing in the Fed's target rate of 2% inflation over the next decade. But I think what's more interesting here is that you have seen this uptick while the 10-year yield has remained fairly static. So, typically, you see these lines move a little bit more in unison or you'll see the inflation stay while the 10-year moves up. But here you see the 10-year yield move up while you also see the inflation breakeven go up. And, again, this would have very profound implications on a 60/40 portfolio when you consider even a 100 basis point shift in inflation expectations.

Nominal & Real Yields Near Zero

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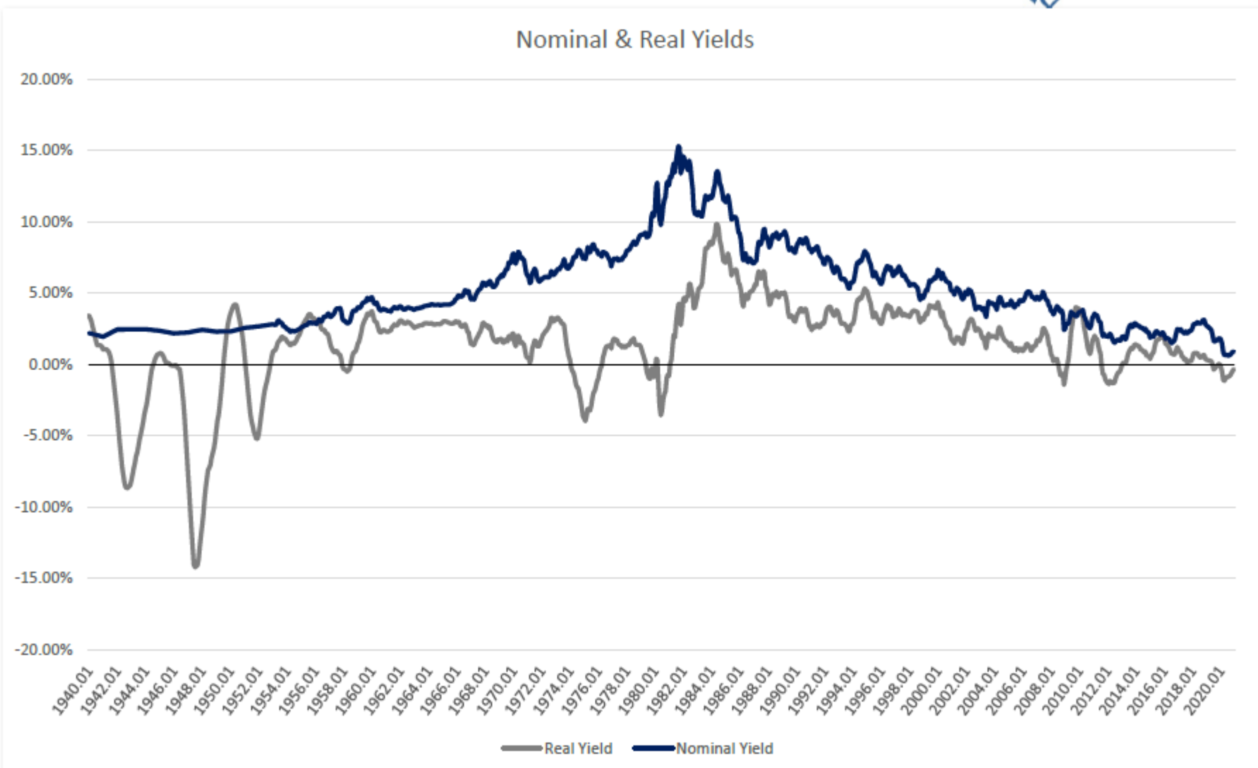

Source: Robert J. Schiller, Yale University

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So, Slide 7 goes through a history of where the nominal yield on long-term – it goes back as far as it can for the 10-year Treasury, and before that it uses a proxy for the 10-year bond calculated by Robert Schiller of Yale University[1]. And then the gray line is the real yield. So, basically, it is trailing inflation less the nominal yield on the bond. And you can see there have been a few instances where the real yield has actually been negative, but this has been more a function of extremely high interest rates, where you can see they're in the 70s when you had runaway inflation and then again in the '80s when Volker stepped in and did everything he could to break the back of inflation. You had nominal yields from 7-15%, even though on a trailing basis your real yield was negative.

We're in a truly unprecedented time; you can see in 2008, real yields went negative briefly when the 10-year was still in the freeze, and again in 2011 when we had the sovereign debt crisis in Europe. But the

[1] http://www.econ.yale.edu/~shiller/data.htm

poignant thing about today which is truly unprecedented is that the 10-year nominal yield is at the zero lower bound while your real yield is heavily negative. And that is what is causing, in my opinion, asset prices to go haywire. The thing about inflation and the thing about rates is there aren't really good historical data because the only bout of inflation in modern financial markets familiar to many people that are involved in the markets today is the '70s and '80s. Past cycles were done under very, very different monetary regimes, a very different global economy. So, it's very difficult to extrapolate the past into the present when it comes to the history of rates of inflation. But the implications of earning virtually nothing on a 10-year loan to the government and earning a heavily negative yield in real terms are obviously profound.

Commodities & Equities: 30 Years

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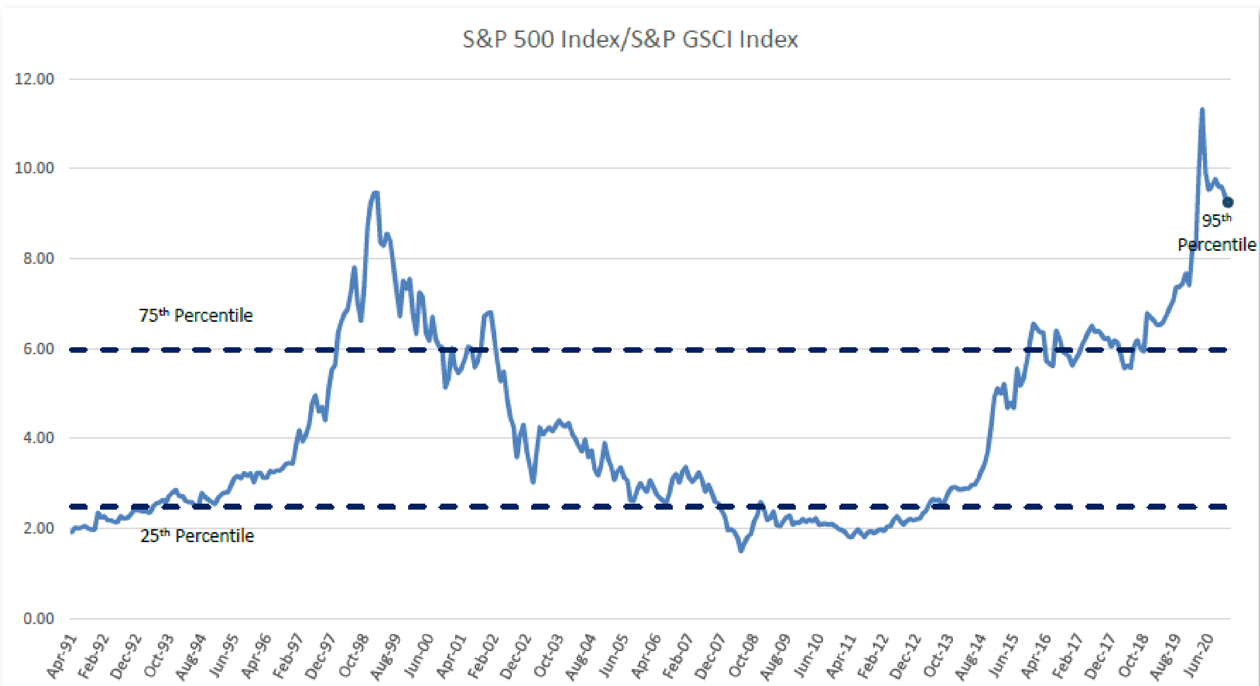

Source: Bloomberg

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So, let's move on to Slide 8. This, I think, is a really telling chart. Also, it talks about kind of the different vectors, if you will, of where inflation comes from. And this is the S&P 500 Equity Index divided by the S&P GSCI, which was once the Goldman Sachs Commodity Index going back to1991, which was its inception. So, obviously, the higher the value, the more expensive equities are relative to commodities; the lower the line, the more expensive commodities are relative to equities. And I bracketed the 25th and 75th percentile to show you the range that it typically can be in within kind of a reasonable market environment.

So, you see in the '90s, the run up of that growth versus value environment where it culminated in the tech bubble. And commodities didn't really participate in that because the world was changing, and nobody needed commodities to do any of these things. You kind of had a blow-off top rate around the 95th percentile there as the market culminated.

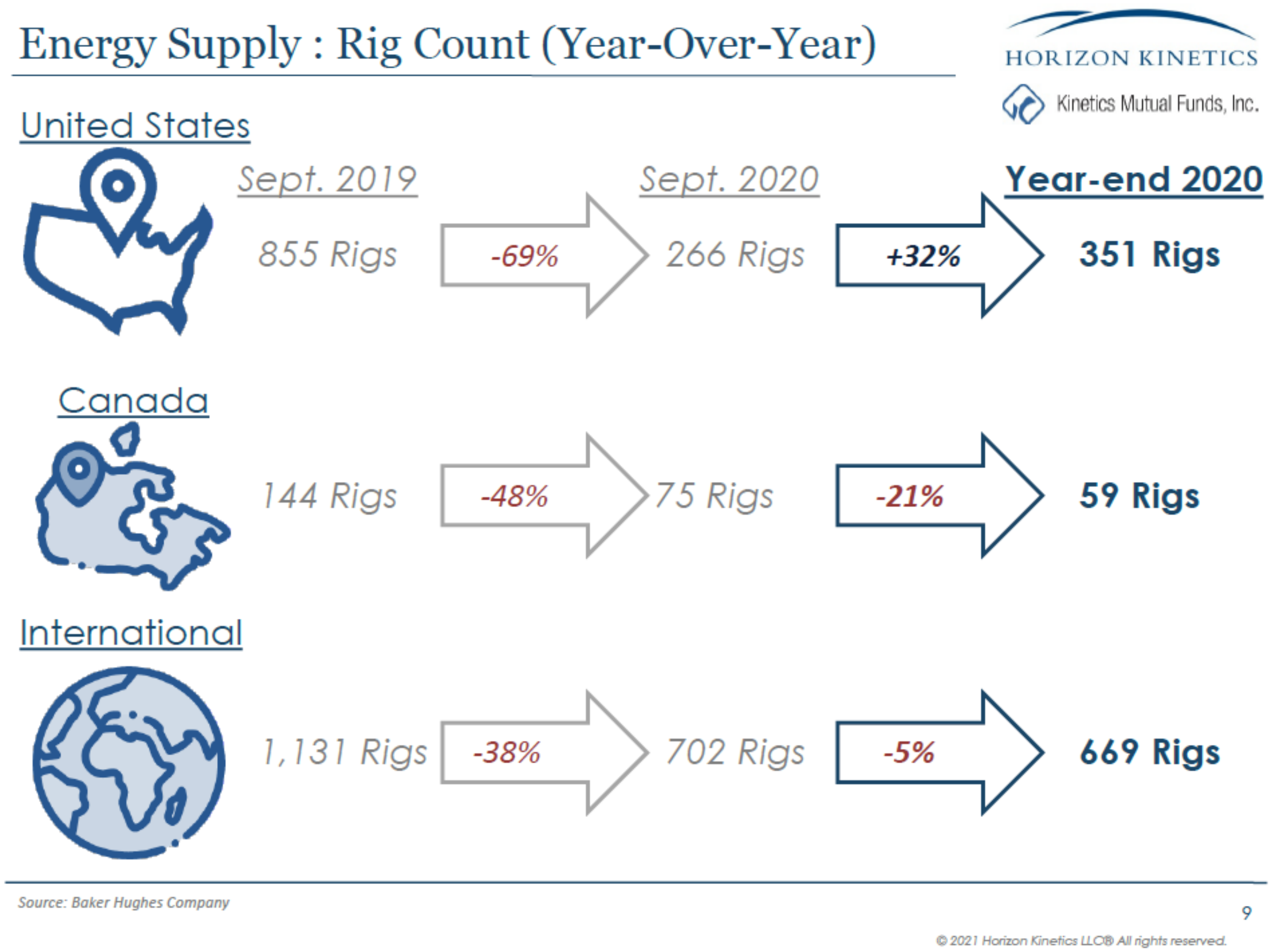
The next cycle was actually probably a good 8-10 year cycle, where if you remember the BRICs (Brazil, Russia, India, China), the growth miracle of these emerging markets that were driving global growth in terms of commodities and commodity demand, where you saw this reverse all the way down to below 2 at one point in late 2007 when you had sky-high copper, iron, and energy prices. Then it went absolutely nowhere, kind of through the recovery of the crisis. And then as equity markets reflated, as rates went to zero, you went back up to the 75th percentile for a while, which was nothing all that radical. And then with this latest advent, the collapse in energy prices and then a blow-off top in stocks, we went up to unprecedented territory. And we've recently pulled back ever so slightly just at the beginning of this year.

