Kinetics Mutual Funds

Third Quarter 2021 - Conference Call with Peter Doyle

October 12, 2021

Important Risk Disclosures:

Horizon Kinetics Asset Management LLC ("HKAM") is pleased to announce that on October 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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Chris Bell: Good morning, everyone. Welcome and thank you for your time today for the 2021 Third Quarter Kinetics Mutual Funds Update Webinar. Today, we are joined by Peter Doyle, Cofounder of Horizon Kinetics and President of Kinetics Mutual Funds and Portfolio Manager James Davolos. They will speak about the economy, energy markets and inflation, then we will take some questions. Please note that we are recording this call today and a replay will be made available. Also, the slide deck will be available. And if you look in your little box on the right- hand side of your screen, you'll see that you can actually get the slides right there. They're in PDF form already. Please reach out to me or one of your Horizon Kinetics Sales Team members or your HRC rep or go to www.kineticsfunds.com for factsheets for this presentation and other presentations. Also, please go to the Horizon Kinetics website at www.horizonkinetics.com for what's new, research products and podcasts discussing our inflation beneficiary business models and our strategy updates.

Performance last quarter was light compared to the S&P 500 as one of our top positions sold off slightly as the market remained mostly flat. Cryptocurrency was slightly positive in the quarter, as represented by the Grayscale products in the mutual funds. The flagship Paradigm Fund (no-load class) is now up 31.78% year to date as of the end of the quarter and is outpacing the Standard & Poor's 500 Index by 16 percentage points. Note that the new factsheets should be available on the website sometime in the next two to three weeks.

At this time, I'll turn the call over to Peter.

Peter Doyle: Thank you, Chris, and good morning to everyone. And, as Chris mentioned, thank you for spending your time with us today. I'm going to briefly outline the conditions of the investment landscape as we see it, and then James is going to run through some slides that he has prepared. As most of you know, over the years we have always portrayed ourselves as bottom-up classical value investors. The reason for this is that we've always thought that it's far easier to understand the dynamics of an individual company or companies than it is to try to understand the infinite number of variables to predict the overall economy. That is still true. We still practice that philosophy. However, there have been times in our investment careers when a single variable is so dominating in its influence that all the other variables are irrelevant, and it might be something as simple as either overvaluation or undervaluation.

For example, in the late 1980s, the Japanese real estate market and the Japanese stock market reached such incredible valuations that it was irrelevant whether or not you invested in good companies. The price that you were paying guaranteed that you were going to get a severely negative rate of return looking out well into the future. Tokyo land, between 1956 and 1986, rose in value by over 5,000%. In 1989, Tokyo real estate was selling at approximately $140 a square foot while Manhattan real estate was selling at $400 a square foot. And it was estimated that the land under the Imperial Palace was worth more than the entire state of California. The Japanese property market at that time was valued at four times as much as the U.S. property market. Now, if you think of the size of Japan versus the United States, you could see how that was very insane. The Nikkei 225 peaked at 39,000 in 1989, and almost 32 years later it's at 20,500, or still down approximately 27% if you bought in at the wrong time.

Another example of a single variable being dominant was during the late 1990s and early 2000s period with the dot.com bubble. It took the Nasdaq Composite Index almost 15 years to reach its new high after the one it set in 2000. So, buying at the wrong times, it didn't matter whether or not you bought a great company or a bad company, you could've sat underwater for a very long period of time. So, that's a situation that you want to guard against at all costs.

The valuation bubble today is driven by the Federal Reserve's interest rate policy, and that's true of all central banks around the world right now. It's essentially not a market interest rate, it's a policy driven rate. And that rate is driven by the overall debt burden of the United States, as well as the overall debt burden of the entire world. So, as we speak right now, the United States' national debt stands at $28.87 trillion or 126% of our GDP. All debt in the United States – that includes every outstanding debt that you can possibly think of – totals almost $85 trillion. Federal, state and local spending accounts for 45% of the GDP, and federal spending alone counts for $7 trillion of the $22 trillion GDP. Put in that situation, the Federal Reserve has no other option, in our opinion, but to keep interest rates artificially low and to basically allow for nominal GDP to grow in order to get itself out of its debt burden.

So, in the case of equities, having artificially low interest rates has resulted, in broad terms, in inflated valuations. The Shiller CAPE ratio, which is the cyclically adjusted P/E ratio looking back over a ten-year period of time, currently trades at 37.67 times. It's been higher once before in its history – that was in late 1999, when it was at about 44. The mean for that P/E ratio over the course of time has hovered just below 17 times. So, you're paying, on average, more than twice what the historical mean was for the S&P 500. The Buffett Indicator, which is the total market capitalization to GDP, currently resides at 199%. Something less than 75% on that ratio is considered to be significantly undervalued. A ratio over 140% is considered to be significantly overvalued.

Bond yields across the yield curve spectrum are, in real terms, negative. Not exactly a great option. Real estate values in many sectors of the real estate industry are trading at all-time highs or selling for the lowest cap rates on record. So, if you look at the three major asset classes, equities, fixed income, real estate, it's incredibly difficult to find an opportunity set there where you're going to make a reasonable rate of return looking out into the future.

So, where does that lead us? Where are we seeing the biggest dislocation and where is the opportunity set? For us, we believe that the coming decade may be the decade of commodities, most particularly, oil and natural gas. This opportunity stems from multiple reasons, primarily, the underinvestment in upstream operations over the last ten-plus years, pressure globally to decarbonize—a very laudable goal—ESG mandates as a result of climate agreements around the world, a lack of institutional investment and even divestiture from large institutions, and particularly for the energy stocks, and from the energy companies themselves, a focus on returning money as opposed to building out the business. So, all of these things are very crippling, potentially, to the production of energy going forward.

In the early 1980s, the energy sector represented roughly 29% of the S&P 500. During 2020, that sector's weighting got down to below 2%. Today, despite oil's recent run up—it's up roughly 65% year to date, it remains below a 3% weighting in the S&P 500. As many of you are aware, there are widespread energy shortages going on across China and across Europe. In China, it's estimated that over two-thirds of the country's provinces are experiencing rolling blackouts. This is having a predictable effect on both production and manufacturing across many different industries as companies have had to curtail or shut down production because they can't get their hands on coal, and the government has made it a policy, I think perhaps a correct policy, that they'd rather provide electricity to the individuals as opposed to going to the companies themselves. In Europe, you're seeing skyrocketing natural gas prices trading at somewhere 5-6 times as high as here in the United States. And as a result of that, soaring electricity prices. And there's actually a real concern that this winter there may not be enough power in order to heat homes or to keep the lights on across a good chunk of Europe.

A similar scenario, in our opinion, may play out here in the United States and we may be in the midst of it as we speak. Non-OPEC oil production is down substantially from 2019, and OPEC itself has been very disciplined in increasing its production capacity. It is believed by some that energy production capacity – and this is an important statement – it is believed by some that energy production capacity will not meet – or not match energy demand sometime in the year 2022. So, this is a decade-long rolling train wreck in the making, and you're seeing it happen now in real time across Europe and across China, and potentially here in the United States. That statement that I just made about production capacity not meeting the demand – the pent- up demand, has never happened within the oil industry in its history. Even during the 1970s, when oil went from $3 to $12 a barrel, there was always enough supply capacity. It's just that OPEC temporarily got the upper hand. This was also true in 2008, when oil went to $145 a barrel, up from $35 a barrel four years prior, also a case before shale oil came on to the market, where OPEC had the upper hand.

Right now, there has been a shift, a policy shift, where the world is giving pricing power back to OPEC and, historically, that has not been a very wise move. There's been a complete underinvestment by the industry over the last 20 years. And I'll just run through the top four names within the industry. From the year 2000 to the year 2020, oil production growth for Exxon Mobil was minus .04% per annum; Royal Dutch Shell, minus .11% per annum; Chevron, minus .03% per annum. Total was the only one that had a positive production growth over that period of time, and that was less than 1% per annum.

Oil reserve growth is even a more dire statistic. Oil reserve growth has actually been negative 29% for Exxon Mobil over that 20-year period of time; Royal Dutch Shell, minus 57%; Chevron, minus 29%; and Total, 15%. This, despite those companies spending roughly $1.7 trillion during that period of time for exploration and production. The underinvestment in order to just maintain those numbers would have had to have been orders of magnitude more, and it's true across the entire industry, not just these four names. So, there's been, as a result, again, of a variety of reasons – lack of investment from institutions, ESG mandates, there's been a lack of investment within that industry itself.

In 2019, global oil excess supply was estimated between 2.5 million and 3 million barrels. Given the rapid recovery of the global economy and the demand for oil and natural gas around the world, there's a slight excess of supply relative to demand but it's likely again, as I mentioned earlier – that's likely to change as we enter 2022.

Just to give you some quick numbers here. For example, daily U.S. production – and this was an average over the course of a week – is now 11,200,000 barrels a day. At its peak in 2019, it was 12,900,000 barrels a day. So, in the U.S. alone, i.e., non-OPEC, we're down 1.7 million barrels a day in production. The same is true for other non-OPEC producing countries. Again, that puts OPEC back in the driver's seat. Much in the way you're seeing the coal shortages across China and the gas shortages across Europe, you do not want Russia to be in the driver's seat, which they are now, and they can withhold, they can charge you whatever you need to do. And as a result of that gas shortage in Europe, it's creating a greater demand for oil if those electric generating facilities that can switch over are looking to do so. Because the gas equivalent in oil terms would be the equivalent of paying $190 a barrel of oil – what they're paying for gas right now in Europe.

So, energy is a needed resource, as everyone knows. We spent, literally, 160-plus years based on a hydrocarbon system, and there's been a concerted effort by various authorities around the world to curtail supply, which is all fine and well as long as you are going to either, one, have an alternative substitute that's going to match the demand, or the demand destruction is going to match the supply destruction. That is not happening. So, if you look at the energy industry as a percentage of what it should represent for the real economy, that number should probably be somewhere in the mid-teens, and it's currently below 3%. If it ever got back to that number in the teens, which I believe it will, that is going to have severe implications for the level of inflation that we experience. And that is not a world that we're going to enter, that is a world that we're in the middle of. And, in my opinion, whether you know it or not, in the not too distant future – I'm talking weeks, not months – you're going to open up your utility bills and you're going to see that the prices have skyrocketed. In some cases, it's going to be double what you paid in 2020. And the reason for that is that the various utilities and the generators of electricity have to go to the state public utility commissions to get rate increases, and they're in the process or they have already done that. And once they do that, they are entitled to a proper rate of return versus their cost, plus whatever losses that they had as they are basically going through this current period of paying much higher prices for natural gas and not getting the proper rate of return.

So, the opportunity set is that there's been a dearth of investment in the energy industry and it's creating problems throughout the world, and that is contributing to the supply chain disruptions that you're seeing, as well as the energy price spikes that you're seeing around the world. We're of the belief that it's here in the United States and it's going to become much more recognizable in the not too distant future.
So, we're looking for companies – and James will go into greater detail – we're looking for companies that can pass along their costs and not endure a cost increase so dramatic that it basically wipes out all of their profits as a result of not being able to pass along those costs. So, companies with great operational leverage, companies that reside in the cross section of benefitting from potentially much higher energy prices. So, that's how we've been positioned. If you look at our funds, we're very concentrated. We don't view volatility as a true risk. In the short term, you might see a decline in valuation. Longer term, we embrace the volatility because we think that's the way to get higher rates of return.

