Kinetics Mutual Funds

Fourth Quarter 2021 - Conference Call with Peter Doyle

January 11, 2022

Important Risk Disclosures:

Horizon Kinetics Asset Management LLC ("HKAM") is pleased to announce that on January 11, 2022, 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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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 does investing in U.S. investments, including the risk of currency fluctuations, political and economic instability, and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. Also, there are risks associated with investing in small and medium size companies. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Funds pursue their investment objectives by investing all of their investable assets in a corresponding portfolio series of Kinetics Portfolio Trust.

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

Chris Bell: Good morning, everyone. Welcome and thank you for your time today for the 2021 Year-end Kinetics Mutual Funds Update Webinar. Today we're joined by Peter Doyle, Cofounder of Horizon Kinetics and President of Kinetics Mutual Funds, and Vice President/Portfolio Manager, James Davolos. They will speak about the economy, energy markets and inflation, and then we will take questions. Please note that we are recording this call and replay will be available. Also, the slide deck will be available. Please reach out to me or one of the Horizon Kinetics sales team or your HRC representative. Or you can go to www.kineticsfunds.com for both factsheets and presentations. Also, please go to www.horizonkinetics.com for the What's New research, products, podcasts discussing our inflation beneficiaries business models and our strategy updates.

Performance last year was strong compared to the S&P 500 Index. The flagship Paradigm Fund was up 38.15%, beating the index by over 900 basis points. Our largest sector weighting, in the energy sector outperformed significantly. More on that later from Peter Doyle. It is important to note that since January 1st of 2000, the Paradigm Fund has outperformed the S&P 500 by over 300 basis points annually with extremely low turnover, and therefore high tax efficiency. Note that updated factsheets should be available on the website in two to three weeks.

As you know, we've been writing and speaking about inflation pressures for years, and now they're upon us. With that, I'd like to turn it over to Peter. Thank you.

Peter Doyle: Thank you, Chris, and good morning to everyone and happy New Year. Thank you for taking the time to join us today. Some of the things that I'm going to speak about are things that you have heard many times in the past, and it should come as no surprise that our turnover is incredibly low. Because ultimately, what we're trying to do is we're trying to capture the business returns of the companies that we own. And many, many years ago, when we first launched the mutual funds, I was reasonably convinced that we could create portfolios that would outperform the standard broad-based benchmarks –with the passage of time, not every year – because we were ultimately seeking companies that had high returns on capital and were trading at comparable or more attractive valuations. And the businesses themselves had great predictability. And if we left them alone, that would show up in the investment results. And that's, more or less, what we've been doing.

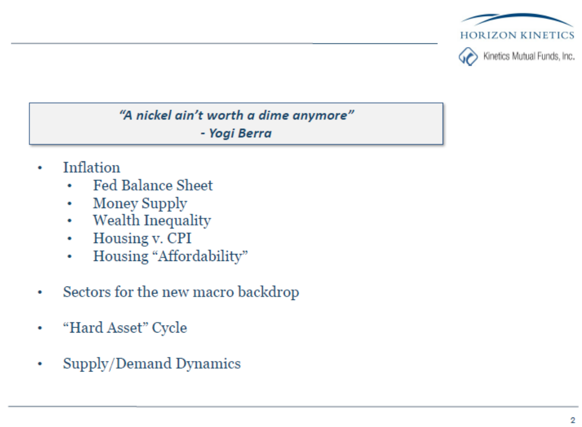
So, from your standpoint, the best clients for us are those that truly have a long-term time horizon, so you can seek to capture those business returns that are created in the investments that we make for you on your behalf.

So, just a quick recap of what we look for and have always looked for. A lot of the names have been in our mutual funds for many, many years. And the reason for that is they share similar characteristics. We're looking for companies that have high returns on equity capital, generally require low capital expenditures, use modest amounts of debt, and generally they have unique return characteristics. And a perfect example of that is the royalty company. So, in the case of Texas Pacific Land Trust, a top holding across several of our funds, if you compare it to a traditional oil services company or an oil production company, you see that the return characteristics are so much more attractive, and they get a proper rate of return throughout the complete cycle. And even though they're "somewhat linked to the price of oil," the fact that they don't have spending needs, they can do a lot of things. The earnings of those businesses are great. They can pay dividends, they can buy back shares, etc., in a way that the other companies don't have the ability or flexibility to do.