But, again, we're at the 95th percentile in terms of the commodity complex relative to the S&P 500 Index. I think this speaks volumes for the opportunity set in growth stocks versus that of commodities. And something that's very important when you think about inflation and inflation vectors, if you look at that chart going from 10 down to 2 from '99 to 2008, all of these global companies in iron, and copper, and nickel, and aluminum, were growing rapidly. Their cost of capital was plummeting because the world believed that the China growth engine was going to have above-trend demand for decades. And you're talking the Rio Tintos, Freeport-McMoRans, BHP Billiton, all of these massive global integrated companies; ultimately it was disastrous. Their stocks collapsed, their balance sheets were a mess. And there's been enormous consolidation, enormous retrenching. And the incremental supply since then has been virtually nil because they were very skeptical about demand ever recovering.

Now you're seeing a confluence of two massive factors: One, the shift from monetary policy where there's not much more you can do in the OECD world at interest rates of zero. Everything's going to be fiscal policy, and fiscal spending is going to go into infrastructure and individuals' pockets, which is going to drive demand for these underlying products.

Equally important, in my opinion, are the initiatives – and we'll talk more about this later in the call – of global governments and corporations to shift energy production and power generation into a green or more sustainable grid. While this is a commendable approach, it needs to be done very thoughtfully, and people need to understand the supply chain and what's required to enact these changes. But it requires an absolutely tremendous amount of copper, and nickel, and cobalt, and iron ore, and steel, and all of these base metals, and there's been no supply added for decades because of this dynamic.

So, if you look at the recent run up in iron ore, copper prices, aluminum prices, nickel, zinc, and cobalt, all of this is probably just the beginning, because right now the supply chains are constrained. But longer term, the issue is going to be whether there is even sufficient supply, period, to supply the ambitious goals of all of these governments and corporations around the world.



So, let's move on to Slide 9. This is a bit of an extension of what we were just talking about: the energy re-basement. But we showed this slide in gray in our last quarterly call. We showed the U.S. rig count, the Canadian rig count, and then the global rig count down anywhere from 38% to 70% year over year. We updated this for year-end where you can see a continued retrenchment of the Canadian rig count, a continued retrenchment of international rig counts. And this largely makes sense given the nature of the Canadian infrastructure. I think there are some great wells that are captured up there, but I think that's probably going to flat-line for a while.

Internationally, there are not a lot of opportunities to make money at $50 a barrel, let alone $60, let alone $70, and then you're seeing the people that do have the money, from BP to Total to ENI, basically deciding to build wind turbines and other types of projects instead of looking for oil. You're seeing an incremental growth, but you're still down well over 50% year over year from September '19 to year-end '20, but you did see a slightly uptick in the U.S. And I think that that's indicative of what we expect to see – U.S. Shale is probably going to be the swing producer going forward given the retrenchment of internationals. And you are seeing some profitable production. I don’t think it’s going to be enough to supply the market. And to echo Peter’s thoughts, I think that everybody’s focused on when demand sunsets and not focusing on the pretty substantial supply constraints that are probably going to be a lot more prominent and a lot more influential over the shorter term.

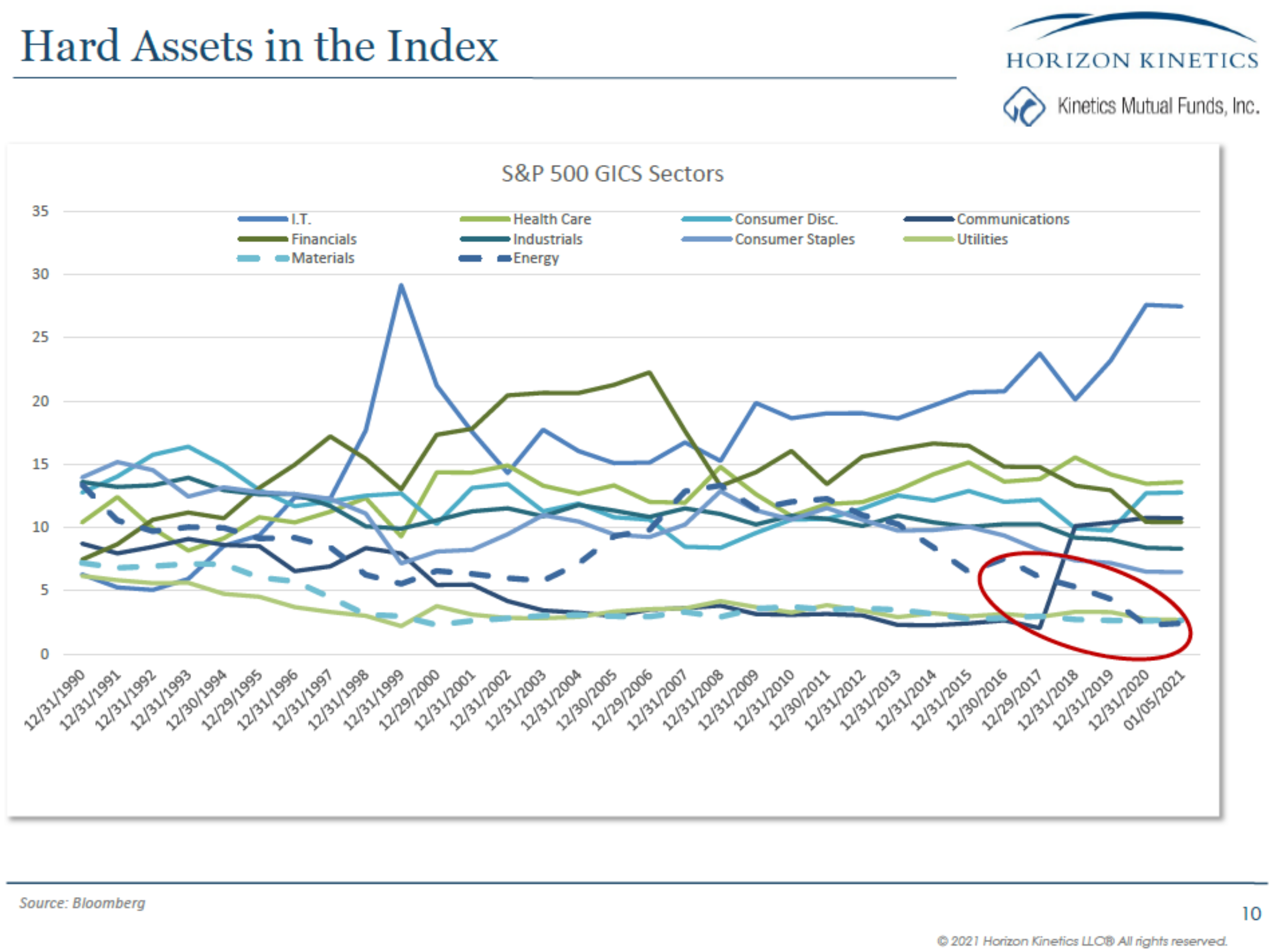
So, with that, before we go into the conclusion, I want to mention a few issues of note that I don’t think that people who aren’t intimately involved in power and energy markets would be aware of. If you were to look up today in the United Kingdom, there are a couple of things going on between cold temperatures, low wind, which is not blowing windmills, separation from Europe: so there are some shared power generation agreements. But today, the U.K. spot power prices for electricity spiked about tenfold to over a pound and a half per kilowatt hour. This compares to about 13 cents per kilowatt hour in the U.S., on average, so well over 10-15 times that amount.

Japan. If you were to look up J-POWER, the largest utility in Japan, they are facing a similar crisis where this is one of the largest developed economies in the world, and they cannot power people’s homes and businesses in Tokyo. They’re actually calling on Japanese people to stop using electricity, and they were unable to procure efficient thermal coal, and they’re actually burning fuel oil to power parts of Japan right now. Electricity prices spiked above the equivalent of $1 per kilowatt hour on January 7.

Concomitant with this, Asian LNG shipments, which are basically delivery of liquefied natural gas, which you can get in West Texas or for Henry Hub delivery for under $3 per million BTU, is being delivered in Asia as a blended benchmark above $30 per barrel; so, 10x what you can procure this gas for in the U.S. In some cases, 20x, if you can get the cheap gas in West Texas. In Korea and Japan, there have been loads of LNG that are priced at $36 per million BTU.

And also another really interesting dynamic is in China – and this is not very well recorded – there are actually rolling blackouts through a lot of the industrial part of the country because, again, their power grid is unable to provide the power that is necessary for factories and emerging types of cities and peripheral cities where they’re asking their populace to ration power in order to keep the power grid running for essential activities.

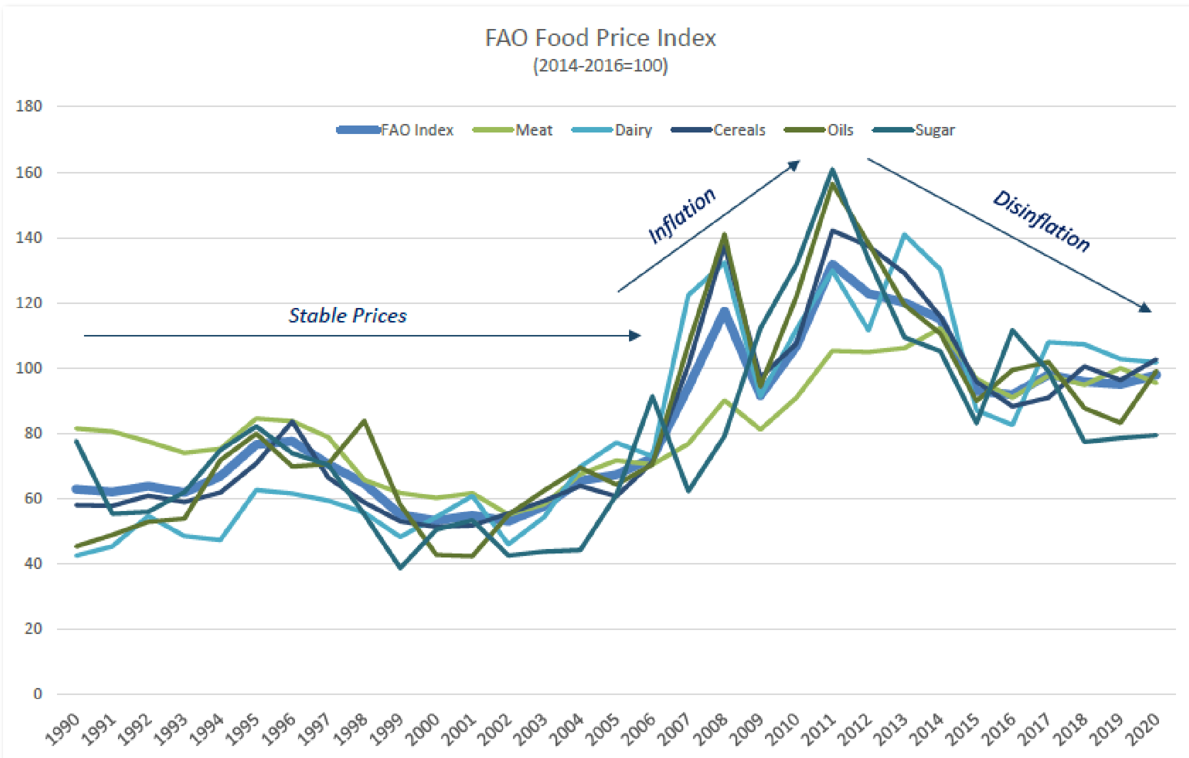
So, the point that I'm trying to make here is that while we agree wholeheartedly in looking towards a transition to a more ecofriendly world in the future, in the next decade, 20 years, 30 years, 50 years, it needs to be done very thoughtfully. And the pace with which the world has basically eschewed very clean natural gas combined cycle power generation is creating crises from the U.K. to Japan, to China. And I think that this portends well for the underlying commodities and the various producers and upstream companies that I mentioned earlier.