And as much as I would rather this scenario not pay out for the welfare of the entire country and, in fact, the entire world, it doesn't look like they can do anything in the near term. And by near term, I'm talking about the next five to ten years to reverse the slow-moving train wreck that we're currently on. So, the underinvestment that went on in the energy space literally totals probably well into the trillions of dollars, and it would take 10-15 years in order to reverse that.

So, we're seeking to outrun inflation in our investments and we're seeking to make sure that we can maintain your purchasing power if you're investing alongside of us. So, with that, James, I will turn it over to you.

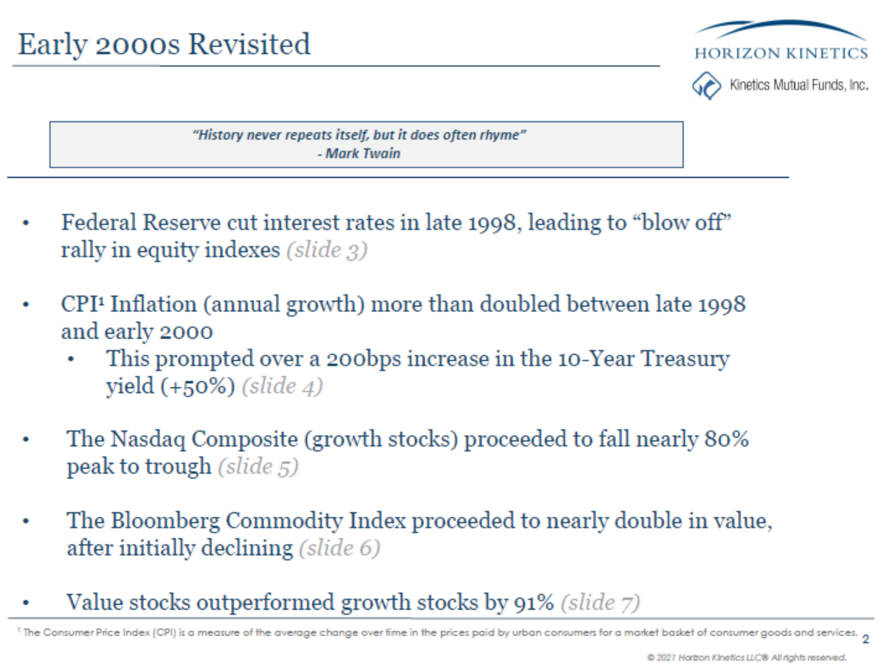
James Davolos: Thanks, Peter. Before I get into the slides, I'll just say one thing. One thing that I've been a bit of a broken record with is: prepare for a very different future than the last five years, the last ten years, the last 15 years, the last 20 years. I certainly think that we see some parallels today to past cycles but there are some glaring differences. But I think that the comparisons are worth paying attention to. And to really think about what you own and why you own it. I think it also lends a lot of credence to the things that we own.

But quickly before I go into it, I did want to kind of piggyback on Peter's comments regarding the current climate crisis, if you will. The Henry J. Kaiser Family Foundation did a poll where about 76% of Americans believe that climate change is an issue. About half of them, so about 38% believe it's a crisis, the other 38% believe it's an issue worth paying attention to. So, all told, about three-quarters of Americans believe it's something worth paying attention to. 27% of Americans are willing to pay an extra $10 a month in electric bills. And 25% of Americans are willing to pay an extra 25 cents per gallon of gasoline at the pump, both to combat or fund initiatives related to climate change. So, diametrical opposition between people that think it's an issue and are also willing to put their money where their mouth is and actually do something about it. I think this is exactly what is happening in the world and it leads to all these supply issues.

Something interesting that just came out today with regards to OPEC, where, yes, they are the swing producer, they hold a lot of the power, and they under-complied with quotas this month again. I don't think it's voluntary. They all want money with oil at $80 a barrel. I think OPEC's capacity needs to be called into question. Could they ramp it up? Maybe. Obviously, the Saudis could but I think some of the other producers are a little bit closer to tapped out than they say they are. So, really something to pay attention to over the next coming years is what is OPEC actually able to do? What are the Russians actually able to do, versus what their reported reserves and quotas are?

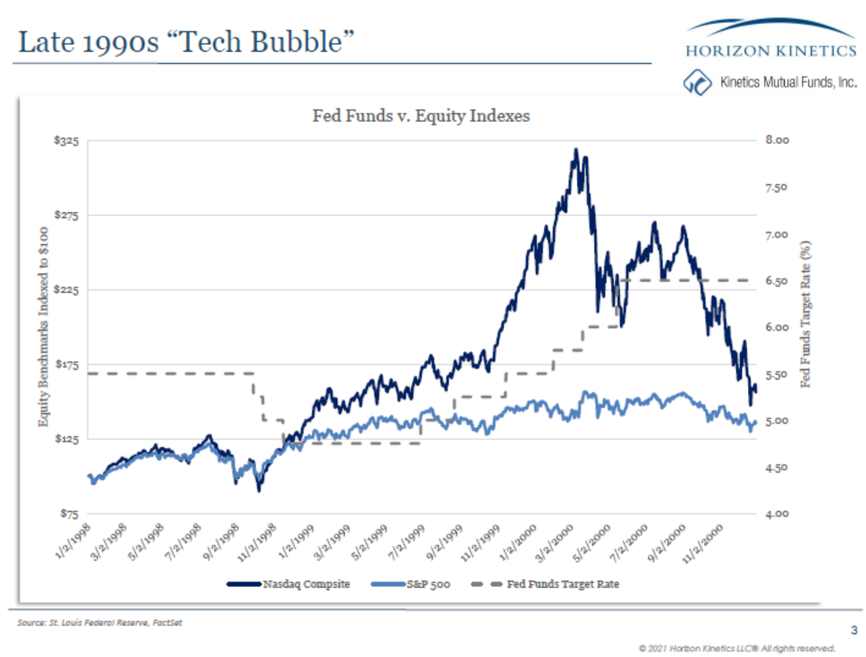
The last thing worth mentioning is an interesting report that came out from ArcelorMittal, one of the largest steel and iron companies in the world. They commissioned a report that said offshore wind generation, which is theoretically going to be the swing factor in electrifying the grid renewably – so, this is obviously offshore as opposed to terrestrial-based, so you need a lot more infrastructure in terms of steel and the integrity of building the windmill. 800 tons of steel per megawatt hour. So, just look at the megawatt hour capacity of any new installation, multiply by 800 tons. That's how much steel is actually going into it. Then you can basically reverse-engineer the intensity of iron ore, which needs to be smelted into steel. So, all contributing factors here.

So, without further ado, I'll go into the slides. And we are going to leave a good amount of time at the very end. I know that there are a few very pointed questions that people have that are timely and, believe me, we will go into it and we'll leave a lot of time at the end. These slides will not be that long. So, again, early 2000s revisited, which was the golden age of value investing. And there are a lot of parallels today, but as I mentioned before, some things are wildly different. You can't ignore where fiscal deficits are. You can't ignore where money supply is. You can't ignore where rates are. Actually, if you can go back, please?

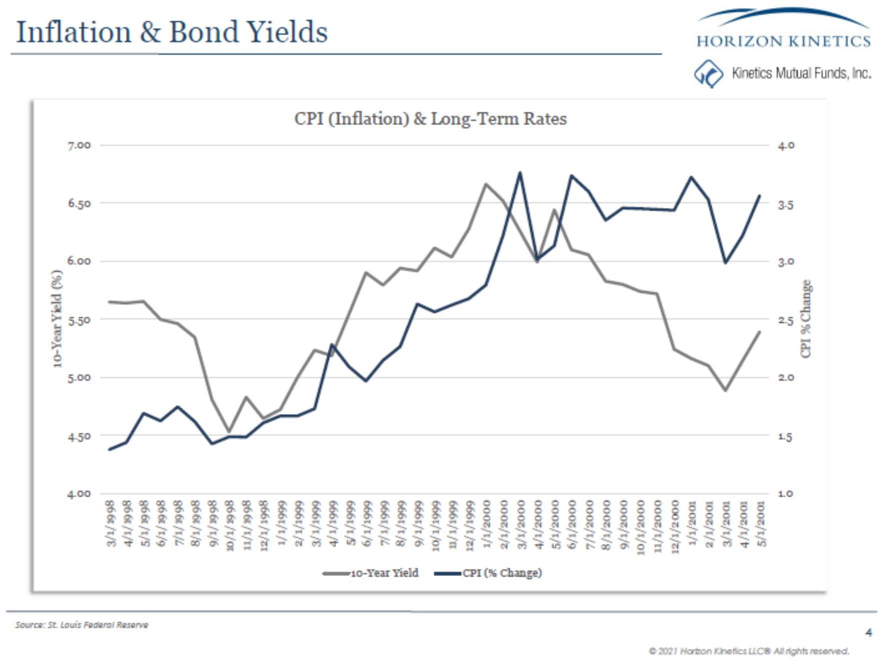


So, history never repeats itself, but it often does rhyme. Often attributed to Mark Twain, but nobody's really sure who said it. It sounds like something he would say. But just a couple slides just to go through it to kind of see how I think that the next ten years is going to be a lot more similar to the early 2000s than the past, call it, 15 years of reflation, and multiple expansion, and declining rates. So, the Federal Reserve actually cut rates in late 1998. Maybe that was the beginning of the Fed being very tightly aligned with the stock market and politics – where Alan Greenspan ignored a lot of other experts in his policies. And, obviously, I don't need to remind you of the "blow off" top that ensued in the Nasdaq.

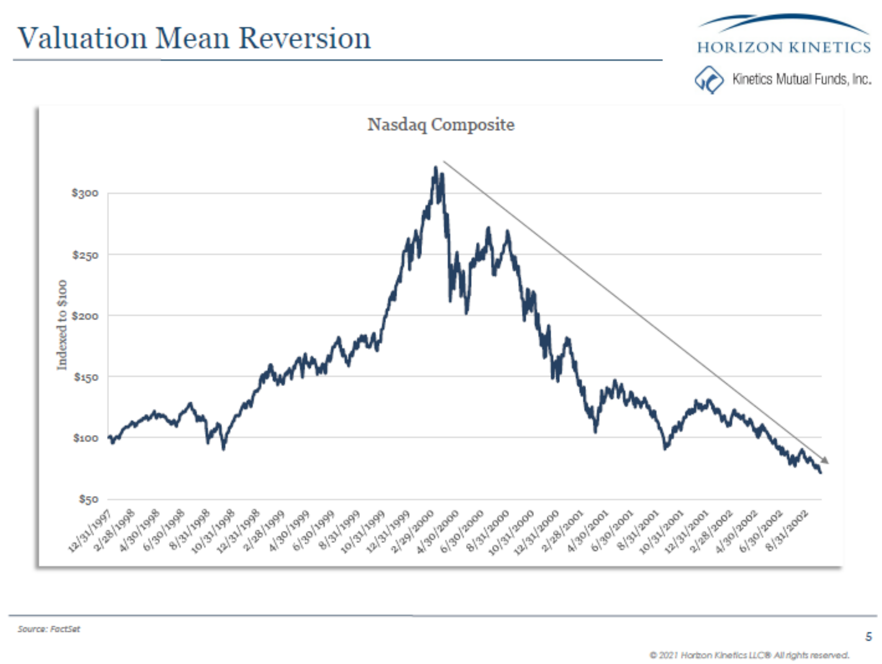
CPI inflation actually more than doubled between late '98 and early 2000. Granted, it came off a fairly low base but we're coming off a fairly low base today. In that case, that prompted a freely floating Treasury yield. So, without quantitative easing. Over 200 basis points in the ten-year. So, think about what a 200 basis point or a 50% increase in the ten-year would be today. So, from, let's call it, 1.5 to 225, if it were to even stop there. Another one, the Nasdaq Composite after a variety of rate hikes and the backend of the curve backed up. For no really discernible reason, the Nasdaq proceeded to fall about 80% peak to trough. Obviously, valuations are very important, and then when rates break that narrative, things can progress quickly. Also, during this period, the Bloomberg Commodity Index proceeded to nearly double in value. I mean, obviously, there was some initial correlation to the huge decline in the stock market but that was a lot of demand drivers – I'll go into that in Slide 6 – related to the China and the BRICs buildout. Today, it's a lot more supply-driven. And then, finally, value stocks proceeded over this period to outperform growth by 91%. It feels like very few people in the business can even remember when value outperformed.