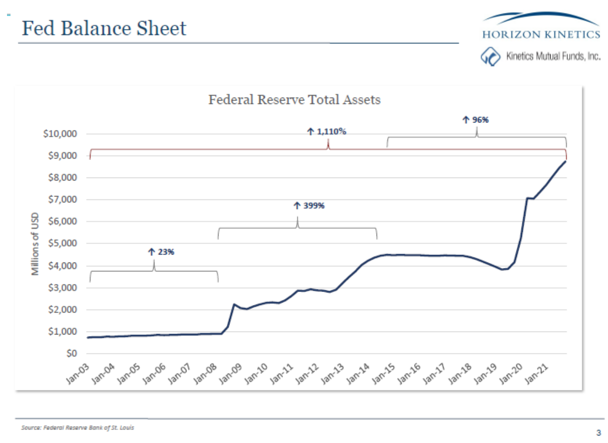
So, that's kind of the highlight of what we do and what we've done for the entirety of our existence. One of the things that's confronting investors and always confronts investors is the level of interest rates. And people might have noticed that the 10-year treasury, which is typically viewed as the risk-free rate, is back up and it's now yielding about 1.8%. In August of 2021, the yield on the 10-year got as low as 1.15%, so that's a very meaningful move. And in the last week, you might have seen that – I think the 10-year yield was up over 6%. That's a substantial move. And that is having implications. As the 10-year yield has risen, it has implications for companies, particularly those companies whose cash flows are projected well out into the future.

So, if you look at what's going on in NASDAQ, even though NASDAQ is not off substantially, over 40% of companies listed on NASDAQ are down 50% from their 52-week high[1]. That's actually an all-time high. And, generally, when you have a crack in the stock market, it's at the fringes first and then it becomes more centered on the well-known names. So, it's something people should be looking at and something that we're paying attention to on a regular basis.

So, going through the slides, we're going to touch on inflation, we're going to talk about the Fed's balance sheet, the money supply, the wealth inequality, the housing market vs. CPI and housing affordability. And then James is going to speak about some sectors for the new macro backdrop that we're seeing, the hard asset cycle and the supply/demand dynamics.



So, looking here, this is the Fed's balance sheet. The Federal Reserve was established in 1913, and it really was meant to be the banks' bank, and if there was a crisis – a crisis at a regional bank or a local bank, they'd come to the Federal Reserve for help. And during its existence, the Federal Reserve, for the first 95-plus years, only issued money to the extent of about $995 billion. So, you see there in 2008, you see that spike up. So, in 95 years, less than a trillion dollars of money creation. The great financial crisis comes along, they do a bailout, the money supply grows very quickly to $2.2 trillion – so they double the money almost very quickly, within several months. They further expand it through quantitative easing over that period of time. I don't know exactly why they needed to do that, but they decided to do it. And you can see that the chart is up and to the right. And if you go out all the way to where we are today, today the Fed's balance sheet is $8.76 trillion. So that means in the last 13 years, the Federal Reserve has expanded or created money of over $7 trillion. And what they did in the first 95 years was less than a trillion dollars.



[1] https://www.bloomberg.com/news/articles/2022-01-06/number-of-nasdaq-stocks-down-50-or-more-is-almost-at-a-record

So, this is the 800-pound gorilla in the room. How much of this has influenced the asset crisis? And the answer is – it's very substantial. So, just to give you an example, since 2009, the S&P 500 is up 533%, and over that course of time, the money supply has grown very substantially, as I just pointed out. If you adjust for the growth of the M2 money supply stock and you say, well, let's say that money makes its way into financial assets, you would – in real terms, the S&P 500 is actually only up 139%.

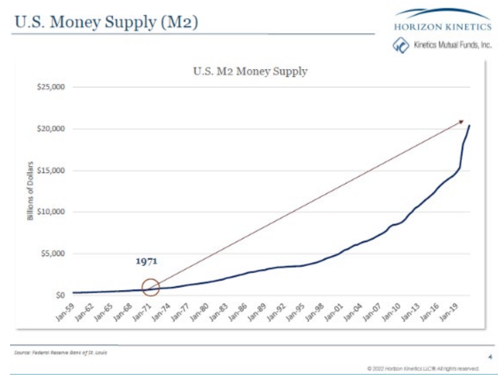
So, money creation is having a very substantial impact. Even during those periods of time where people were saying the velocity of money is very low, there's no inflation, the inflation was in assets, it was in stock prices, it was in fixed income. You're seeing what's going on globally, that the amount of bonds that have a negative real yield is just absolutely staggering. So, I've mentioned this before – it's all risk, no return. And why anyone would have any exposure to fixed income today is beyond, my comprehension, unless you needed the money in a very short period of time.

So, what people don't appreciate from looking at the growth of the Fed's balance sheet, obviously we had the great financial crisis, we also had COVID, and everyone is aware of how much they printed money there, but during 2019, there was actually a repo market problem and the plumbing in the system and the lack of liquidity just from the Fed trying to do quantitative tightening – basically they needed to come in and do another bailout there. And the overnight repo rate went from less than a percent to 10%. So, that's a financial crisis type situation, and nobody talks about that and no one's even aware of that.

If the Federal Reserve tries to tighten in any meaningful way, in our opinion, the liquidity issues in the market would cause them to reverse that and since the global debt situation is so large and so out of proportion with the underlying GDP, they would be forced to reverse themselves very quickly. So, now they obviously want to get their arms around inflationary pressures, but they're limited as to what they can do. So, this is really what people should be focusing on. Unfortunately, it used to be when the Fed did have such a role in the marketplace, you used to basically be able to do a proper analysis; there would be a risk-free rate set by the market. It's no longer set by the market. It's now a policy rate set by the Federal Reserve. And the pricing signal has been broken for a number of years. Now, how long will that go on? Nobody knows. But my guess is that if there are cracks in the system, they will just open up the spigots again.