So, just moving on to Slide 10 to conclude, and then we can go into some questions and answers – I'm sorry, this is one more slide I thought was really interesting on inflation. So, quickly, Peter mentioned how the major indexes have virtually no exposure to inflation beneficiaries anymore. And you can see what has happened with energy. It was almost 15% of the benchmark going back to 1990. Materials were about 7.5%. Today, collectively, they're below 3%. So, if you do see inflationary exposure in your market, and you’ve got a whole bunch of technology stocks, and healthcare stocks, and consumer discretionary stocks that are highly sensitive to interest rates, then you’re really not insulated.

Food Prices: 30 Years

HORIZON KINETICS
Kinetics Mutual Funds, Inc.



Source: Food & Agriculture Organization of the United Nations

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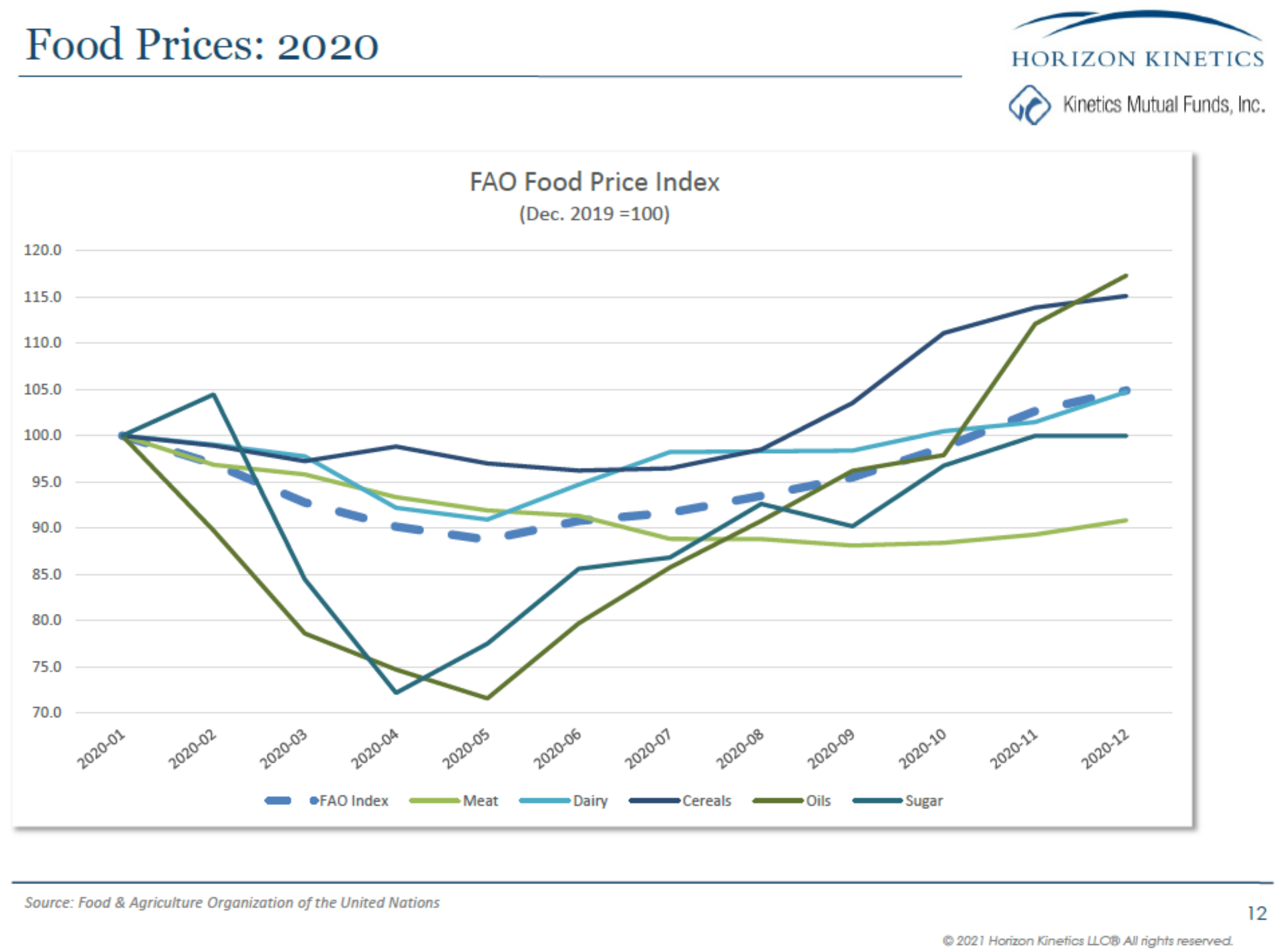
On slide 11, I think this is a really interesting gauge — a lot of people talk about consumer prices versus industrial prices. This is the United Nations FAO Food Price Index, and this again goes back to 1990. The darkest blue line shows you the aggregate and then there are the components here where pretty remarkably through all of the growth from 1990 through 2004, the prices are pretty much static. And then you saw, kind of as the emerging markets surged, you saw kind of a big boom there into 2009-2010. And then a disinflationary market where everything is retrenched, where food is one of the most critical variables and inputs into inflation worldwide. And it’s kind of remarkable there, through these disinflationary forces that prices have been this stable for this long given all of the interconnectedness and all of the growth in populations in the eastern part of the world.



So, on to Slide 12, this tells a very different story. And part of this is supply chains, but part of this is just underlying demand where the Food Index is up about 5% year to date. Meanwhile, the U.S. government is telling you that your consumer prices are up less than 2% year to date. But I think particularly of note, you can see oils, which is primarily processed vegetable oils, are up over 17% year to date, and cereal is up 15% year to date. I think even more remarkable is if you look at the bottom where vegetable oils were down about 25% to now up over 17% shows you that you're seeing inflationary forces.

In last quarter's call, we highlighted a lot of the more upstream, unprocessed types of commodities moving higher, whether it was energy, or metals, or agriculture. Here's a Finished Products Index, and I think this bodes extremely well for different types of food processors that we've been looking at: Archer-Daniels-Midland and types of businesses like that.

So, again, to conclude, before we go into the Q&A, onto the final slide. The growth stock price premium to value stocks is amongst the highest on record, and it's actually higher than the technology bubble, believe it or not. I was surprised to hear this but given what we've gone through, I think it's probably akin to the pain value investors have felt. We don't think this is going to persist indefinitely. Again, I mentioned eventually you're going to have to look at the cash that you're able to put in your pocket.

Conclusion

HORIZON KINETICS
Kinetics Mutual Funds, Inc.

- Growth stock price premium to value stocks is amongst the highest on record, and 10-year trailing performance spread is greater than 1990-2000 technology bubble
  - This is unlikely to persist indefinitely hence we are emphasizing quality "value" stocks with durable businesses and balance sheets
- Inflationary forces are mounting, as short-term interest rates and inflation expectations are rising
  - The rate sensitivity of both equities and bonds is not properly recognized or priced into asset prices
- Commodity prices remain depressed on an absolute basis, and near a record basis relative to equities.
  - Global supply chains and commodity demand drivers have shifted significantly, and "inflation beneficiary" companies are attractively priced

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We think value stocks with durable businesses and durable balance sheets are probably going to be a really attractive allocation for the next ten years. And when is this going to truly shift? I'm not sure. I think once you start seeing a sustained reopening of the global economy, maybe people and investors are going to start to anchor their valuations and their expectations in reality instead of dreams.

Inflationary forces are absolutely mounting as short-term interest rates are starting to bump up and inflation expectations are rising. The rate sensitivity of a common portfolio of equity and bonds is not properly appreciated today. Where if we were to have, let's say, a 3% average inflation rate, which doesn't sound that extreme from a breakeven of 2% a year in the TIPS market, that is wildly destabilizing to investment-grade bonds with an average maturity of 7-10 years of the Bloomberg Barclays US Aggregate Bond Index. Government bonds are even longer. And then growth stocks trading at, in a blue sky scenario, 30 times forward earnings. That extra 100 basis points would be extremely destabilizing in terms of a purely valuation mechanic, forgetting even the increased input costs in terms of their cost of goods sold in SG&A expense.

Finally, commodity prices remain depressed on an absolute basis and are near a record low basis, relative to equities. Global supply chains and commodity demand drivers have shifted significantly. We think that the inflation beneficiary companies are going to have a very attractive run over the next decade-plus.

So, with that, I'll conclude my comments. Actually, I had one quote that I thought was really interesting. This goes back to the 1800s and a French economist and businessman, Richard Bastiat, about inflation: "When false money, under whatever form it may take, is put into circulation, depreciation will ensue and manifest itself by the universal rise of everything that is capable of being sold. But this rise in prices is not instantaneous and equal for all things. Sharp men, brokers, men of business will not suffer by it, for it is their trade to watch the fluctuation of prices, to observe the cause and even speculate upon it. But little tradesmen, countrymen and workmen will bear the whole weight of it. The rich man is not any richer for it but the poor man becomes poorer by it." I think that's a very applicable quote and observation of inflation and something that is good context for what's happening today and going forward.

Chris Bell: Well, thank you, James. That's a great quote. We'll open it up to questions now. If you'd like to type in your question, Agustin will proctor the questions and pass them onto us. James, I had two questions from a couple of people. Given the fact that oil prices in the third quarter averaged in the high $30s, and with oil prices here in sort of the low $50s, can you talk about the difference between where you think the earnings of TPL will be? And then, secondly, can you respond to whether there are any new holdings or anything going on specifically that you'd like to talk about?

James Davolos: First, regarding the earnings, I don't want to comment on the earnings sensitivity of any individual company in this format. Honestly, we don't really try to forecast individual quarterly earnings. Suffice it to say, the strong recovery in energy prices should be a boon to pricing both in terms of volume as well as realized price per barrel and then the ancillary activity. I do think it's going to be a slow burn for the U.S. recovery. And this is a good thing long term because these companies don't have the capital that they once did. And so there's a lot of private equity capital that's stuck in the basin, and there are a lot of other operators, even large and midsize, that don't have the capital or the wherewithal to continue growing.

And I think that the longer term setup is improved by the restraint and the capital deprivation of companies that are in the Permian. But you are starting to see the rig count recovery that's focused in the Permian. You're seeing the price recovery. I think, in due course, that's all going to accrue down to the bottom line and when you look at a rolling 12-month earnings figure, it's going to be far more attractive.

In terms of new positions, I think that we've discussed a variety of these types of positions, whether it be in financial exchanges, that have derivative exposure to inflation dynamics, data companies, royalty companies, things like that continue to be a large focus in the funds, and we continue to look at more and more unique ways to try to find value in this difficult market.

Chris Bell: Thank you for that, James. Agustin, do you have any questions?

Agustin Krisnawahjuesa: We have a few lined up here. First is a request for any update on TPL, James?

James Davolos: Sure. I think obviously everybody saw the news where something that we've been advocating for going on two years now has been modern corporate governance and disclosure and transparency. And effective this week, the Trust converted into a modern C-Corp with a modern board. You can make your own interpretations of what that means, but obviously there's a lot of required oversight and transparency. We are delighted to have Murray Stahl and Eric Oliver on the board. I think that they're as capable as anybody to see this company through to its ultimate value. And I would expect a lot more information from the company and shareholder-oriented actions and activities over the coming year.

Agustin Krisnawahjuesa: Great. And also any update on Civeo?

Peter Doyle: So, we've been very pleased with the progress that's being made there. Civeo has started taking the cash flow and paying down debt. Our belief is that they're going to continue to do those things to enhance shareholder value. And so we're very pleased with what we've seen, and we're long-term holders of it. And similar to some of the things that we talked about during our call here, they are going to be the beneficiary potentially of rising energy prices and the ability to basically put housing and things like that out there.