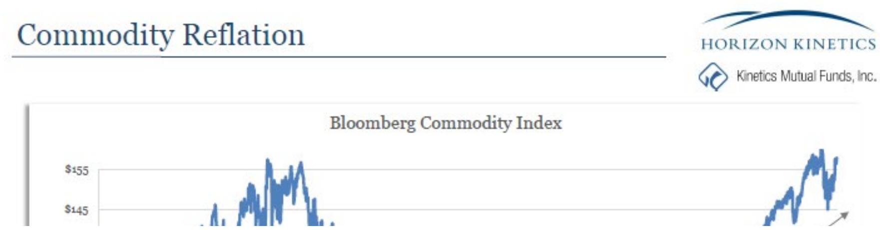
So, just going on to Slide 3. You can see on this slide the Nasdaq Composite is in the dark blue, and then the S&P 500 is the light blue. So, once the Fed started cutting rates, which is the light gray dotted line there, you can see there's a bit of a lag. But we came off a low in late 1998 where both indices really rebounded sharply, but then the Nasdaq kind of proceeded into that parabolic mode about tripling from that low level. The S&P kind of regained its level and then kind of stayed there. But they kept rates very low, as the Nasdaq continued - to rally, and then eventually they did raise but it was too little too late. And, ultimately, what happened was – I'll show in another slide – gravity took over. So, things can float on thin air for a while, but I believe that money supply and interest rates are, quote, "gravity" and there are a lot of parallels to that chart today in some of the most in vogue growth managers.

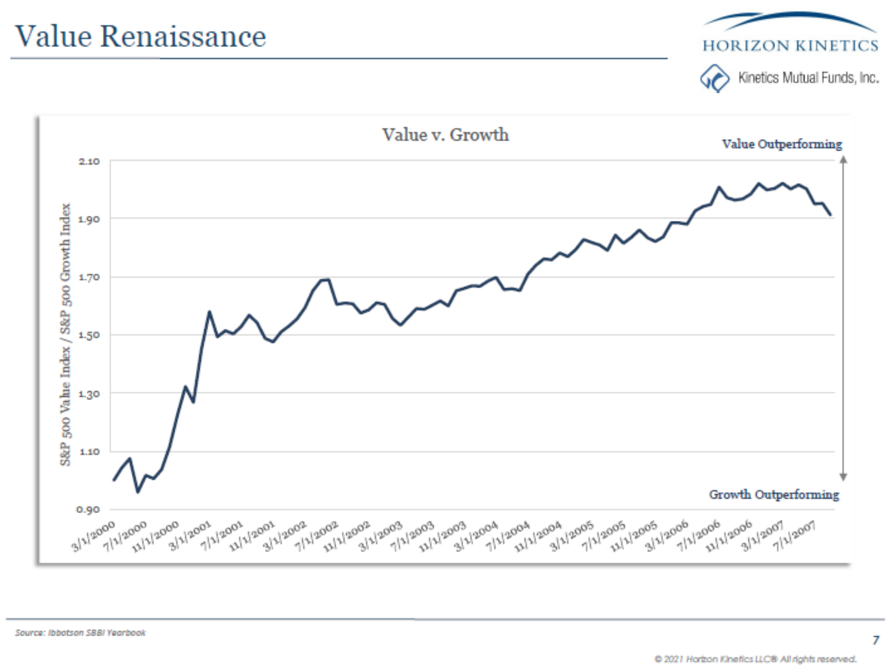


Moving on to the next slide. So, this shows how basically, in this case, CPI growth forced the long end of the rate curve higher. So, on the left hand side, you can see the ten-year yield, which is the gray line, and you can see that we went from pretty low, about 450 bips up to 650 bips. But that was really precipitated by CPI, which is on the right axis, going from about 1.5 all the way up to 3.5. So, CPI, if it sustained itself anywhere near these current levels, the Fed and central banks are going to have to just throw an outrageous amount of capital at keeping the yield curve flat. And as I'll show on kind of a later slide, gravity is showing that it's catching up with growth stocks, although there's been a bit of a knee-jerk in the middle of the year here.



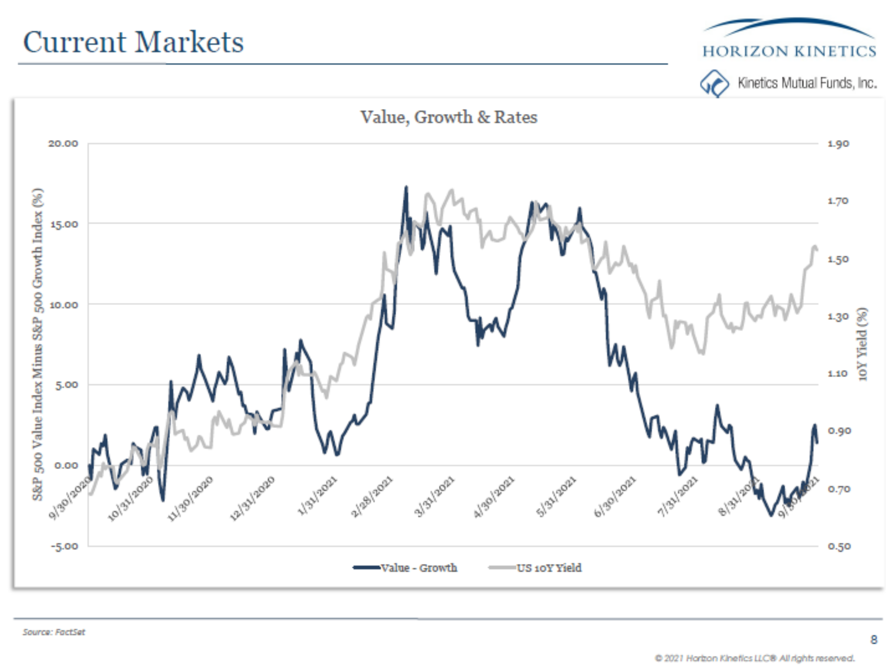
Slide 5. This shows exactly what happened, where, again, as I mentioned before, peak to trough, it was a violent decline with some kind of fake starts there. But from the beginning of 2000, it really took the better part of two years to fully bottom out. But if you were kind of going in at the very peak, when all was said and done, you were down a full 80% in the Nasdaq. Some people like to cite some stocks that were ultimately buys in that range that were the darlings of the era, but I see a lot more business models out there that remind me of pets.com and AOL than I do being the next Amazon. So, easy to pick examples of stocks that, with survivorship bias, ultimately did prove out to be a good buyback at those elevated levels, but fewer and far between.





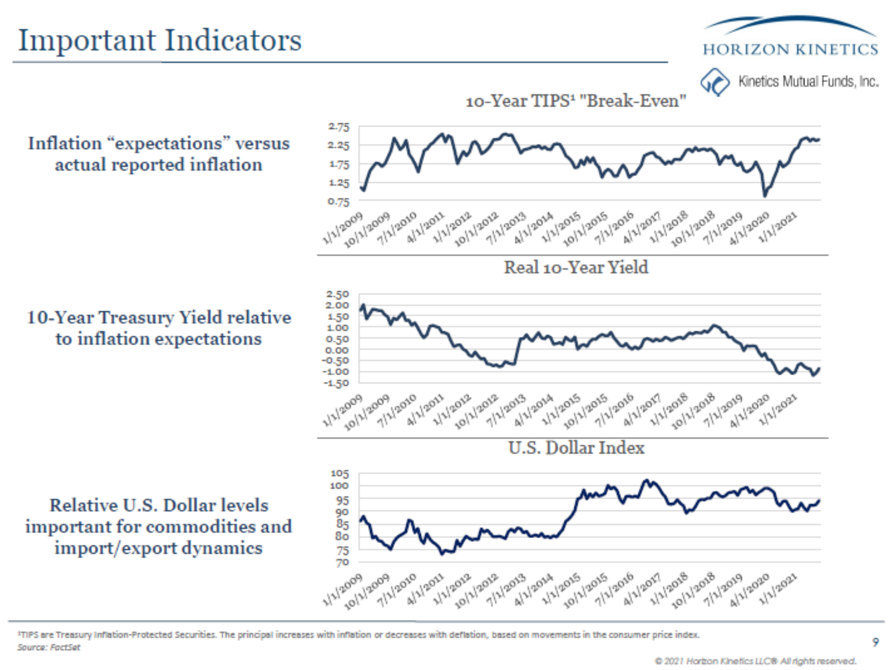
Slide 6. This shows you kind of how commodities reflated in this super-cycle. I would say that there was a lot more economic correlation certainly when the market declined at the beginning, but then the reflation here on the right-hand side where you see it going up into 2007, a lot of that was driven by the BRICs. I mean, Goldman Sachs coined the term of the miracle of growth in Brazil, Russia, India, China. But I think that this cycle is going to be a lot different because this cycle is basically outlined by a ton of capital going into the global mining companies, energy companies, precious metal companies, you name it, and increasing supply to fund what proved to be leveraged and not sustainable growth. And they've been deleveraging and basically doing zero to little growth in CapEx. It's been reserve replacement at best but shedding assets and not really going into any type of real sustainable growth ever since this period in 2007. And so, the buildout was early but now you're kind of getting back to where supply is in balance. And if you recall from our last webinar, the IEA Commission study showed that it takes about 16 years between permitting, digging, processing and getting a mine – a copper mine, an iron mine, a zinc mine – up and running, and that's if you can even get it commissioned in this day and age.

Next slide. This just shows kind of the value versus growth spread. I need not remind people who were value managers back in the '90s how painful it was. You can see if this line is going up, it means value's outperforming; going down, growth outperforming. Obviously, you can see a lot of it is pretty frontloaded there at the beginning of the tech selloff. But then you grind it a lot higher with value outperforming as the cycle matured. And, ultimately valuation was the name of the game here.