Agustin Krisnawahjuesa: Thank you, Peter. The next question is related to gold. Can we share our point of view on gold and how it is currently incorporated in the mutual funds?

Peter Doyle: Sure. So, we own gold through the royalty companies. And the royalty companies, if you look at the business characteristics of the royalty companies, they're among the best in the world, bar none. And they derive their value from the asset itself, but there's very little in the way of operational cost or employees. If the price of gold goes higher, many of these companies get higher royalty payments, and it falls right to the bottom line. They can buy back shares, they can buy more royalties, and they can increase their dividends. So, all of that is not changing and that dynamic is very attractive.

The price of gold, in my opinion, will rise because one of the biggest inputs for gold is the cost of extraction – how much does it cost to mine an ounce of gold? And if you get a rise in oil prices, the price of gold is likely to basically rise in sympathy of that. I would say that, from a technical standpoint, cryptocurrency now has become something of a rival. And what I'm seeing from absolute return managers, people that have gold and cash, etc., in their portfolios, they're taking some of that risk budget that they have and let's say they allocate 10%, 12% to gold, they're starting to shift a little bit of that and move it into cryptocurrency. So, you're seeing that the price of many gold stocks in the recent past have actually been a little bit weak, and I think that you can probably trace it more to the technical analysis.

Longer term, if you think inflation is coming back, it's going to be one of the better stores of value. So, we're still holding our positions but we're not holding the operators; we're holding the royalty companies.

Agustin Krisnawahjuesa: A question comes in regarding inflation. Do we need velocity of money to increase before we see it next in inflation?

James Davolos: It depends on what you believe inflation is. I think that to hit the Fed measure of CPI, which is fungible and subject to hedonic adjustments, you will need some increase in the velocity of money. But I think that when that is going to hit is going to be a function of the fiscal policies getting into the pockets of median households — their propensity to spend is far higher than that of the top .1%, 1%, 3%, 5%, 10% households.

But going back to Milton Friedman, Milton Friedman believes that inflation is a monetary phenomenon. The more money in the system, the more inflation you get. But I think that the second step to that is it's also a psychological phenomenon. Where prices didn't really go wild in the '70s until the OPEC oil embargo when the average person realized that the dollar in their pocket was declining every single night when they went to bed and it was worth less when they woke up the next day.

So, it's a monetary phenomenon and a psychological phenomenon. But earlier on, going upstream of those CPI figures, you've already seen radical, I would argue, hyperinflation in asset prices. A zero percent 30-year bond in Switzerland and other places – that's hyperinflation of assets. Same thing with growth stocks trading at 200 times revenue. Same thing with all of these other asset prices. You're starting to see the inflation vectors and the store of value in various types of source commodities. But if you look at those charts that we presented, it's far earlier in the innings than you are in the financial assets inflation. Peter, I don't know if you have anything to add to that.

Peter Doyle: So, yeah. And the way we've been looking at it over the years is, you know, we're looking at the M2. And coming out of the financial crisis of '08-'09, a lot of the quantitative easing that went along with that was parking assets on banks' balance sheets and allowing the banks to recapitalize. More recently what you saw is you saw stimulus checks, you saw PPP loans, you saw – that ultimately became grants, you saw additional stimulus checks, you're talking about more stimulus checks in the future, you're talking about fiscal spending. So, you're seeing these fiscal deficits now where the government is essentially printing up money. And the 24% rise in M2, that's inflationary. And never in the history of mankind have you been able to increase the money supply like that and have a debt burden the way we have without experiencing significant inflation.

And it just depends where you look, as James pointed out. If you look at financial assets, they are inflated tremendously. You look at high-quality healthcare, you look at homes in desirable locations, there's tremendous inflation. Has it hit in other areas? No, it hasn't hit in technology. The cost of electronic goods is coming down. There was the ability to outsource to China that seems to be going away, that may bring kind of the more pedestrian goods into inflationary waves.

So, there's no question that there's inflation. So, if you talk to the typical residents of Japan, of Tokyo, they'll tell you that the stock market hasn't recovered from the 1980s, and they'll tell you that there's no inflation. But try to buy an apartment in Tokyo. You can't afford it because it's inflated. The value is just insane. So, inflation really travels through the economy, and it hits different assets and different goods in different ways.

What you haven't seen is kind of the – as James pointed out – the reported numbers ticking up much. But I think that could change. And a lot of that has to do with the price of energy. If you're looking for and have concerns about inflation, if there's a real shock to the price of energy and the price of a barrel of oil goes up, energy is used in over 6,000 products from the golf balls people play golf with, to the roads that you travel on, to the plastic that's used in food products, to packaging. That will have a very significant inflationary impact. And, again, the lack of investment over the last decade-plus in finding reserves and building and replacing current production is likely to lead that to happen. So, we have it currently and it may be much more visible in other products in the not too distant future.

Chris Bell: Thank you, Peter. Thank you, James. Thank you, Agustin. We're just passing an hour now, so why don't we wrap it up here. Do you have any closing advice?

Peter Doyle: Well, I would say there have been two times in my investment career where I kind of thought I had a pretty good view into the future as to how I believed our funds were going to perform. That was coming out of the tech crisis, the internet bubble crisis coming in the 2002 area. And I looked at our investments and I said, you know, relative to how we've valued it and the returns on investment that the companies that we owned were being valued, we were going to outperform in a dramatic fashion. And over the next 5-10 years, that is exactly what occurred.

We've had the wind in our face for a decade as a result of money moving into ETFs for that holistic solution that I think people are going to realize is no longer a holistic solution, and neither is money moving into growth investments. That's about to unwind, in my opinion. And I think that what we own and the exposure that we have and how it's valued right now is incredibly attractive relative to what's available in the world. And I think our position in cryptocurrency is also going to be a big boost. Not on a month-to-month basis but longer term. That's going to allow our funds to do, in my opinion, incredibly well.

So, I'm about as excited as I've ever been from an investment standpoint, and it's because of those two dynamics.

Chris Bell: Wow. Thank you, Peter. I remember that period well and certainly liked the outcome in the aftermath. Well, that'll wrap it up for us today. I'd like to thank everyone for joining us. Again, the call was recorded so if you missed portions of it, we will be able to send you a replay as well as a transcript. So, thank you very much and have a good day.

[END]

The Kinetics Alternative Income Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Management Team

Murray Stahl
Chief Investment Officer
42 years of management experience
Co-Manager of Fund since 2012

Matt Houk
Co-Portfolio Manager
15 years of management experience
Co-Manager of Fund since 2015

Class Information

Class	Ticker	Cusip	12b-1 fee
Adv. A	KWIAX	494613714	0.50%
Adv. C	KWICX	494613698	1.00%
Inst.	KWIIX	494613680	-
No Load	KWINX	494613722	-

Fund Characteristics

Total Net Assets	$12.7 million
Total Number of Positions*	4
Turnover Ratio	0.00%
Minimum Purchase	$2,500

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

Portfolio Allocation

Cash and Cash Equivalents	52.7%
Other Investments	47.3%

www.kineticsfunds.com

Alternative Income Fund Overview

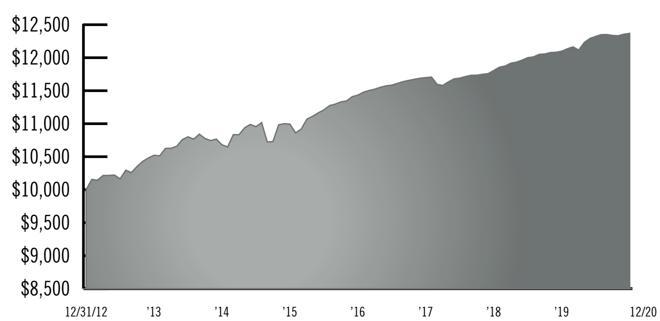
- A two-part investment strategy focused on generating income and capital gains in excess of traditional short duration, investment grade fixed income indexes.
- The strategy primarily invests in a diversified portfolio of short-term, investment grade bonds with an emphasis on liquidity, diversification, and lower interest rate or duration risk (1-3 years).
- A conservative equity option strategy supplements bond portfolio income via the collection of option premiums. Option exposures are allocated broadly across quality companies and indexes/exchange traded funds. The investment adviser seeks to mitigate incremental risks by selecting option strike prices that are below their underlying stock prices (out-of-the-money) and by limiting option notional exposures.

Historical Total Return (No-Load Class) as of 12/31/20

	2013	2014	2015	2016	2017	2018	2019	2020	Since 1/1/13
Fund (KWINX)	5.22%	1.50%	2.94%	4.00%	2.32%	0.92%	2.47%	2.23%	2.69%
Bloomberg Barclays US Agg. Bond Index	-2.02%	5.97%	0.55%	2.65%	3.54%	0.01%	8.72%	7.51%	3.30%
Bloomberg Barclays 1-3 Year US Credit Index	1.45%	1.12%	0.85%	2.11%	1.66%	1.64%	5.01%	3.69%	2.18%

Growth of $10,000 Returns

$12,369



Statistics

	Fund	Barclays Agg.
Beta	0.07	1.00
Standard Deviation	2.04	3.08
Sharpe Ratio	0.96	0.83

Equity Option Overview

Option Statistics

Notional % of Portfolio with Put Options	0
Average Life of Options (days)	N/A
Average Option % Moneyness	N/A
Average Option Delta	N/A

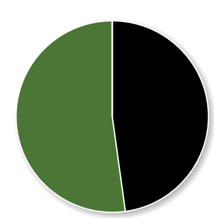
Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	0.71
Average Maturity (years)	0.74

Credit Quality (%)

Cash	52.7%
A	47.3%



The Kinetics Alternative Income Fund

4Q 2020

Performance (No-Load Class)

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
			Annualized Returns as of 12/31/20				
Alternative Income Fund (KWINX)	0.26%	2.23%	2.23%	1.87%	2.38%	2.60%	0.73%
Bloomberg Barclays US Agg. Bond Index	0.67%	7.51%	7.51%	5.34%	4.44%	3.84%	4.59%
Bloomberg Barclays 1-3 Year US Credit Index	0.57%	3.69%	3.69%	3.44%	2.81%	2.29%	3.12%

The Alternative Income Fund No Load Class inception date is 6/29/07. Performance prior to 1/1/13 reflects the Fund's prior investment objective and restrictions and may not be indicative of the Fund's prospective results. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 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 30 days or less after you purchase them.

Expense Ratios by Share Class

	Adv. A	Adv. C	No Load	Inst.
Gross	2.31%	2.81%	2.06%	2.01%
Net	1.25%	1.75%	1.00%	0.80%

The Gross expense ratios listed are as of 12/31/2019 as reported in the 4/29/2020 prospectus. The Fund's adviser 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, 2021 and may be discontinued at any time by the Fund's adviser after May 1, 2021.

Definitions:

Average Put Option % Moneyness: % moneyness refers to a put option's strike price relative to the price of its underlying security in percentage terms. The average put option % moneyness is the average % moneyness for the option exposures weighted by each option's % of notional exposure. In-the-money (ITM) refers to a put option with a strike price that is above the underlying security's price. At-the-money (ATM) refers to a put option with a strike prices that is equal to the underlying security's price. Out-the-money (OTM) refers to a put option with a strike price that is below the underlying security's price. For example, a put option that is 5% OTM has a strike price that is 5% below the underlying security's price and a put option that is 5% ITM has a strike price that is 5% higher than the underlying security's price. **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 starting 12/31/12. **Delta:** A statistical measure relating the changes in an option's price to price changes of the option's underlying security. **Notional % of Portfolio with Put Options:** Represents the aggregate notional value of all written put options (strike price multiplied by the number of contracts) as a percentage of the portfolio's net assets, as of the stated date. **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 starting 12/31/12 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 starting 12/31/12. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period.

This Fund is classified as diversified; however, asset allocation/diversification does not guarantee profit or eliminate risk of loss.

Factsheet statistics that rely on Fund data prior to January 1, 2013 will reflect the Fund's prior investment objective and restrictions and may not be indicative of the Fund's current positioning or prospective results.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares on 12/31/2012 in commencement with the investment objective change on that date. It assumes reinvestment of capital gains and dividends. This chart is not intended to imply any future performance.

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.

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.

Past performance does not guarantee future results. 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 30 days or less after you purchase them. 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 1-3 Year Credit Index measures the performance of investment grade corporate debt and sovereign, supranational, local authority, and non-US agency bonds that have a remaining maturity of at least one year and less than three years. Both Bloomberg indices are trademarks of Bloomberg. An investor cannot invest directly in an index.

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Kinetics Mutual Funds, Inc.
We Do *Our* Research

The Kinetics **Global** Fund

4Q 2020

Horizon Kinetics Asset Management LLC

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- Oversees investments in mutual funds, separate accounts and alternative products.
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Portfolio Managers

Murray Stahl
Chief Investment Officer
42 years of management experience
Co-Manager of Fund since 2011

Steve Tuen, CFA
Co-Portfolio Manager
31 years of management experience
Co-Manager of Fund since 2003

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KGLAX	494613631	0.50%	1.84%	2.98%
Adv. C	KGLCX	494613623	1.00%	2.34%	3.48%
No Load	WWWEX	494613805	-	1.59%	2.73%

Fund Characteristics

Total Net Assets	$20.4 million
Total Number of Positions*	37
Turnover Ratio	8.00%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Cash and Cash Equivalents	41.9%
Common Stocks	33.6%
Unit Investment Trust	24.4%
Preferred Stocks	0.1%

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Global Fund Overview

- Global Fund focuses on classic value investment opportunities worldwide with at least 40% of net assets in companies located outside the U.S.
- Seeks to identify unique business models with pricing dislocations
- On March 11, 2008 the Fund changed its name and investment mandate from the Internet Emerging Growth Fund to the Global Fund.

Performance (No-Load Class)

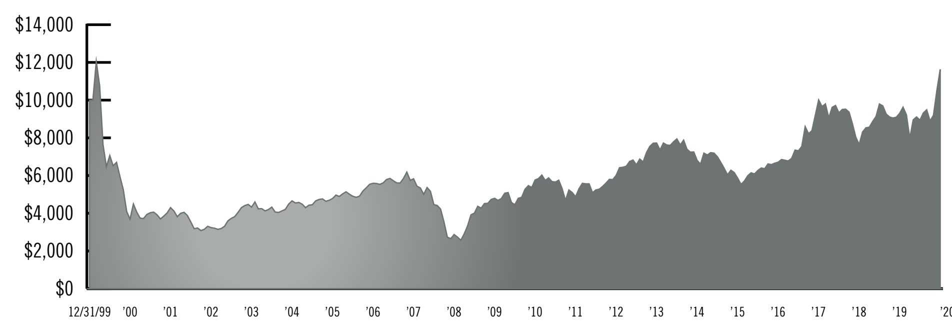
Annualized Returns as of 12/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWEX)	30.71%	25.00%	25.00%	5.12%	14.67%	7.27%	5.91%	0.72%
S&P 500 Index	12.15%	18.40%	18.40%	14.18%	15.22%	13.88%	7.47%	6.61%
MSCI ACW Index	14.68%	16.25%	16.25%	10.06%	12.26%	9.13%	6.12%	5.05%

The Global Fund No Load Class inception date is 12/31/99. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 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 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$11,631



Top 10 Holdings (%) as of 12/31/20

Grayscale Bitcoin Trust	24.5%
Texas Pacific Land Trust	10.3%
CACI International, Inc. - Class A	4.5%
Franco-Nevada Corporation	2.2%
Wheaton Precious Metals Corporation	2.0%
Clarkson plc	2.0%
Galaxy Digital Holdings Ltd.	1.8%
Mesabi Trust	1.7%
The Boeing Company	1.7%
Civeo Corp.	1.3%

Statistics

	Fund	S&P 500
Beta	0.95	1.00
Standard Deviation	21.79	15.19
Up Market Capture Ratio	0.88	-
Down Market Capture Ratio	1.09	-
Sharpe Ratio	-0.04	0.33
Weighted Avg. Mkt. Cap. ($mil)	$15,319	$489,378
Median Market Cap. ($mil)	$2,569	$25,746
Price to Book	2.87	4.00
Price to Earnings	21.85	29.05
Return on Equity	37.46%	26.15%
Active Share	99.22%	-

The Kinetics **Global** Fund

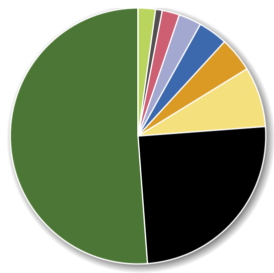
4Q 2020

Historical Total Return (No-Load Class) as of 12/31/20

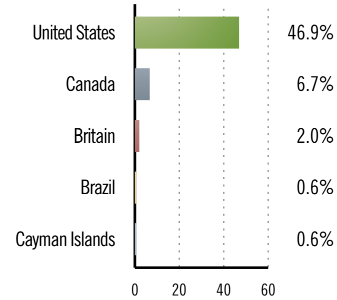
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (WWWEX)	-63.10%	16.53%	-24.65%	33.56%	7.67%	2.65%	16.90%	4.27%	-50.72%	66.86%	20.30%	-15.41%	23.16%	28.59%	-11.89%	-13.83%	14.40%	49.20%	-23.58%	21.61%	25.00%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	18.40%
MSCI ACW Index	-14.21%	-16.21%	-19.32%	33.99%	15.23%	10.84%	20.95%	11.66%	-42.20%	34.63%	12.67%	-7.35%	16.13%	22.80%	4.16%	-2.36%	7.86%	23.97%	-9.42%	26.60%	16.25%

Top 10 Sectors (%)

Finance and Insurance	30.3%
Mining, Quarrying, and Oil and Gas Extraction	14.8%
Professional, Scientific, and Technical Services	4.5%
Transportation and Warehousing	2.6%
Management of Companies and Enterprises	2.2%
Manufacturing	1.7%
Accommodation and Food Services	1.3%
Machinery Manufacturing	0.5%
Real Estate and Rental and Leasing	0.3%
Real Estate	0.0%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **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. **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 since inception. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **Return on Equity:** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **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 since inception 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 since inception. **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 since inception. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

The Gross expense ratios listed are as of 12/31/2019 as reported in the 4/29/2020 prospectus. The Fund's adviser 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, 2021 and may be discontinued at any time by the Fund's adviser after May 1, 2021.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

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 (12/31/99). 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. Equity 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 10 Sectors and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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 Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The MSCI ACWI (All Country World Index) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assumes that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc.
We Do *Our* Research

The Kinetics **Internet** Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
42 years of management experience
Co-Manager of Fund since 1999

Peter Doyle
Senior Portfolio Manager
35 years of management experience
Co-Manager of Fund since 1999

James Davolos
Co-Portfolio Manager
15 years of management experience
Co-Manager of Fund since 2010

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KINAX	494613862	0.50%	2.34%	2.34%
Adv. C	KINCX	494613763	1.00%	2.84%	2.84%
No Load	WWWFX	460953102	-	2.09%	2.09%

Fund Characteristics

Total Net Assets	$173.5 million
Total Number of Positions*	31
Turnover Ratio	1.00%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Common Stocks	41.9%
Unit Investment Trust	39.5%
Cash and Cash Equivalents	18.6%

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Internet Fund Overview

- A fund that invests in undervalued companies participating in the growth of the Internet.
- Focused not only on investing in traditional technology companies, but also those that provide new kinds of services or products made possible by development or improvement of Internet-related technologies within a variety of sectors.
- Favor companies with strong alignment of interest and high barriers to entry, such as growing information library, scalability and network/adoption.

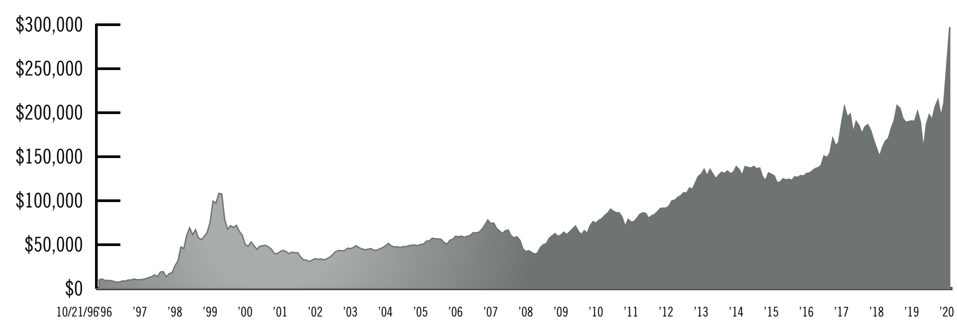
Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 12/31/20 1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWFX)	51.80%	56.42%	56.42%	12.86%	18.35%	14.35%	9.52%	15.05%
S&P 500 Index	12.15%	18.40%	18.40%	14.18%	15.22%	13.88%	7.47%	9.17%
NASDAQ Composite Index	15.41%	43.64%	43.64%	23.13%	20.81%	17.12%	8.61%	10.17%

The Internet Fund No Load Class inception date is 10/21/96. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 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 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$297,417



Top 10 Holdings (%) as of 12/31/20

Grayscale Bitcoin Trust	39.6%
Texas Pacific Land Trust	8.8%
PayPal Holdings, Inc.	8.1%
CACI International, Inc. - Class A	4.2%
Visa, Inc. - Class A	2.6%
OTC Markets Group, Inc. - Class A	2.3%
Alphabet, Inc. - Class A	1.8%
Alphabet, Inc. - Class C	1.8%
MarketAxess Holdings, Inc.	1.6%
MasterCard, Inc. - Class A	1.4%

Statistics

Statistics	Fund	S&P 500
Beta	1.22	1.00
Standard Deviation	29.87	15.48
Up Market Capture Ratio	1.40	-
Down Market Capture Ratio	1.17	-
Sharpe Ratio	0.42	0.46
Weighted Avg. Mkt. Cap. ($mil)	$111,781	$489,378
Median Market Cap. ($mil)	$8,805	$25,746
Price to Book	4.04	4.00
Price to Earnings	24.47	29.05
Return on Equity	41.32%	26.15%
Active Share	93.22%	-

The Kinetics **Internet** Fund

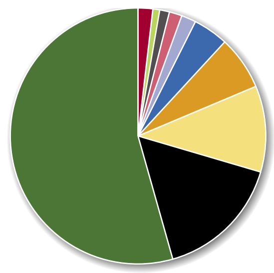
4Q 2020

Historical Total Return (No-Load Class) as of 12/31/20

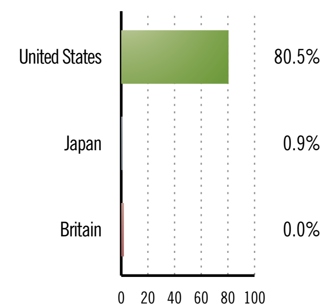
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (WWWFX)	-51.49%	-9.62%	-23.44%	40.11%	10.06%	-1.69%	16.49%	26.81%	-42.24%	48.61%	21.18%	-1.98%	23.24%	44.28%	-0.16%	-5.42%	2.59%	57.43%	-27.32%	26.45%	56.42%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	18.40%
NASDAQ Composite Index	-39.29%	-21.05%	-31.53%	50.01%	8.59%	1.37%	9.52%	9.81%	-40.54%	43.89%	16.91%	-1.80%	15.91%	38.32%	13.40%	5.73%	7.50%	28.24%	-3.88%	35.23%	43.64%

Top 10 Industries (%)

Sec., Cmmdty Contracts, and Other Fin. Inv. and Rel. Act.	44.0%
Data Processing, Hosting, and Related Services	13.0%
Oil and Gas Extraction	8.8%
Aerospace and Defense	5.5%
Other Information Services	3.6%
Other Telecommunications	1.5%
Credit Intermediation and Related Activities	1.3%
Professional, Scientific, and Technical Services	1.0%
Spectator Sports	0.7%
Management of Companies and Enterprises	0.5%



Top Countries (%)



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Holdings are expressed as a percentage of total net investments and may vary over time. Equity 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 10 Industries and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. 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. Furthermore, Internet stocks are subject to a rate of change in technology obsolescence and competition that is generally higher than that of other industries, and have experienced extreme price and volume fluctuations. 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 Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The NASDAQ Composite (NASDAQ) and the Standard & Poor's 500 Index (S&P 500) each represent an unmanaged, broad-based basket of stocks. They are typically used as a proxy for overall market performance. NASDAQ Composite returns stated above do NOT include reinvested dividends, while the S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Kinetics Mutual Funds, Inc

We Do *Our* Research

The Kinetics **Market Opportunities** Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
42 years of management experience
Co-Manager of Fund since inception (2006)

Peter Doyle
Senior Portfolio Manager
35 years of management experience
Co-Manager of Fund since inception (2006)

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KMKAX	494613771	0.50%	1.76%	2.20%
Adv. C	KMKCX	494613730	1.00%	2.26%	2.70%
Inst.	KMKYX	494613615	-	1.31%	1.90%
No Load	KMKNX	494613789	-	1.51%	1.95%

Fund Characteristics

Total Net Assets	$96.5 million
Total Number of Positions*	45
Turnover Ratio	2.00%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Common Stocks	47.5%
Cash and Cash Equivalents	32.1%
Unit Investment Trust	19.9%
Preferred Stocks	0.3%
Other Investments	0.2%

www.kineticsfunds.com

Market Opportunities Fund Overview

- U.S. focused global fund invests in companies engaged in capital markets related activities and services, which trade at attractive valuations.
- Investments are focused on companies that generally benefit from increasing transactional volume or facilitating financial transactions without employing financial leverage or risking their own capital.
- Such companies tend to have high operating leverage, high returns on equity and scalability.