So, Slide 8 actually shows you in the current market how you're seeing a lot more similarities here. So, the blue line, which is pegged on the left axis, is value stocks, less growth stocks. So, at zero, it means value is up 10, growth is up 10, for a net difference of zero. You can see there into about the first quarter, there was an enormous spread, about 1,700 basis points. So, value stocks were up 17% above growth. And on the right-hand side in the gray line, you can see that what that plots is the U.S. Ten-Year Treasury yield rising from about 70 basis points to 170 basis points. And so, yes, there was some cyclical reopening and momentum in all these different types of things that were working for value, but what was more poignant – the bigger fact driving these prices was that growth stocks were getting hurt by the duration of their cash flows and that ten-year yield rising. So, ultimately, the ten-year backed up a decent amount from 170 down to 120, and that corresponds directly with that blue line reverting all the way back down to zero. So, value gave up a 1,700 basis point spread, and this is a one-year by the way, September 30 of '21 back to '20. So, all of that outperformance was given back, and that wasn't so much that the cyclicals and the value stocks went down; it was more that when rates went down, you saw another huge kind of irrational rally in growth. Today, you're seeing the yield kind of creeping back up and you're seeing a bit more alpha again for value.

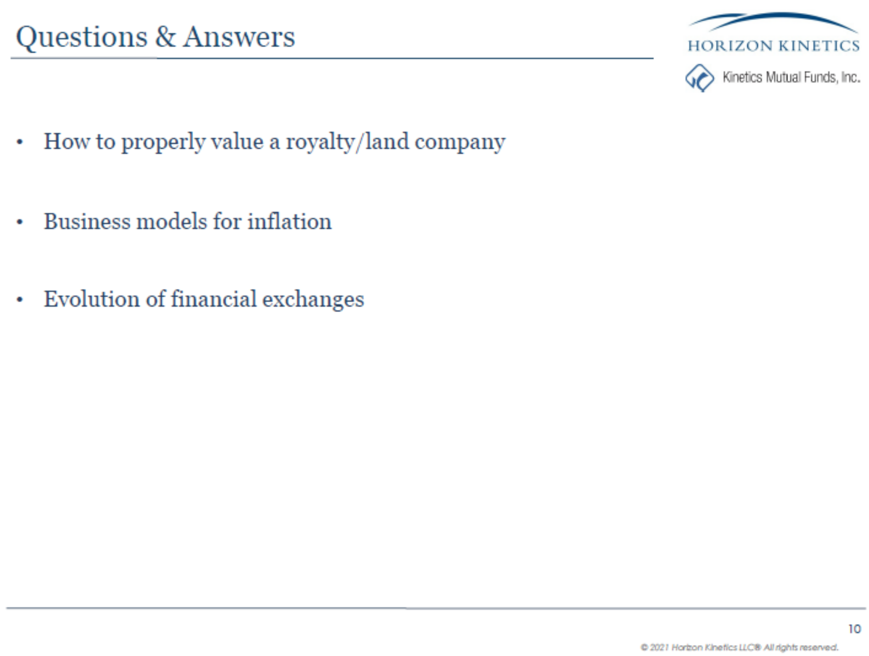
So, the point is: know what you own. I think there are a lot of people running around thinking that they are visionaries and market wizards that have basically owned levered data in the form of levering up on low or declining interest rates. And this graph shows you pretty markedly how the tail is wagging the dog here, at least over the trailing year. And I wouldn't expect people to be swallowing ten-year treasuries at 1.5% if inflation continues to hover in a 2, 3, 4, 5% range.



So, on to Slide 9. Some things I think people should really look at when they try to understand short-term movements. A lot of people have been frustrated with gold and precious metals and some other different types of commodities and value stocks. And we're long-term holders. We don't really pay attention to this stuff. But over shorter periods, you really need to pay attention to this because it makes a huge difference in market direction. I would say that the first chart is inflation expectations versus actual reported inflation. So, this is the ten-year treasury minus the ten-year TIP. And so, this is when you hear inflation expectations, but both markets are verifiably – I mean, I'll use the word manipulated by the Federal Reserve and quantitative easing. So, I wouldn't say that this is really a market-driven metric. But this is why inflation expectations are only about 225 basis points versus trailing CPI. And this goes out ten years. I think any survey, you see people expect it to be a lot higher than 225, but this is the number to look at, folks, in terms of rising real yields.

So, the second graph shows you the ten-year real yield relative to inflation expectations. So, the ten-year minus that breakeven level. This has a lot of implications for commodities, and especially precious metals and things of that ilk. So, again, look at ten-year break-evens, ten-year reals. And then, finally, the dollar index. I mean, I'm sure Peter would have some views on what maybe global commodities should be priced in but, until further notice, they are priced in dollars. So, a strong dollar obviously is a headwind for commodities; and vice versa, a weakening dollar is a huge tailwind for commodities. You can see here– the dollar kind of bounced around some pretty lower levels even in this cycle. But, again, not things that we really look at long term or think about too heavily. But I think that as inflation becomes a bigger topic and people are thinking about hey, what's going on in my portfolio, three things to really keep a close eye on.

So, with that, I'll go into questions and answers. Obviously, we've gotten a lot of prepositioned Q&A. Agustin, can you go on to the next slide? I kind of framed up a few of what I thought were worth going into for people. Obviously, the one thing – and I'll let Peter kind of elaborate on this – but I think that we're not going to get into a mudslinging contest with the sell side research report that was written. But suffice it to say, there were some wild irregularities that none of us in our collective careers have ever seen. Nobody has ever seen an analyst advocate share issuance for no reason. No one has ever seen an analyst say that their client said they did a good job. He might want to look up the definition of uniform, because, myself included, a lot of buy-side people had a very strong exception with the assumptions. It's not something worth getting into but I can just say that it was deeply flawed and there were some very suspicious occurrences in the report that – I just named a few. So, I'm not really sure what the motivations of this young and inexperienced analyst might be, but it really comes down to how do you properly value a royalty/land company? And Wall Street has taught people to simply look at yield. And what this analyst did is they took next year's yield, when TPL has less than 10% of their assets monetized, and basically backfill a valuation into what next year's yield is relative to peers.



And the reason that's deeply flawed is that there's about 50 years of reserves at TPL, there's a growing land business, there's a growing water business. But even other than that, it's such – it's just completely the wrong way to think about royalties because what do you actually own with a royalty? In the case of Texas Pacific, you have almost half a million acres of hydrocarbons where you have a double call option, one, on the price of hydrocarbons and then, two, on the ability of technology to improve extraction yields. And it looks like there's going to be a huge call option on U.S. and U.S. innovation to fill in global demand for oil and gas. And you need to be paid, compensated appropriately for that double call option. The gold market understands it. Our great northern neighbors up in Canada, they get it. Franco Nevada, Wheaton Precious, all these companies, they're valued based on the uniqueness of these businesses. You're getting dollars that effectively are cost-free once all of these expenses are sunk and the call option is in the money.

And I'll just touch on one more thing about why royalties are such a valuable asset and why you can't compare them. This analyst used a PV10 valuation, which is standard for the energy business to discount cash flows at 10%. But it's obviously completely ideologically inconsistent to discount a dollar that is cost-free, which TPL's royalties are, which many royalties are, versus an E&P that's spending billions of dollars to drill holes in the Gulf of Mexico or North Sea. So, again, you really need to understand what you're getting with a royalty, what you're getting with a land company and all of the optionality of those assets, and then not just backfill for a short-dated call option.

I can talk about business models for inflation. Chris talked about it a little bit earlier. But I'll stop here and see if Peter wanted to add anything about the research report and any comments on royalties and land companies.

Peter Doyle: No, the only thing that I would add is that we've done our analysis on Texas Pacific Land Corporation and we're comfortable with that. And time is going to work out and either our analysis is correct or it's not correct, and we're very comfortable with that. We looked at the report, we think we understood it, and we thought we saw mistakes in it, and we're comfortable with how we view the world. So, you know, this is a stock that we've held for 30-plus years – more than that, in fact – and the prospects today are probably better – not probably – are better, in our opinion, today than they were when we originally founded this company, so we have no qualms about our position size. In fact, personally, on a lot of different days, I continue to buy it. Can't buy it in the Funds because the weighting's so high in most, but I would buy it if it was a smaller position.

James Davolos: And I think just to stay on the topic of energy, a few more questions where – Chevron, which is the largest American energy company today, has basically mortgaged their entire future on the Permian Basin and the Delaware Basin. And they're putting billions and billions of dollars into the basin. ConocoPhillips doubled down on buying acreage, which actually overlaps a lot of TPL's acreage in the Delaware Basin, where they just swallowed a huge acquisition not that long ago. And, quite frankly, they stole Royal Dutch Shell's assets. It was a unique transaction where they were marketing the Shell Western portfolio in the Permian. Only three bidders showed up. Chevron was there but they've got the best acreage already, so I think that they would've taken it for free. But their shareholders were more oriented towards cash flow. Devon was technically in the bidding, but I don't think they could've gotten the deal done. So, Conoco was there and they knew that they could get an asset on the cheap. The Hague basically told Royal Dutch Shell you need to sell these assets. So, you have one buyer, and you have a distressed seller, and they bought these assets just for wildly cheap, like 3.5 times cash flow.

So, for people that want to try to use that as an indicative transaction, 1), it's all operated acreage and some of it's not in the core. A lot of the TPL acreage is. But, 2), they quite figuratively had a gun to their head to sell this land. So, I wouldn't say it's a great comp but if you know anybody that's selling a company that has 50 or 60 years of reserves at 3.5 times cash flow, please send them my email. But the broader conversation around renewables – and I think we're in a sticky spot here – because is energy getting to the point where it's going to curtail demand? And I think that we're getting close. But what is the outlook for renewable companies and renewable stocks? And I would say not good because they've been bid up to prohibitive levels. And we're not in this crisis because of preference. We're in this predicament because it's not feasible. We don't have the copper, we don't have the zinc, we don't have the steel, we don't have all of the manufacturing to upgrade the grids, to put in the windmills, to put in the solar. And let's say you had all of that stuff ready to deploy today, you have intermittency issues. You don't have battery technology that can do grid-level storage. And if you theoretically could build these – if you could theoretically build grid-level batteries, you then have to emit about 50 times the carbon to dig up the lithium, the nickel, the cobalt. I mean, I challenge anybody who is an advocate of a lot of these battery companies to Google what a lithium mine looks like. It looks like a dystopian movie hellscape. I mean, you don't even think it's Planet Earth.

So, the problem is we basically, globally, have signed up for something where there is not a viable alternative yet. And I think that there will be economic consequences but it's not as simple as saying this is going to catalyze a real shift because the real shift requires 10, 20, 30, maybe 40 years of progress that we haven't taken yet. So I think that –

Chris Bell: James, do you mind? Along that same line, and given the demand that you think we're going to see for energy production, the question has been asked of what you think the plans for the majors, Exxon, Chevron, obviously ConocoPhillips will be for developing TPL assets? I know you've told me before that you thought 2022 was going to be a great year.

James Davolos: Well, all of these companies have basically said that '21 was going to be a rest year, '22 was going to be the beginning of growth, and then thereafter was really going to be accelerated growth. And you don't really need to look too far. Going back to this research report, this guy decides to look at the Delaware Basin horizontal rig count instead of looking at the Northern Delaware, which is where all of the best rigs and all of the best operators are concentrated.

So, to just give an example, it would be basically saying, well, you know, I don't see a lot of growth happening in New York State but there's a heck of a lot going on in Central Park South. That's kind of the analogy. So, the way that this is going to work is everyone's going to high-grade their acreage. They're going to go to the best acreage first, which is that state line area of Culberson, Loving and Reeves Counties and that's what Exxon, Chevron and Conoco are all hitting. And they're hitting as much state land as possible in New Mexico just to make sure that they can hold those permits if things get a little bit more aggressive with political posturing around federal leasing. But you think we've got an issue now – if they were to do something there, it's going to be a much bigger issue.