Performance (No-Load Class)

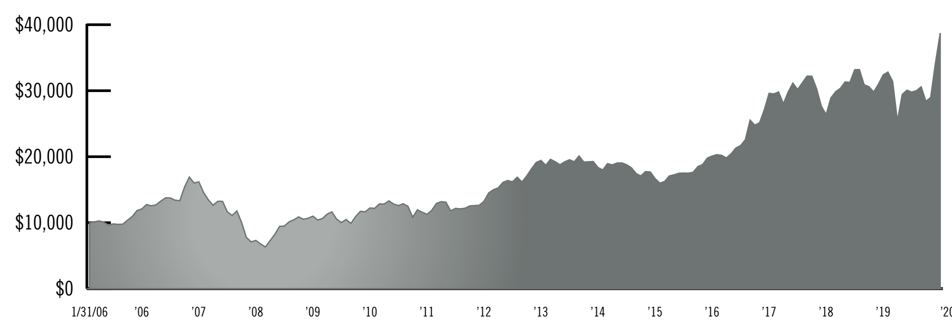
Annualized Returns as of 12/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Fund (KMKNX)	36.46%	19.55%	19.55%	9.37%	18.34%	12.21%	9.50%
S&P 500 Index	12.15%	18.40%	18.40%	14.18%	15.22%	13.88%	9.75%
MSCI EAFE Index	16.05%	7.82%	7.82%	4.28%	7.45%	5.51%	4.09%

The Market Opportunities Fund No Load Class inception date is 1/31/06. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 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 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$38,728



Top 10 Holdings (%) as of 12/31/20

Texas Pacific Land Trust	27.4%
Grayscale Bitcoin Trust	20.0%
DREAM Unlimited Corp.	2.3%
Visa, Inc. - Class A	1.8%
Partners Value Investments LP	1.8%
IntercontinentalExchange Group, Inc.	1.5%
MasterCard, Inc. - Class A	1.5%
Associated Capital Group, Inc. - Class A	1.4%
Clarkson plc	1.2%
CME Group, Inc.	1.1%

Statistics

	Fund	S&P 500
Beta	1.11	1.00
Standard Deviation	20.58	15.15
Up Market Capture Ratio	1.13	-
Down Market Capture Ratio	1.16	-
Sharpe Ratio	0.41	0.57
Weighted Avg. Mkt. Cap. ($mil)	$31,956	$489,378
Median Market Cap. ($mil)	$4,335	$25,746
Price to Book	3.53	4.00
Price to Earnings	17.47	29.05
Return on Equity	53.77%	26.15%
Active Share	97.25%	-

The Kinetics **Market Opportunities** Fund

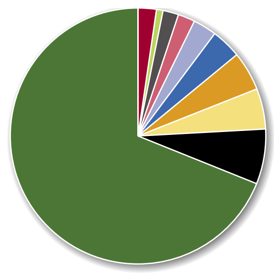
4Q 2020

Historical Total Return (No-Load Class) as of 12/31/20

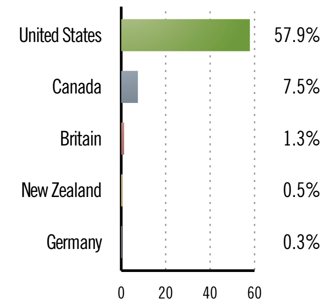
	2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (KMKNX)	20.85%	34.03%	-54.83%	50.21%	11.31%	-7.85%	17.52%	46.74%	-5.55%	-9.11%	20.45%	47.28%	-10.86%	22.76%	19.55%
S&P 500 Index	10.80%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	18.40%
MSCI EAFE Index	20.97%	11.17%	-43.38%	31.78%	7.75%	-12.14%	17.32%	22.78%	-4.90%	-0.81%	1.00%	25.03%	-13.79%	22.01%	7.82%

Top Industries (%)

Sec., Cmmdty Contracts, and Other Fin. Inv. and Rel. Act.	41.7%
Data Processing, Hosting, and Related Services	4.2%
Other Investment Pools and Funds	3.1%
Management of Companies and Enterprises	3.0%
Mining (except Oil and Gas)	2.3%
Securities and Commodity Exchanges	1.8%
Real Estate	1.3%
Support Activities for Water Transportation	1.2%
Diversified Financials	0.5%
Funds, Trusts, and Other Financial Vehicles	0.4%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **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. **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 since inception. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **Return on Equity:** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **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 since inception 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 since inception. **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 since inception. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

The Gross expense ratios listed are as of 12/31/2019 as reported in the 4/29/2020 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, 2021 and may be discontinued at any time by the Fund's adviser after May 1, 2021.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

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 (1/31/06). 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. Equity 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 10 Industries and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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.

As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. 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 Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc

We Do *Our* Research

The Kinetics **Medical** Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Paul Abel
Co-Portfolio Manager
21 years of management experience
Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
35 years of management experience
Co-Manager of Fund since inception (1999)

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KRXAX	494613847	0.50%	1.64%	2.59%
Adv. C	KRXCX	494613755	1.00%	2.14%	3.09%
No Load	MEDRX	494613102	-	1.39%	2.34%

Fund Characteristics

Total Net Assets	$17.7 million
Total Number of Positions*	27
Turnover Ratio	7.00%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Common Stocks	99.1%
Cash and Cash Equivalents	0.8%
Other Investments	0.1%

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Medical Fund Overview

- Invests in patented first line pharmaceuticals and biologics as these products tend to have high profit margins and significant barriers to entry.
- Employs a long-term perspective seeking to capture returns of both intrinsic valuation realization and scientific discovery.
- Bio-Pharma sector is relatively insensitive to economic turmoil, while novel research and development imply sustained growth.

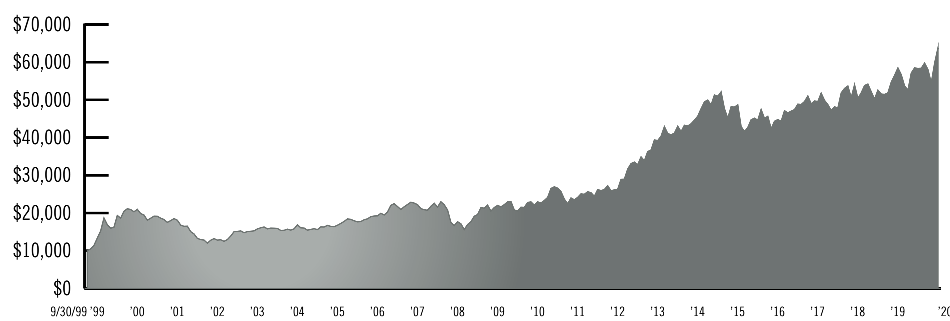
Performance (No-Load Class)

			Annualized Returns as of 12/31/20					
	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (MEDRX)	9.83%	9.04%	9.04%	8.76%	5.55%	10.75%	5.72%	9.11%
S&P 500 Index	12.15%	18.40%	18.40%	14.18%	15.22%	13.88%	7.47%	7.23%
NASDAQ Composite Index	15.41%	43.64%	43.64%	23.13%	20.81%	17.12%	8.61%	7.55%

The Medical Fund No Load Class inception date is 9/30/99. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 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 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$63,775



Top 10 Holdings (%) as of 12/31/20

Bristol-Myers Squibb Company	8.3%
Novartis AG	7.5%
Merck & Co., Inc.	6.5%
Pfizer, Inc.	6.3%
Johnson & Johnson	6.2%
Eli Lilly and Co.	6.2%
AbbVie, Inc.	6.1%
AMGEN, Inc.	5.2%
CRISPR Therapeutics AG	5.2%
Biogen, Inc.	5.2%

Statistics

Statistics	Fund	S&P 500
Beta	0.69	1.00
Standard Deviation	16.81	15.19
Up Market Capture Ratio	0.85	-
Down Market Capture Ratio	0.65	-
Sharpe Ratio	0.44	0.37
Weighted Avg. Mkt. Cap. ($mil)	$132,366	$489,378
Median Market Cap. ($mil)	$37,684	$25,746
Price to Book	4.84	4.00
Price to Earnings	19.55	29.05
Return on Equity	18.96%	26.15%
Active Share	95.07%	-

The Kinetics **Medical** Fund

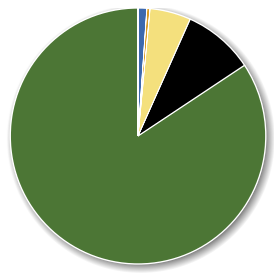
4Q 2020

Historical Total Return (No-Load Class) as of 12/31/20

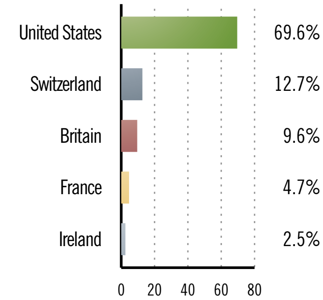
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (MEDRX)	57.04%	-13.77%	-29.14%	23.19%	6.96%	-0.72%	14.81%	15.47%	-20.42%	24.47%	4.30%	5.11%	8.86%	49.25%	16.44%	6.59%	-8.01%	10.71%	1.67%	16.04%	9.04%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	18.40%
NASDAQ Composite Index	-39.29%	-21.05%	-31.53%	50.01%	8.59%	1.37%	9.52%	9.81%	-40.54%	43.89%	16.91%	-1.80%	15.91%	38.32%	13.40%	5.73%	7.50%	28.24%	-3.88%	35.23%	43.64%

Top Industries (%)

Pharmaceutical and Medicine Manufacturing	84.4%
Chemical Manufacturing	9.0%
Professional, Scientific, and Technical Services	5.2%
Ambulatory Health Care Services	0.4%
Scientific Research and Development Services	0.1%



Top Countries (%)



Definitions:

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The Gross expense ratios listed are as of 12/31/2019 as reported in the 4/29/2020 prospectus. The Fund's adviser 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, 2021 and may be discontinued at any time by the Fund's adviser after May 1, 2021.

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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 (9/30/99). 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. Equity 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 Industries and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. In addition, investing in foreign securities involves more risk than just investing in 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.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The NASDAQ Composite (NASDAQ) and the Standard & Poor's 500 Index (S&P 500) each represent an unmanaged, broad-based basket of stocks. They are typically used as a proxy for overall market performance. NASDAQ Composite returns stated above do NOT include reinvested dividends, while the S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc

We Do *Our* Research

Kinetics Multi-Disciplinary Income Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Management Team

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

Matt Houk
Co-Portfolio Manager
15 years of management experience
Co-Manager of Fund since 2015

Class Information

Class	Ticker	Cusip	12b-1 fee
Adv. A	KMDAX	494613664	0.50%
Adv. C	KMDCX	494613656	1.00%
Inst.	KMDYX	494613649	-
No Load	KMDNX	494613672	-

Fund Characteristics

Total Net Assets	$26.5 million
Total Number of Positions*	20
Turnover Ratio	0.04%
Minimum Purchase	$2,500

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

Portfolio Allocation

Fixed Income	60.1%
Cash and Cash Equivalents	29.6%
Other Investments	10.3%

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Multi-Disciplinary Income Fund Overview

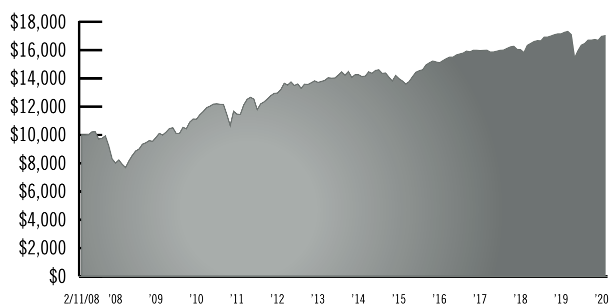
- Multi-strategy investment approach that opportunistically invests in income oriented securities and utilizes an equity option strategy which seeks to generate income and capital gains in excess of traditional fixed income indexes while assuming less interest rate risk or duration risk.
- Fixed income 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.

Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 12/31/20: 1YR	3YR	5YR	10YR	Since Inception	5 Year Standard Deviation
Multi-Disciplinary Income Fund (KMDNX)	1.63%	-1.38%	-1.38%	2.12%	4.26%	4.06%	4.21%	5.72%
BB Barclays US Agg. Bond Index	0.67%	7.51%	7.51%	5.34%	4.44%	3.84%	4.21%	3.16%
BB Barclays US HY Corp. Bond Index	6.45%	7.11%	7.11%	6.24%	8.59%	6.80%	7.90%	7.77%

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.

Growth of $10,000 Returns Since Inception $17,014



Statistics

	Fund	Barclays Agg.
Beta	0.45	1.00
Standard Deviation	5.72	3.16
Up Market Capture Ratio	0.87	-
Down Market Capture Ratio	0.65	-
Sharpe Ratio	0.54	1.04

Recent Fund Distributions**

	Fund
Dec-2020	$0.06
Sep-2020	$0.07
Jun-2020	$0.08
Mar-2020	$0.12

Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	1.68
Average Maturity (years)	2.36

Top 10 Fixed Income Holdings (%) as of 12/31/20

Ashland, Inc.	11.9%
Lennar Corporation	7.8%
Stolt-Nielsen Limited	7.8%
Lamb Weston Holdings, Inc.	7.6%
The Howard Hughes Corporation	6.4%
Murphy Oil Corp.	4.6%
Brookfield Residential Properties	2.5%
Cheniere Energy, Inc.	2.4%
CenturyLink, Inc.	2.0%
Hughes Satellite Systems Corp.	1.9%

Kinetics **Multi-Disciplinary Income** Fund

4Q 2020

Historical Total Return (No-Load Class) as of 12/31/20

	2008*	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (KMDNX)	-17.76%	22.90%	13.04%	0.24%	15.38%	4.28%	2.46%	-2.17%	10.41%	4.75%	-1.00%	9.08%	-1.38%
BB Barclays US Agg. Bond Index	4.08%	5.93%	6.54%	7.84%	4.21%	-2.02%	5.97%	0.55%	2.65%	3.54%	0.01%	8.72%	7.51%
BB 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%	-2.08%	14.32%	7.11%

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

Expense Ratios by Share Class

	Adv. A	Adv. C	No Load	Inst.
Gross	2.57%	3.07%	2.32%	2.27%
Net	2.02%	2.52%	1.77%	1.57%

The Gross expense ratios listed are as of 12/31/2019 as reported in the 4/29/2020 prospectus. The Fund's adviser 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, 2021 and may be discontinued at any time by the Fund's adviser after May 1, 2021.

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.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

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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Kinetics Mutual Funds, Inc.
We Do *Our* Research

The Kinetics **Paradigm** Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
42 years of management experience
Co-Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
35 years of management experience
Co-Manager of fund since inception (1999)

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KNPAX	494613854	0.50%	1.89%	1.97%
Adv. C	KNPCX	494613821	1.00%	2.39%	2.47%
Inst.	KNPYX	494613797	-	1.44%	1.67%
No Load	WWNPX	494613607	-	1.64%	1.72%

Fund Characteristics

Total Net Assets	$659.3 million
Total Number of Positions*	46
Turnover Ratio	1.00%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Common Stocks	77.1%
Cash and Cash Equivalents	13.4%
Unit Investment Trust	9.5%

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Paradigm Fund Overview

- U.S. focused global all-cap fund comprised of investments in misunderstood or underappreciated companies whose businesses exhibit long product life cycles and have substantial barriers to entry.
- Proprietary in-house research sources original investment opportunities in companies for which investors fail to distinguish between permanent and transitory problems.
- The strategy seeks to capture long-term results commensurate with the returns of companies' underlying businesses, and has low turnover.

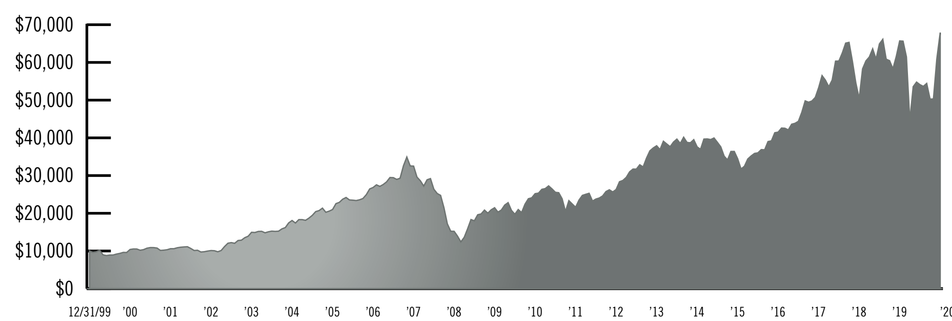
Performance (No-Load Class)

Annualized Returns as of 12/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWNPX)	35.01%	3.32%	3.32%	8.39%	14.52%	10.42%	9.83%	9.55%
S&P 500 Index	12.15%	18.40%	18.40%	14.18%	15.22%	13.88%	7.47%	6.61%
MSCI ACW Index	14.68%	16.25%	16.25%	10.06%	12.26%	9.13%	6.12%	5.05%

The Paradigm Fund No Load Class inception date is 12/31/99. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of the 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 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception — $67,884



Top 10 Holdings (%) as of 12/31/20

Texas Pacific Land Trust	38.7%
Grayscale Bitcoin Trust	9.5%
Brookfield Asset	5.4%
The Howard Hughes Management, Inc. - Class A	4.3%
Live Nation	3.4%
Franco-Nevada Corporation	3.4%
Liberty Broadband Corporation - Series C	3.1%
Icahn Enterprises LP	2.2%
CACI International, Inc. - Class A	1.8%
The Wendy's Company	1.5%

Statistics

Statistics	Fund	S&P 500
Beta	1.02	1.00
Standard Deviation	19.36	15.19
Up Market Capture Ratio	1.11	-
Down Market Capture Ratio	0.94	-
Sharpe Ratio	0.41	0.33
Weighted Avg. Mkt. Cap. ($mil)	$13,152	$489,378
Median Market Cap. ($mil)	$9,874	$25,746
Price to Book	3.17	4.00
Price to Earnings	25.57	29.05
Return on Equity	46.43%	26.15%
Active Share	99.51%	-

The Kinetics **Paradigm** Fund

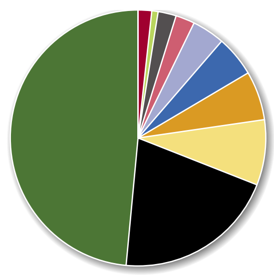
4Q 2020

Historical Total Return (No-Load Class) as of 12/31/20

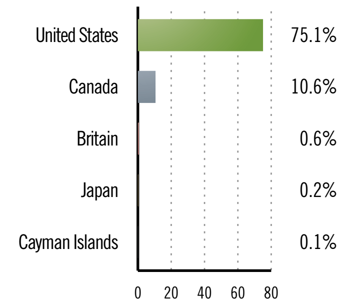
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (WWNPX)	4.00%	2.02%	-4.62%	47.77%	20.93%	16.11%	27.81%	21.14%	-53.17%	41.02%	17.37%	-14.27%	21.78%	44.07%	-0.79%	-8.33%	20.45%	28.41%	-5.55%	30.48%	3.32%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	18.40%
MSCI ACW Index	-14.21%	-16.21%	-19.32%	33.99%	15.23%	10.84%	20.95%	11.66%	-42.20%	34.63%	12.67%	-7.35%	16.13%	22.80%	4.16%	-2.36%	7.86%	23.97%	-9.42%	26.60%	16.25%

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	42.3%
Finance and Insurance	17.9%
Information	7.2%
Real Estate and Rental and Leasing	5.4%
Arts, Entertainment, and Recreation	4.5%
Management of Companies and Enterprises	3.6%
Accommodation and Food Services	2.1%
Professional, Scientific, and Technical Services	2.0%
Transportation and Warehousing	0.7%
Real Estate	0.5%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **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. **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 since inception. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **Return on Equity:** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **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 since inception 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 since inception. **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 since inception. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

The Gross expense ratios listed are as of 12/31/2019 as reported in the 4/29/2020 prospectus. The Fund's adviser 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, 2021 and may be discontinued at any time by the Fund's adviser after May 1, 2021.

In April 2019, Kinetics Asset Management LLC ("KAM") and Kinetics Advisers, LLC ("KA") reorganized into Horizon Asset Management LLC ("HAM"), following which HAM was renamed Horizon Kinetics Asset Management LLC ("HKAM"). KAM, HAM and KA were all wholly-owned subsidiaries of Horizon Kinetics LLC, and HKAM will remain a wholly-owned subsidiary. HKAM is the Fund's adviser, previously, KAM was the Fund's adviser. Neither the portfolio managers of the Fund nor the Fund's investment objective and investment strategy have changed.

The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares commencement of operations (12/31/99). 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. Equity 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 10 Sectors and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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.

As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. Non-investment grade debt securities, ie., 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. 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. 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 Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The MSCI ACWI (All Country World Index) Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc

We Do *Our* Research

The Kinetics **Small Cap Opportunities** Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
42 years of management experience
Co-Manager of Fund since inception (2000)

Peter Doyle
Senior Portfolio Manager
35 years of management experience
Co-Manager of Fund since inception (2000)

Matt Houk
Co-Portfolio Manager
15 years of management experience
Co-Manager of Fund since 2011

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	KSOAX	494613839	0.50%	1.90%	2.01%
Adv. C	KSOCX	494613748	1.00%	2.40%	2.51%
Inst.	KSCYX	494613813	-	1.45%	1.71%
No Load	KSCOX	494613706	-	1.65%	1.76%

Fund Characteristics

Total Net Assets	$178.7 million
Total Number of Positions*	36
Turnover Ratio	0.49%
Investment Style	Global Equity
Market Cap Focus	Small Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Common Stocks	93.0%
Unit Investment Trust	5.5%
Cash and Cash Equivalents	1.1%
Other Investments	0.4%

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Small Cap Opportunities Fund Overview

- U.S. focused global small-cap fund seeking to invest in fundamentally undervalued companies with market capitalizations at or below the highest market capitalization of a component security within the S&P SmallCap 600 Index.
- Investments are concentrated in companies that have a small capitalization with the potential to expand to higher valuations either through revaluation, growth or a combination thereof.
- Fund targets companies with substantial barriers to entry, long product life cycles and sound capital structures; on occasion companies may be less mature companies and in the process of developing a superior product or market niche.