Chris Bell: And for those of you who don't know, if you can go to the Baker Hughes website and download a map, you can actually see the production – the rigs that are in Texas and the rigs that are in New Mexico and around the rest of the country. And if you zoom in, you realize that they really are – those rigs are exactly where James is talking about. There are about 250 rigs in Texas, and 225 of them are in exactly that area that James is talking about.

James Davolos: And so just to kind of put the issue to bed with the report on TPL, you know what we think of it. I've given about 20 issues that we take exception with it. If you're not satisfied, we can clearly have a discussion offline. But we're not in the business of getting into a mudslinging contest, and we're certainly not going to issue a statement tomorrow saying that all of our clients thought that we did a good job on this call.

But going back to the topic of inflation and our positioning around that risk, five-six years ago we got pretty concerned about interest rates, valuations. And then, ultimately, our conclusion was that this much money floating around in this high of asset prices ultimately is going to be inflationary. And we looked at TIPs markets and TIPs are – they really don't serve much of a utility. As I mentioned in the slides, a negative 10% yield on a ten-year TIP – best case scenario, you're getting 10% under inflation, so you're negative 1% real.

Then there's a lot of other difficult ways to hedge. I mean, you don't want to be rolling commodity futures. We looked at a lot of the names that did really well during the '04 to '07 cycle, and the problem with these companies is that they're so capital-intensive. They spend a lot of money to make money and they lever up the balance sheet to make higher returns because the return on assets is so low. And our conclusion is that they're just too risky and you need to time the cycle perfectly. And these companies are also going to have a lot of issues with cost, both labor, reinvestment, cost to capital.

So, we decided we want to benefit from inflation. We don't want to just hedge it and bet on inflation; we don't want to take a binary bet on a government-manufactured statistic. But how can you actually thrive instead of just treading water while everything else in your portfolio goes down if there's an inflation breakout? And so, our solution was these hard asset, capital-light businesses. So, the funds are positioned in a lot of these hard asset, capital-light names where you have exposure to the inflationary asset but with a capital-light business. So, minimal working capital, minimal to no balance sheet leverage, and then very high operating leverage and scale.

And so that's really the thought process. And we are terming them inflation beneficiaries, but these are a lot of companies we have followed for a long time. Murray followed Franco Nevada when it first came out in Canada in the '80s. We have a TPL report that was issued in the '90s. Financial exchanges – we were one of the biggest holders in the world in the early 2000s. So, these are businesses that we're intimately familiar with and that we've followed for a very long time, and we've kind of broadened the net and feel like we've got a really good unique product to capture a lot of the nuances of what this inflationary cycle is probably going to look like.

Peter Doyle: Chris, if I'm sitting on the other side of this call, including the comments that I made, my first concern would be, what if these guys are wrong? And the business models that are owned in the Kinetics Mutual Funds are such that we don't need a high level of inflation in order for those companies to get your reasonable rate of return. So, this isn't let's bet the house and if we're wrong, you're going to suffer dramatically. So, I just wanted to point that out.

Chris Bell: Thank you, Peter. James, I've got a question about the quality of oil coming out of TPL. I'm not sure if you can address this or not. Whoever that question's from, we're happy to discuss it with you. But the question is whether or not TPL's oil is only useful for overseas refiners because the hydrocarbon chains are not heavy enough for U.S. refiners. In other words, it's such high-quality oil that people are so used to getting the thick heavy stuff from Venezuela where it has to be cracked substantially. You know about the science of this more than me.

James Davolos: Yeah. So, the API – there's two things that you look at, the API gravity of the oil, which is how light or heavy it is, and then the sulfur content. And the U.S. mostly has fairly complex refineries because we were mixing in a lot of South American, Mexican and Canadian varieties, which are heavier and more sour. But that's kind of why you see the U.S. exporting a lot of oil, because there's this crude quality imbalance in certain parts of the world where light, sweet crude is easier to crack. You don't need a big complex refinery. You basically can just boil it and then get your distillates and get your gasoline. But I would say that there's a lot of capacity to utilize domestic production. Right now it's being blended with a lot of these other grades, and I think that this is another kind of testament to where the most efficient, where the most low-cost barrels are going to be.

And I think that that's why you're seeing some of the other areas get marginalized where they've got the Bakken, for example, that they've got longer transportation, fewer refineries up there. But there's plenty of ready, willing and able refiners globally that also want this very light and sweet crude. And, quite frankly, it's also the easiest refinery to build. And you're not seeing many getting built in OECD countries but you're seeing a lot of what are called teapot refineries in Asia and China. And they're basically just a boiling cauldron. And so, you need the lightest, sweetest stuff out there. And so, I think the Chinese are going to continue to be very delighted to be buying light, sweet Texas oil. And so, it's something to keep an eye on but I think that that's maybe something that can result in a bit of a different pricing spread as opposed to a global benchmark change.

So, what I mean by that is does WTI trade at a discount to Brent? And as it stands today, it trades at a fairly modest discount because of that dynamic, where Brent is North Sea-grade, it's European delivery and it conforms to different refineries a little bit more. Plus, there's theoretically a transportation cost embedded in the WTI contract. But, again, it's not going to set absolute levels. It might set relative benchmark spreads.

Chris Bell: So, and I guess a higher API grade, so a lighter, sweeter crude might actually require less refinery downtime because it's much cleaner, right? So, it actually can benefit in probably less CO_2 and everything else.

Chris Bell: And, Peter, do you think TPL should have a 3-5% payout? For a lot of income portfolios, it may be appropriate, too. I know Murray sometimes has said that the distribution could be quite large in the future. What are your anticipations?

Peter Doyle: You're talking TPL?

Chris Bell: Yeah.

Peter Doyle: Yeah, I don't – you know, they're sitting on a fair amount of cash and I would love for them to be buying back their shares very aggressively. I'd prefer them to do that or looking at potential opportunities to add on more acreage. For me, as we stand right now, I'd rather not receive the money in a dividend. I'd rather them basically buy back the shares.

Chris Bell: Got you. Back to the inflation beneficiary theme, James, would you like to further discuss a question I've gotten, which is why are the publicly traded exchange operating companies considered inflation beneficiaries?

James Davolos: Yeah. First, think about what the business model is. And then, B, think about what the products are. The business model is basically a financial supercomputer. You're matching buyers and sellers electronically worldwide, and all you basically need to do to process another trillion dollars of volume is maybe plug in another mainframe. So, the scalability of these businesses is absolutely enormous. And I should mention that there are a lot of backend businesses now that are almost 100% recurring revenue, which is connectivity and data and all these different things that a lot of high-frequency trading and hedge funds and different types of users utilize. But the point is the scalability.

Now look at the products. So, interest rate derivatives, currency derivatives, commodity derivatives, blockchain derivatives. Imagine a world where CPI holds in the 4-6% range, and the ten-year goes from 1.5% to 3%. What's going to happen to the need to hedge and speculate in currencies, rates, commodities and blockchain? It's going to go completely off the chart. And, as I mentioned before, these businesses don't really need to do much to accommodate that growth. And, going all the way back to the last cycle, one of Murray's quotes was volume begets volume and volatility begets volume. So, if you think we're going to have a choppy world, there's going to be a lot more volume running through these businesses at a lot higher margins to these businesses. So, they're trading at really attractive free cash flow yields and they have some pretty interesting countercyclical drivers compared to the broader market.

Chris Bell:

I want to thank everyone for your time today. If you have any questions, again, please reach out to one of us. Again, go to our websites, www.kineticsfunds.com or www.horizonkinetics.com for research, the transcript of this presentation as well as replays. Thank you very much for your time today.

The Kinetics Alternative Income Fund

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- 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
43 years of management experience
Co-Manager of Fund since 2012

Matt Houk
Co-Portfolio Manager
16 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	$8.9 million
Total Number of Positions*	5
Turnover Ratio	0.00%
Minimum Purchase	$2,500

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

Portfolio Allocation

Investment Company	67.1%
Cash or Equivalent	32.9%

www.kineticsfunds.com

Alternative Income Fund Overview

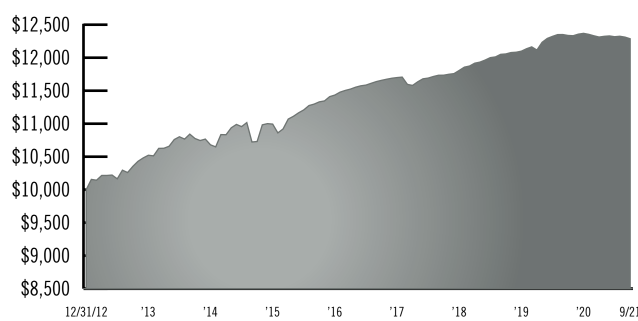
- A two-part investment strategy focused on generating income and capital gains in excess of traditional short duration, investment grade fixed income indexes.
- The strategy primarily invests in a diversified portfolio of short-term, investment grade bonds with an emphasis on liquidity, diversification, 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 09/30/21

	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%	2.38%
Bloomberg Barclays US Agg. Bond Index	-2.02%	5.97%	0.55%	2.65%	3.54%	0.01%	8.72%	7.51%	2.83%
Bloomberg Barclays 1-3 Year US Credit Index	1.45%	1.12%	0.85%	2.11%	1.66%	1.64%	5.01%	3.69%	2.04%

Growth of $10,000 Returns

$12,287



Statistics

	Fund	Barclays Agg.
Beta	0.08	1.00
Standard Deviation	1.97	3.11
Sharpe Ratio	0.86	0.69

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

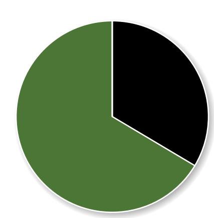
Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	1.01
Average Maturity (years)	1.04

Credit Quality (%)

A	67.1%
Cash	32.9%



The Kinetics Alternative Income Fund

3Q 2021

Performance (No-Load Class)

			Annualized Returns as of 09/30/21				
	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Alternative Income Fund (KWINX)	-0.25%	-0.66%	-0.40%	1.54%	1.63%	3.85%	0.64%
Bloomberg Barclays US Agg. Bond Index	0.05%	-1.55%	-0.90%	5.36%	2.94%	3.01%	4.23%
Bloomberg Barclays 1-3 Year US Credit Index	0.14%	0.35%	0.92%	3.31%	2.40%	2.18%	2.98%

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	2.47%	2.97%	2.22%	2.17%
Net	1.26%	1.76%	1.01%	0.81%

The Gross expense ratios listed are as of 12/31/2020 as reported in the 4/30/2021 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, 2022 and may be discontinued at any time by the Fund's adviser after May 1, 2022.