Performance (No-Load Class)

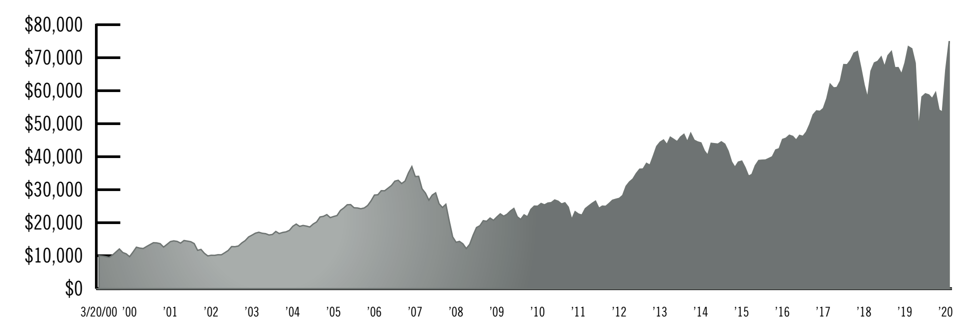
Annualized Returns as of 12/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (KSCOX)	38.58%	2.30%	2.30%	9.24%	15.40%	11.25%	10.03%	10.18%
S&P SmallCap 600 Index	31.31%	11.29%	11.29%	7.74%	12.37%	11.92%	9.77%	9.61%
S&P 500 Index	12.15%	18.40%	18.40%	14.18%	15.22%	13.88%	7.47%	6.72%

The Small Cap Opportunities Fund No Load Class inception date is 3/20/00. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 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 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$75,043



Top 10 Holdings (%) as of 12/31/20

Texas Pacific Land Trust	43.9%
DREAM Unlimited Corp.	8.9%
CACI International, Inc. - Class A	7.8%
Grayscale Bitcoin Trust	5.5%
Icahn Enterprises LP	5.4%
The Wendy's Company	3.7%
Live Nation Entertainment, Inc.	3.5%
Associated Capital Group, Inc. - Class A	3.2%
The Howard Hughes Corporation	3.1%
Civeo Corp.	2.1%

Statistics

Statistics	Fund	S&P 600
Beta	0.92	1.00
Standard Deviation	21.54	19.49
Up Market Capture Ratio	0.87	-
Down Market Capture Ratio	0.76	-
Sharpe Ratio	0.40	0.42
Weighted Avg. Mkt. Cap. ($mil)	$5,764	$2,324
Median Market Cap. ($mil)	$1,908	$1,270
Price to Book	2.29	1.97
Price to Earnings	10.89	22.08
Return on Equity	43.60%	8.30%
Active Share	99.58%	-

The Kinetics **Small Cap Opportunities** Fund

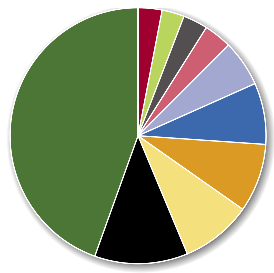
4Q 2020

Historical Total Return (No-Load Class) as of 12/31/20

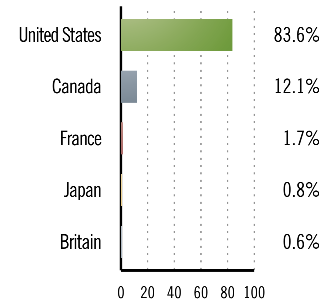
	2000*	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (KSCOX)	11.00%	30.63%	-30.28%	66.51%	16.40%	13.17%	28.37%	19.65%	-57.88%	58.16%	13.86%	-13.65%	26.74%	59.40%	-7.28%	-12.26%	24.39%	26.23%	0.29%	27.06%	2.30%
S&P SmallCap 600 Index	4.27%	6.54%	-14.63%	38.79%	22.65%	7.68%	15.12%	-0.30%	-31.07%	25.57%	26.31%	1.02%	16.33%	41.31%	5.76%	-1.97%	26.56%	13.23%	-8.48%	22.78%	11.29%
S&P 500 Index	-8.57%	-11.89%	-22.10%	28.68%	10.88%	4.91%	15.79%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	18.40%

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	44.2%
Management of Companies and Enterprises	11.7%
Real Estate	8.9%
Professional, Scientific, and Technical Services	8.6%
Finance and Insurance	7.7%
Accommodation and Food Services	5.8%
Arts, Entertainment, and Recreation	3.5%
Real Estate and Rental and Leasing	3.1%
Manufacturing	2.8%
Transportation and Warehousing	2.0%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares Core S&P Small-Cap ETF. **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. **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 since 04/01/00. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **Return on Equity:** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **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 since 04/01/00 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 since 04/01/00. **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 since 04/01/00. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

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

The Gross expense ratios listed are as of 12/31/2019 as reported in the 4/29/2020 prospectus. The Fund's adviser 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, 2021 and may be discontinued at any time by the Fund's adviser after May 1, 2021.

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The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares commencement of operations (3/20/00). 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. Equity 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 10 Sectors and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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.

As a non-diversified fund, the value of its shares may fluctuate more than shares invested in a broader range of companies. 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 Portfolio Trust.

The Fund holds investments that provide exposure to bitcoin. The value of bitcoins is determined by the supply of and demand for bitcoins in the global market for the trading of bitcoins, which consists of transactions on electronic bitcoin exchanges ("Bitcoin Exchanges"). Pricing on Bitcoin Exchanges and other venues can be volatile and can adversely affect the value of the bitcoin. Currently, there is relatively small use of bitcoins in the retail and commercial marketplace in comparison to the relatively large use of bitcoins by speculators, thus contributing to price volatility that could adversely affect a portfolio's direct or indirect investments in bitcoin. Bitcoin transactions are irrevocable, and stolen or incorrectly transferred bitcoins may be irretrievable. As a result, any incorrectly executed bitcoin transactions could adversely affect the value of a portfolio's direct or indirect investment in bitcoin. Only investors who can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure. As with all investments, investors should consult with their investment, legal and tax professionals before investing, as you may lose money.

S&P SmallCap 600 Index statistics chart data is based on the iShares Core S&P Small-Cap ETF for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

The S&P SmallCap 600 Index represents an unmanaged, broad-based basket of small-cap stocks in the U.S equity market. The S&P SmallCap 600 returns assume that dividends are reinvested. The Standard & Poor's 500 Index represents an unmanaged, broad-based basket of stocks. It is typically used as a proxy for overall market performance. The S&P 500 Index returns assume that dividends are reinvested. An investor cannot invest directly in an index.

Distributor: Kinetics Funds Distributor LLC is not an affiliate of Kinetics Mutual Funds, Inc.

Kinetics Mutual Funds, Inc
We Do *Our* Research

The Kinetics **Spin-off and Corporate Restructuring** Fund

4Q 2020

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $4.8 billion in assets as of 12/31/2020.
- Oversees investments in mutual funds, separate accounts and alternative products.
- Investment decisions based on fundamental research, all of which is conducted in-house.
- Horizon Kinetics Asset Management is the Fund's adviser. Previously, Kinetics Asset Management was the Fund's adviser.

Portfolio Managers

Murray Stahl
Chief Investment Officer
42 years of management experience
Co-Manager of Fund since inception (2007)

Steven Bregman
President
35 years of management experience
Co-Manager of fund since inception (2007)

Class Information

Class	Ticker	Cusip	12b-1 fee	Net	Gross
Adv. A	LSHAX	494613557	0.25%	1.61%	2.17%
Adv. C	LSHCX	494613540	0.75%	2.36%	2.67%
Inst.	LSHUX	494613532	-	1.36%	1.87%
No Load	LSHEX	494613524	-	1.56%	1.92%

Fund Characteristics

Total Net Assets	$17.5 million
Total Number of Positions*	31
Turnover Ratio	0.10%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Common Stocks	98.8%
Cash and Cash Equivalents	1.2%

www.kineticsfunds.com

Spin-off and Corporate Restructuring Fund Overview

- U.S. focused global all-cap fund comprised of investments in:
  - Spin-off companies and parent companies of spin-offs.
  - Subsidiary companies resulting from an equity "carve out" or "partial initial public offering" where a parent company sells equity of such subsidiary.
  - Companies subject to a corporate restructuring, or public shareholder activist holding companies which cause other companies to undergo a spin-off or corporate restructuring.
- Return potential is often the result of the market's inefficiency in initially valuing these securities, due in part to the lack of coverage by the investment community, lack of a natural shareholder base immediately following the transaction, and resulting initial, indiscriminate selling pressure.

Performance (Institutional Class)*

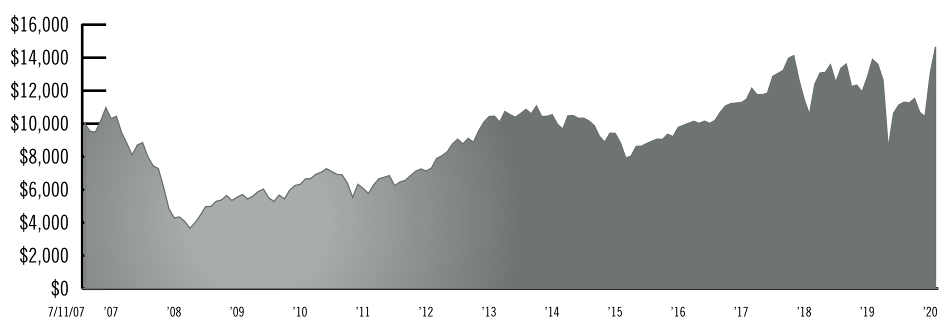
Annualized Returns as of 12/31/20

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Fund (LSHUX)	37.20%	5.46%	5.46%	8.48%	10.65%	8.22%	2.88%
S&P 500 Index	12.15%	18.40%	18.40%	14.18%	15.22%	13.88%	9.22%

The Spin-off and Corporate Restructuring Fund Institutional Class inception date is 7/11/07. Figures include changes in principal value, reinvested dividends and capital gains distributions. 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 month-end performance data. Current performance may be lower or higher than the performance data quoted. Performance data does not reflect the deduction of the 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 30 days or less after you purchase them.

Growth of $10,000 Returns Since Inception

$14,657



Top 10 Holdings (%) as of 12/31/20

Texas Pacific Land Trust	43.9%
PayPal Holdings, Inc.	13.2%
DREAM Unlimited Corp.	8.6%
CSW Industrials, Inc.	7.0%
Associated Capital Group, Inc. - Class A	6.5%
Graham Holdings Company - Class B	3.0%
The Howard Hughes Corporation	2.8%
Liberty Broadband Corporation - Series A	2.5%
Capital Southwest Corporation	1.7%
Welbilt, Inc.	1.5%

Statistics

	Fund	S&P 500
Beta	1.33	1.00
Standard Deviation	24.07	15.80
Up Market Capture Ratio	1.12	-
Down Market Capture Ratio	1.47	-
Sharpe Ratio	0.11	0.56
Weighted Avg. Mkt. Cap. ($mil)	$40,782	$489,378
Median Market Cap. ($mil)	$1,261	$25,746
Price to Book	2.44	4.00
Price to Earnings	12.44	29.05
Return on Equity	44.00%	26.15%
Active Share	99.08%	-

The Kinetics **Spin-off and Corporate Restructuring** Fund

4Q 2020

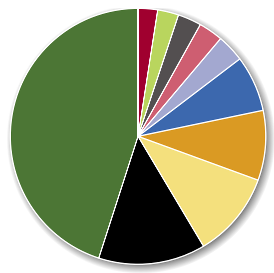
Historical Total Return (Institutional Class)* as of 12/31/20

	2007†	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (LSHUX)	4.51%	-58.40%	31.35%	16.49%	-13.17%	26.54%	43.07%	-4.65%	-11.37%	12.08%	15.90%	-8.11%	31.74%	5.46%
S&P 500 Index	-2.43%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	18.40%

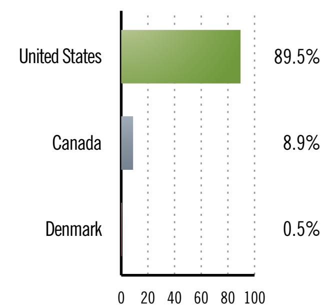
†Cumulative return from Fund's inception to year-end.

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	43.9%
Admin. and Spprt. and Wst. Mgmt. and Rem. Srvcs.	13.2%
Manufacturing	10.6%
Real Estate	8.6%
Management of Companies and Enterprises	6.9%
Information	3.4%
Educational Services	3.0%
Real Estate and Rental and Leasing	2.9%
Finance and Insurance	2.6%
Accommodation and Food Services	1.4%



Top Countries (%)



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S&P 500 Index statistics chart data is based on the iShares S&P 500 Index Fund for market cap, price to book, price to earnings, return on equity, and active share. iShares is a product of BlackRock, Inc.

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