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

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- 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
43 years of management experience
Co-Manager of Fund since 2011

Steve Tuen, CFA
Co-Portfolio Manager
32 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%	1.81%	2.87%
Adv. C	KGLCX	494613623	1.00%	2.31%	3.37%
No Load	WWWEX	494613805	-	1.56%	2.62%

Fund Characteristics

Total Net Assets	$26.0
Total Number of Positions*	43
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

Cash and Cash Equivalents	40.0%
Common Stocks	39.7%
Unit Investment Trust	20.2%
Other Investments	0.1%
Preferred Stocks	0.0%

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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)

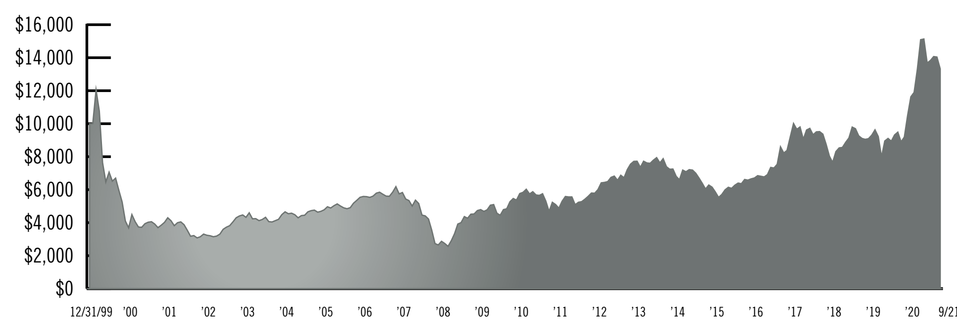
Annualized Returns as of 09/30/21

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWEX)	-3.65%	14.58%	49.76%	12.47%	15.02%	11.03%	6.62%	1.33%
S&P 500 Index	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	9.51%	7.10%
MSCI ACW Index	-1.05%	11.12%	27.44%	12.58%	13.20%	11.90%	8.11%	5.38%

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

$13,326



Top 10 Holdings (%) as of 09/30/21

Grayscale Bitcoin Trust	20.2%
Texas Pacific Land Corp.	13.3%
CACI International, Inc. - Class A	5.3%
Galaxy Digital Holdings Ltd.	2.7%
Clarkson plc	2.2%
Franco-Nevada Corporation	1.8%
Civeo Corp.	1.7%
Wheaton Precious Metals Corporation	1.5%
The Boeing Company	1.3%
Mesabi Trust	1.0%

Statistics

Statistics	Fund	S&P 500
Beta	0.95	1.00
Standard Deviation	21.88	15.05
Up Market Capture Ratio	0.88	-
Down Market Capture Ratio	1.08	-
Sharpe Ratio	-0.01	0.37
Weighted Avg. Mkt. Cap. ($mil)	$16,919	$563,887
Median Market Cap. ($mil)	$3,063	$30,579
Price to Book	1.85	4.29
Price to Earnings	17.43	24.33
Return on Equity	21.03%	23.34%
Active Share	99.33%	-

The Kinetics **Global** Fund

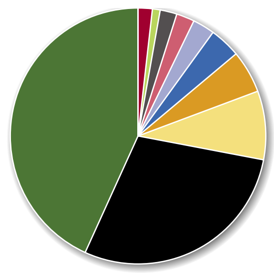
3Q 2021

Historical Total Return (No-Load Class) as of 09/30/21

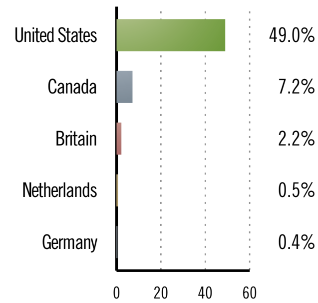
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (WWWEX)	-63.10%	16.53%	-24.65%	33.56%	7.67%	2.65%	16.90%	4.27%	-50.72%	66.86%	20.30%	-15.41%	23.16%	28.59%	-11.89%	-13.83%	14.40%	49.20%	-23.58%	21.61%	25.00%
S&P 500 Index	-9.10%	-11.89%	-22.10%	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	26.4%
Mining, Quarrying, and Oil and Gas Extraction	17.6%
Professional, Scientific, and Technical Services	5.3%
Management of Companies and Enterprises	3.3%
Transportation and Warehousing	2.4%
Accommodation and Food Services	1.7%
Manufacturing	1.4%
Real Estate and Rental and Leasing	1.3%
Machinery Manufacturing	0.6%
Retail Trade	0.1%



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 12/31/2020 as reported in the 4/30/2021 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, 2022 and may be discontinued at any time by the Fund's adviser after May 1, 2022.

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

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- Oversees investments in mutual funds, separate accounts and alternative products.
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Portfolio Managers

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

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

James Davolos
Co-Portfolio Manager
16 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%	2.32%	2.32%
Adv. C	KINCX	494613763	1.00%	2.82%	2.82%
No Load	WWWFX	460953102	-	2.07%	2.07%

Fund Characteristics

Total Net Assets	$215.9 million
Total Number of Positions*	37
Turnover Ratio	3.00%
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	46.0%
Unit Investment Trust	33.6%
Cash and Cash Equivalents	20.3%
Warrants	0.1%

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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.

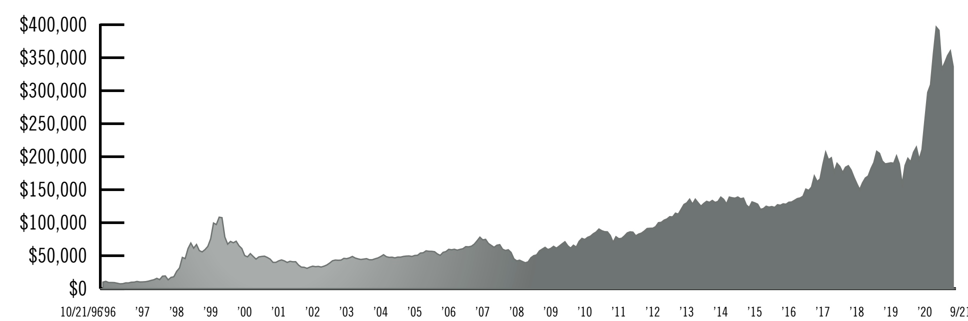
Performance (No-Load Class)

			Annualized Returns as of 09/30/21					
	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWFX)	-1.70%	13.17%	71.79%	23.27%	21.21%	16.93%	11.26%	15.14%
S&P 500 Index	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	9.51%	9.53%
NASDAQ Composite Index	-0.38%	12.11%	29.38%	21.55%	22.16%	19.59%	12.00%	10.36%

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

$336,579



Top 10 Holdings (%) as of 09/30/21

Grayscale Bitcoin Trust	33.6%
Texas Pacific Land Corp.	11.8%
PayPal Holdings, Inc.	7.2%
CACI International, Inc. - Class A	5.2%
OTC Markets Group, Inc. - Class A	2.7%
eBay, Inc.	2.5%
Visa, Inc. - Class A	2.2%
Alphabet, Inc. - Class A	2.0%
Alphabet, Inc. - Class C	2.0%
MasterCard, Inc. - Class A	1.1%

Statistics

Statistics	Fund	S&P 500
Beta	1.22	1.00
Standard Deviation	29.85	15.35
Up Market Capture Ratio	1.39	-
Down Market Capture Ratio	1.16	-
Sharpe Ratio	0.42	0.49
Weighted Avg. Mkt. Cap. ($mil)	$150,251	$563,887
Median Market Cap. ($mil)	$10,499	$30,579
Price to Book	1.95	4.29
Price to Earnings	20.60	24.33
Return on Equity	31.22%	23.34%
Active Share	92.73%	-

The Kinetics **Internet** Fund

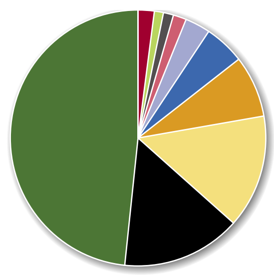
3Q 2021

Historical Total Return (No-Load Class) as of 09/30/21

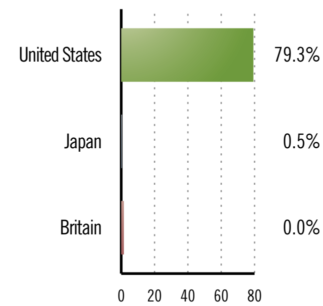
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (WWWFX)	-51.49%	-9.62%	-23.44%	40.11%	10.06%	-1.69%	16.49%	26.81%	-42.24%	48.61%	21.18%	-1.98%	23.24%	44.28%	-0.16%	-5.42%	2.59%	57.43%	-27.32%	26.45%	56.42%
S&P 500 Index	-9.10%	-11.89%	-22.10%	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.	37.8%
Oil and Gas Extraction	11.8%
Data Processing, Hosting, and Related Services	11.2%
Aerospace and Defense	6.1%
Other Information Services	4.0%
E-Commerce	2.5%
Other Telecommunications	1.3%
Management of Companies and Enterprises	1.0%
Office of Other Holding Companies	0.9%
Spectator Sports	0.6%



Top Countries (%)



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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

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
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Portfolio Managers

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

Peter Doyle
Senior Portfolio Manager
36 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%	1.77%	2.22%
Adv. C	KMKCX	494613730	1.00%	2.27%	2.72%
Inst.	KMKYX	494613615	-	1.32%	1.92%
No Load	KMKNX	494613789	-	1.52%	1.97%

Fund Characteristics

Total Net Assets	$124.0
Total Number of Positions*	53
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	56.3%
Cash and Cash Equivalents	26.9%
Unit Investment Trust	16.3%
Other Investments	0.3%
Preferred Stocks	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)

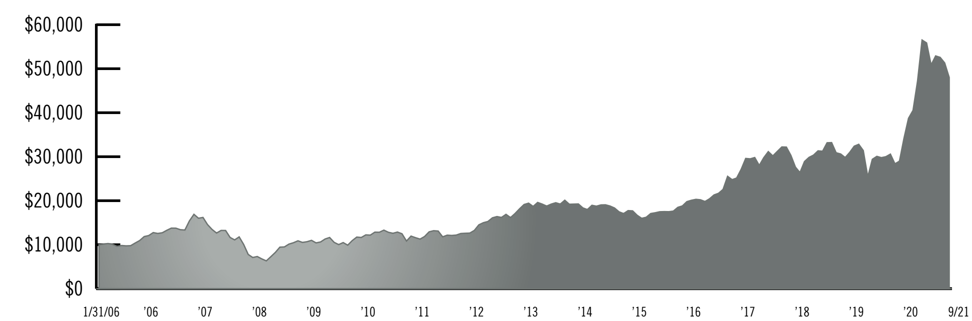
Annualized Returns as of 09/30/21

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Fund (KMKNX)	-9.26%	23.96%	69.15%	14.25%	21.02%	16.05%	10.53%
S&P 500 Index	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	10.30%
MSCI EAFE Index	-0.45%	8.35%	25.73%	7.62%	8.81%	8.10%	4.43%

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

$48,006



Top 10 Holdings (%) as of 09/30/21

Texas Pacific Land Corp.	35.2%
Grayscale Bitcoin Trust	16.3%
DREAM Unlimited Corp.	2.3%
Partners Value Investments LP	1.9%
Galaxy Digital Holdings Ltd.	1.5%
Visa, Inc. - Class A	1.4%
Associated Capital Group, Inc. - Class A	1.4%
Clarkson plc	1.3%
IntercontinentalExchange Group, Inc.	1.2%
MasterCard, Inc. - Class A	1.1%

Statistics

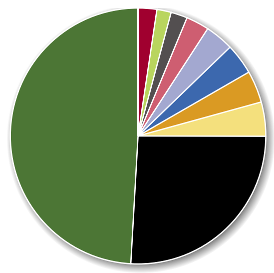
Statistics	Fund	S&P 500
Beta	1.12	1.00
Standard Deviation	21.30	14.95
Up Market Capture Ratio	1.13	-
Down Market Capture Ratio	1.14	-
Sharpe Ratio	0.44	0.62
Weighted Avg. Mkt. Cap. ($mil)	$28,214	$563,887
Median Market Cap. ($mil)	$3,184	$30,579
Price to Book	2.59	4.29
Price to Earnings	24.52	24.33
Return on Equity	29.19%	23.34%
Active Share	97.44%	-

Historical Total Return (No-Load Class) as of 09/30/21

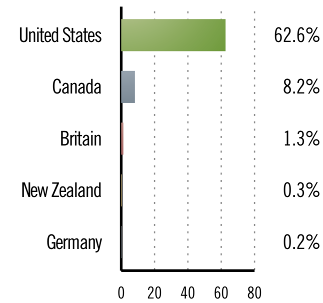
	2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (KMKNX)	20.85%	34.03%	-54.83%	50.21%	11.31%	-7.85%	17.52%	46.74%	-5.55%	-9.11%	20.45%	47.28%	-10.86%	22.76%	19.55%
S&P 500 Index	10.80%	5.49%	-37.00%	26.46%	15.06%	2.11%	16.00%	32.39%	13.69%	1.38%	11.96%	21.83%	-4.38%	31.49%	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 (%)

Oil and Gas Extraction	35.3%
Sec., Cmmdty Contracts, and Other Fin. Inv. and Rel. Act.	18.6%
Other Investment Pools and Funds	3.1%
Management of Companies and Enterprises	2.9%
Real Estate	2.8%
Data Processing, Hosting, and Related Services	2.6%
Mining (except Oil and Gas)	2.1%
Securities and Commodity Exchanges	1.5%
Support Activities for Water Transportation	1.3%
Diversified Financials	0.7%



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 12/31/2020 as reported in the 4/30/2021 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, 2022 and may be discontinued at any time by the Fund's adviser after May 1, 2022.

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

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- 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
22 years of management experience
Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
36 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%	2.51%
Adv. C	KRXCX	494613755	1.00%	2.14%	3.01%
No Load	MEDRX	494613102	-	1.39%	2.26%

Fund Characteristics

Total Net Assets	$18.0
Total Number of Positions*	29
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	99.6%
Cash and Cash Equivalents	0.3%
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.

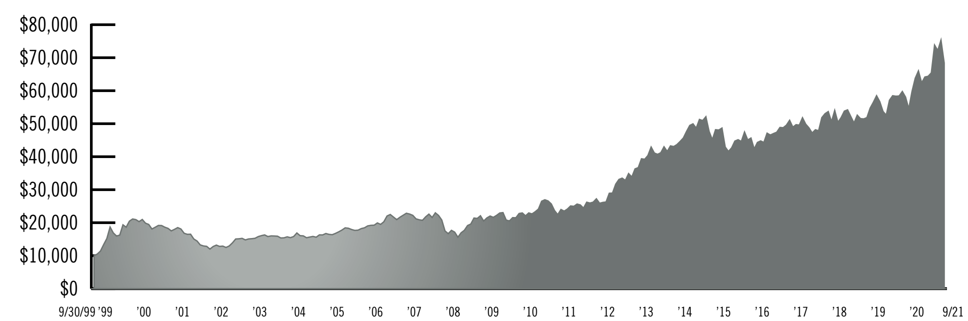
Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 09/30/21					
			1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (MEDRX)	-7.31%	7.29%	17.83%	8.42%	8.43%	11.79%	7.05%	9.13%
S&P 500 Index	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	9.51%	7.70%
NASDAQ Composite Index	-0.38%	12.11%	29.38%	21.55%	22.16%	19.59%	12.00%	7.84%

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

$68,422



Top 10 Holdings (%) as of 09/30/21

Eli Lilly & Co.	8.2%
Bristol-Myers Squibb Company	7.6%
Intellia Therapeutics, Inc.	7.3%
Pfizer, Inc.	7.0%
Novartis AG - ADR	6.3%
Johnson & Johnson	6.2%
AbbVie, Inc.	5.9%
Biogen, Inc.	5.8%
Merck & Co., Inc.	5.7%
AMGEN, Inc.	4.6%

Statistics

Statistics	Fund	S&P 500
Beta	0.69	1.00
Standard Deviation	16.96	15.05
Up Market Capture Ratio	0.84	-
Down Market Capture Ratio	0.66	-
Sharpe Ratio	0.44	0.40
Weighted Avg. Mkt. Cap. ($mil)	$135,499	$563,887
Median Market Cap. ($mil)	$22,392	$30,579
Price to Book	5.09	4.29
Price to Earnings	22.92	24.33
Return on Equity	4.65%	23.34%
Active Share	95.51%	-

The Kinetics **Medical** Fund

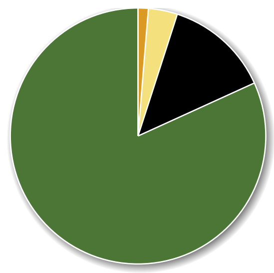
3Q 2021

Historical Total Return (No-Load Class) as of 09/30/21

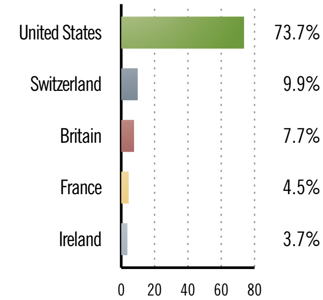
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (MEDRX)	57.04%	-13.77%	-29.14%	23.19%	6.96%	-0.72%	14.81%	15.47%	-20.42%	24.47%	4.30%	5.11%	8.86%	49.25%	16.44%	6.59%	-8.01%	10.71%	1.67%	16.04%	9.04%
S&P 500 Index	-9.10%	-11.89%	-22.10%	28.68%	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	82.2%
Chemical Manufacturing	13.3%
Professional, Scientific, and Technical Services	3.7%
Ambulatory Health Care Services	0.3%
Scientific Research and Development Services	0.0%



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.

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

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- 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
43 years of management experience
Co-Manager of Fund since inception (2008)

Matt Houk
Co-Portfolio Manager
16 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	$26.0
Total Number of Positions*	13
Turnover Ratio	0.08%
Minimum Purchase	$2,500

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

Portfolio Allocation

Cash and Cash Equivalents	59.1%
Fixed Income	30.1%
Other Investments	10.4%
Common Stocks	0.4%

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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.

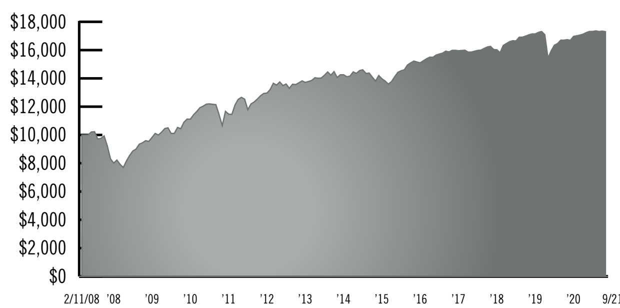
Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 09/30/21: 1YR	3YR	5YR	10YR	Since Inception	5 Year Standard Deviation
Multi-Disciplinary Income Fund (KMDNX)	-0.33%	1.70%	3.36%	2.09%	2.59%	4.96%	4.10%	5.40%
BB Barclays US Agg. Bond Index	0.05%	-1.55%	-0.90%	5.36%	2.94%	3.01%	3.86%	3.31%
BB Barclays US HY Corp. Bond Index	0.89%	4.53%	11.28%	6.91%	6.52%	7.42%	7.80%	7.29%

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

$17,305



Statistics

	Fund	Barclays Agg.
Beta	0.40	1.00
Standard Deviation	5.40	3.31
Up Market Capture Ratio	0.71	-
Down Market Capture Ratio	0.51	-
Sharpe Ratio	0.27	0.55

Recent Fund Distributions**

	Fund
Sep-2021	$0.05
Jun-2021	$0.05
Mar-2021	$0.08
Dec-2020	$0.06

Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	0.71
Average Maturity (years)	1.21

Top 10 Fixed Income Holdings (%)

as of 09/30/21

Stolt-Nielsen Limited	7.8%
Lennar Corporation	7.7%
Lamb Weston Holdings, Inc	3.9%
Lamb Weston Holdings, Inc	3.6%
Cheniere Energy, Inc.	2.6%
Lumen Technologies, Inc.	1.9%
Ball Corporation	0.9%
Cablevision System Corp.	0.8%
Branson MO Regional Airport	0.7%
GAMCO INVS INC	0.0%

Kinetics **Multi-Disciplinary Income** Fund

3Q 2021

Historical Total Return (No-Load Class) as of 09/30/21

	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	2.61%	3.11%	2.36%	2.31%
Net	1.97%	2.47%	1.72%	1.52%

The Gross expense ratios listed are as of 12/31/2020 as reported in the 4/30/2021 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, 2022 and may be discontinued at any time by the Fund's adviser after May 1, 2022.

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.

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

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

The Kinetics **Paradigm** Fund

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- 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
43 years of management experience
Co-Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
36 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	$843.0
Total Number of Positions*	51
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	82.3%
Cash and Cash Equivalents	9.7%
Unit Investment Trust	7.9%
Convertible Preferred Stock	0.1%
Other Investments	0.0%

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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)

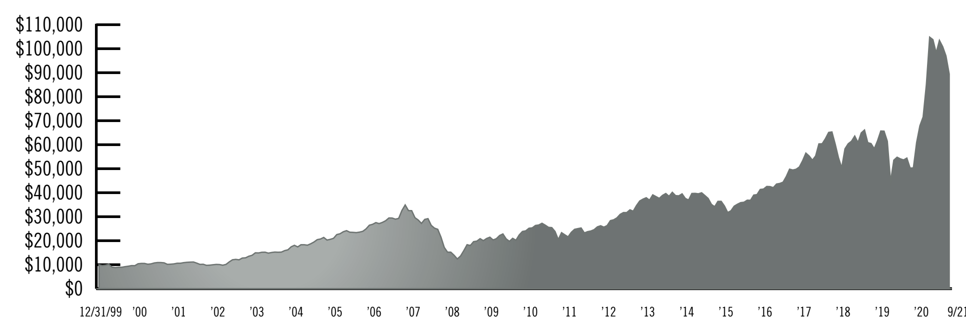
Annualized Returns as of 09/30/21

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWNPX)	-13.53%	31.78%	77.92%	11.05%	18.05%	15.89%	11.50%	10.60%
S&P 500 Index	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	9.51%	7.10%
MSCI ACW Index	-1.05%	11.12%	27.44%	12.58%	13.20%	11.90%	8.11%	5.38%

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

$89,460



Top 10 Holdings (%) as of 09/30/21

Texas Pacific Land Corp.	49.7%
Grayscale Bitcoin Trust	7.9%
Brookfield Asset Management, Inc. - Class A	5.3%
The Howard Hughes Corporation	3.4%
Live Nation Entertainment, Inc.	3.2%
Franco-Nevada Corporation	2.7%
Liberty Broadband Corporation - Series C	2.5%
CACI International, Inc. - Class A	1.6%
Icahn Enterprises LP	1.5%
Associated Capital Group, Inc. - Class A	1.2%

Statistics

Statistics	Fund	S&P 500
Beta	1.03	1.00
Standard Deviation	20.21	15.05
Up Market Capture Ratio	1.13	-
Down Market Capture Ratio	0.94	-
Sharpe Ratio	0.45	0.37
Weighted Avg. Mkt. Cap. ($mil)	$16,492	$563,887
Median Market Cap. ($mil)	$12,378	$30,579
Price to Book	3.41	4.29
Price to Earnings	34.96	24.33
Return on Equity	22.65%	23.34%
Active Share	99.42%	-

The Kinetics **Paradigm** Fund

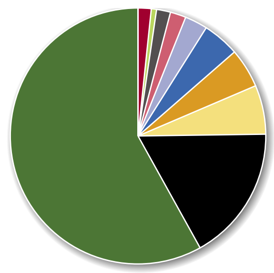
3Q 2021

Historical Total Return (No-Load Class) as of 09/30/21

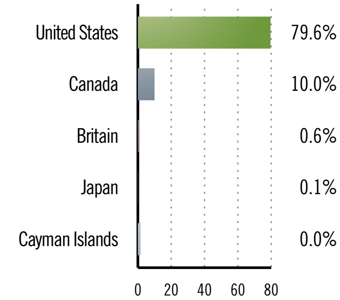
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (WWNPX)	4.00%	2.02%	-4.62%	47.77%	20.93%	16.11%	27.81%	21.14%	-53.17%	41.02%	17.37%	-14.27%	21.78%	44.07%	-0.79%	-8.33%	20.45%	28.41%	-5.55%	30.48%	3.32%
S&P 500 Index	-9.10%	-11.89%	-22.10%	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	52.5%
Finance and Insurance	15.5%
Information	5.6%
Real Estate and Rental and Leasing	4.5%
Arts, Entertainment, and Recreation	4.2%
Management of Companies and Enterprises	2.6%
Accommodation and Food Services	1.8%
Professional, Scientific, and Technical Services	1.6%
Transportation and Warehousing	0.6%
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 12/31/2020 as reported in the 4/30/2021 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, 2022 and may be discontinued at any time by the Fund's adviser after May 1, 2022.

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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 (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

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- 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
43 years of management experience
Co-Manager of Fund since inception (2000)

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

Matt Houk
Co-Portfolio Manager
16 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%	1.89%	2.03%
Adv. C	KSOCX	494613748	1.00%	2.39%	2.53%
Inst.	KSCYX	494613813	-	1.44%	1.73%
No Load	KSCOX	494613706	-	1.64%	1.78%

Fund Characteristics

Total Net Assets	$257.0
Total Number of Positions*	44
Turnover Ratio	4.00%
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	89.3%
Cash and Cash Equivalents	6.3%
Unit Investment Trust	4.0%
Other Investments	0.4%
Fixed Income	0.0%

Small Cap Opportunities Fund Overview

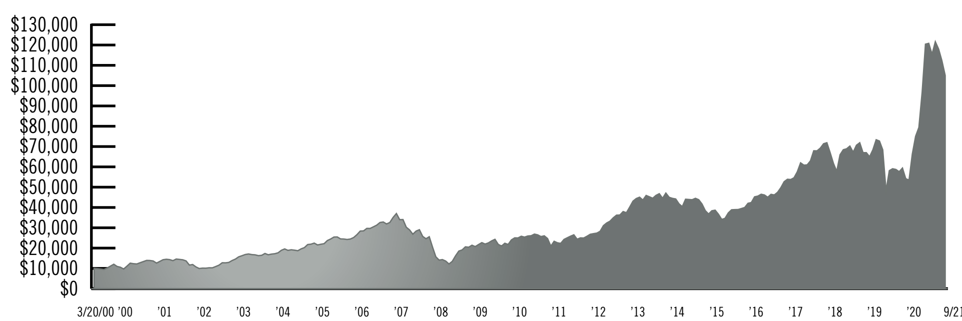
- U.S. focused global small-cap fund seeking to invest in fundamentally undervalued companies with market capitalizations at or below the highest market capitalization of a component security within the S&P SmallCap 600 Index.
- Investments are concentrated in companies that have a small capitalization 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)

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
			Annualized Returns as of 09/30/21					
Fund (KSCOX)	-13.65%	39.93%	93.92%	13.46%	20.08%	17.49%	11.18%	11.54%
S&P SmallCap 600 Index	-2.84%	20.05%	57.64%	9.44%	13.57%	15.69%	11.47%	10.19%
S&P 500 Index	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	9.51%	7.21%

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 — $105,011



Top 10 Holdings (%) as of 09/30/21

Texas Pacific Land Corp.	49.0%
DREAM Unlimited Corp.	7.6%
CACI International, Inc. - Class A	5.8%
Grayscale Bitcoin Trust	4.0%
Icahn Enterprises LP	3.3%
Associated Capital Group, Inc. - Class A	3.0%
Live Nation Entertainment, Inc.	2.8%
Civeo Corp.	2.7%
The Wendy's Company	2.4%
Galaxy Digital Holdings Ltd.	2.4%

Statistics

Statistics	Fund	S&P 600
Beta	0.93	1.00
Standard Deviation	22.40	19.27
Up Market Capture Ratio	0.91	-
Down Market Capture Ratio	0.77	-
Sharpe Ratio	0.45	0.45
Weighted Avg. Mkt. Cap. ($mil)	$8,072	$2,632
Median Market Cap. ($mil)	$2,167	$1,573
Price to Book	2.67	2.05
Price to Earnings	22.34	15.77
Return on Equity	22.48%	3.91%
Active Share	99.96%	-

The Kinetics **Small Cap Opportunities** Fund

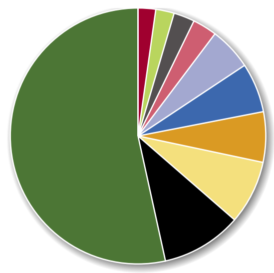
3Q 2021

Historical Total Return (No-Load Class) as of 09/30/21

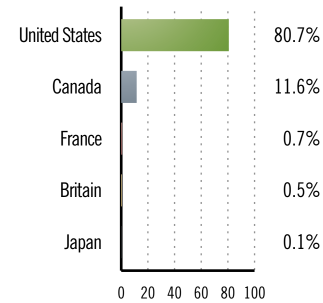
	2000*	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Fund (KSCOX)	11.00%	30.63%	-30.28%	66.51%	16.40%	13.17%	28.37%	19.65%	-57.88%	58.16%	13.86%	-13.65%	26.74%	59.40%	-7.28%	-12.26%	24.39%	26.23%	0.29%	27.06%	2.30%
S&P SmallCap 600 Index	4.27%	6.54%	-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	50.4%
Management of Companies and Enterprises	9.6%
Real Estate	7.6%
Finance and Insurance	6.0%
Professional, Scientific, and Technical Services	5.9%
Accommodation and Food Services	5.1%
Arts, Entertainment, and Recreation	2.9%
Real Estate and Rental and Leasing	2.5%
Manufacturing	2.2%
Transportation and Warehousing	1.1%



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 12/31/2020 as reported in the 4/30/2021 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, 2022 and may be discontinued at any time by the Fund's adviser after May 1, 2022.

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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

3Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.5 billion in assets as of 09/30/2021.
- 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
43 years of management experience
Co-Manager of Fund since inception (2007)

Steven Bregman
President
36 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%	1.70%	2.61%
Adv. C	LSHCX	494613540	0.75%	2.45%	3.11%
Inst.	LSHUX	494613532	-	1.45%	2.31%
No Load	LSHEX	494613524	-	1.65%	2.36%

Fund Characteristics

Total Net Assets	$23.0
Total Number of Positions*	32
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	98.7%
Cash and Cash Equivalents	1.2%
Fixed Income	0.1%

www.kineticsfunds.com

Spin-off and Corporate Restructuring Fund Overview

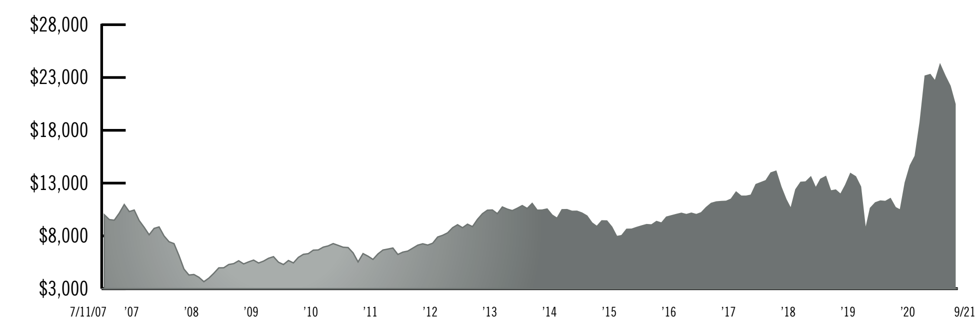
- U.S. focused global all-cap fund comprised of investments in:
  - Spin-off companies and parent companies of spin-offs.
  - Subsidiary companies resulting from an equity "carve out" or "partial initial public offering" where a parent company sells equity of such subsidiary.
  - Companies subject to 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 09/30/21						
	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Fund (LSHUX)	-15.39%	39.70%	91.68%	13.18%	16.94%	13.97%	5.17%
S&P 500 Index	0.58%	15.92%	30.00%	15.99%	16.90%	16.63%	9.85%

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 **$20,476**



Top 10 Holdings (%) as of 09/30/21

Texas Pacific Land Corp.	53.4%
PayPal Holdings, Inc.	9.5%
DREAM Unlimited Corp.	6.3%
CSW Industrials, Inc.	5.9%
Associated Capital Group, Inc. - Class A	5.1%
Graham Holdings Company - Class B	2.5%
The Howard Hughes Corporation	2.1%
Liberty Broadband Corporation - Series A	2.0%
Capital Southwest Corporation	1.7%
Civeo Corp.	1.6%

Statistics

Statistics	Fund	S&P 500
Beta	1.34	1.00
Standard Deviation	25.05	15.55
Up Market Capture Ratio	1.17	-
Down Market Capture Ratio	1.44	-
Sharpe Ratio	0.19	0.61
Weighted Avg. Mkt. Cap. ($mil)	$36,292	$563,887
Median Market Cap. ($mil)	$1,489	$30,579
Price to Book	3.28	4.29
Price to Earnings	27.14	24.33
Return on Equity	23.99%	23.34%
Active Share	99.09%	-

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

3Q 2021

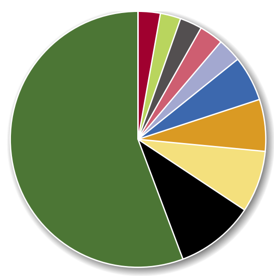
Historical Total Return (Institutional Class)* as of 09/30/21

	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%

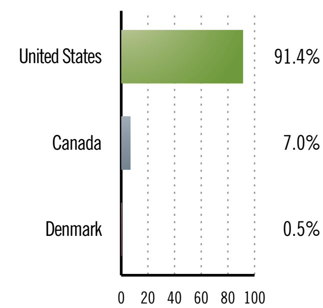
†Cumulative return from Fund's inception to year-end.

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	53.6%
Admin. and Spprt. and Wst. Mgmt. and Rem. Srvcs.	9.6%
Manufacturing	7.5%
Real Estate	6.3%
Management of Companies and Enterprises	5.5%
Finance and Insurance	2.9%
Information	2.9%
Real Estate and Rental and Leasing	2.7%
Educational Services	2.5%
Accommodation and Food Services	1.7%



Top Countries (%)



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