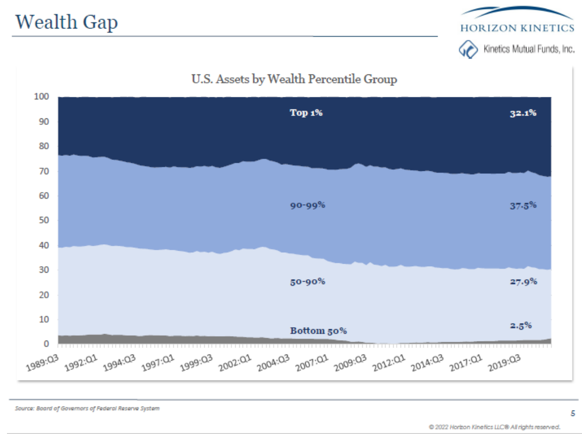
So, a long way of saying I would be very concerned about valuations – and I am very concerned about valuations across the board in virtually every asset class – I just don't think that they have the stomach to allow them to collapse, and in dollar terms, I don't think they'll collapse; but, in real terms, you might not do too well as an investor.

So, you can see that as the Fed printed up more money, what happened. And the circle there is 1971. And 1971, for those who aren't aware, is the year that Nixon took the U.S. dollar off the Gold Standard. He abandoned the Gold Standard. So, what was happening is, because of trade imbalances and people's lack of need for dollars, they wanted to redeem dollars for gold, and they were coming here, and they were basically sucking out the supply of gold that we had, and it was untenable, and Nixon just said, okay, overnight we're no longer going to allow you to convert your dollars into gold and we're not going to pay that. And it went to essentially just money backed by the promise of the U.S. government. So, this is, literally, just a 50-year experiment that the United States is on. And for most people who look at currencies around the world, you would see that the typical country's currency does not have great longevity. The typical currency gets debased down to zero within about a 27 years' period of time. The United States has been a shining example of that not happening, even though there has been significant debasement, primarily because global demand – as we went from the dollar backed by gold to the petrodollar, i.e., commodities and particularly oil priced in dollars – there was always a demand for dollars out there. And there still is. But you're starting to see cracks in that regard.



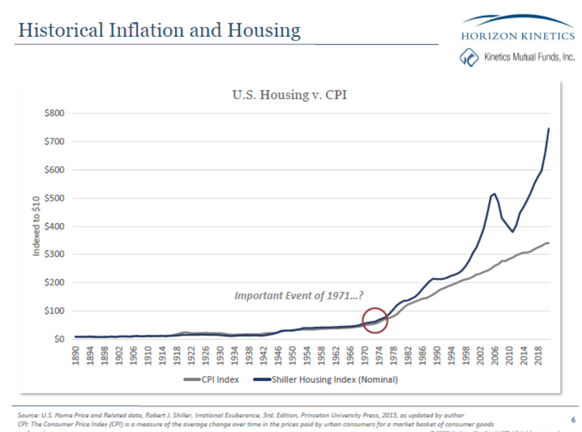
Whether it's India or China, and other countries around the world that are willing to settle in their local currencies in commodities, the demand for dollars potentially is going to fall off. I'm not predicting that anytime soon, but I can see how that can become a real problem and the dollar can conceivably, in the not too distant future, not be the reserve currency. And losing that status is a very troubling thing. And, again, in dollar terms, your assets may be going up; in real purchasing power – you have to pay attention to that – they may not be going up as much as you think.

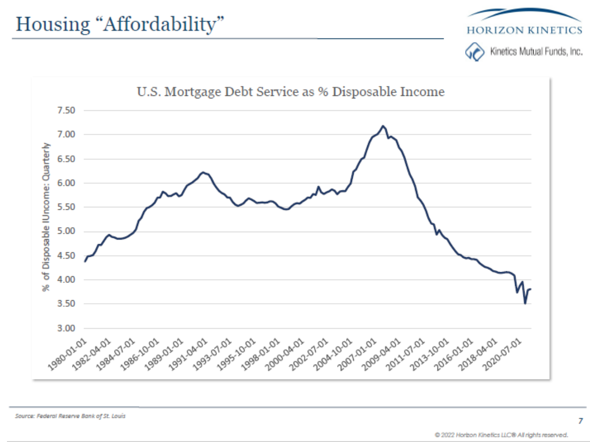
A lot of this has had fallouts in terms of wealth inequality and social unrest and people's standards of living around the world. So, if you look at what's gone on, the top 10% of individuals in this country controlled 69.6% of the wealth. You can see that as the money printing has kicked into higher gear, the top 1% and the top 10% have really taken the lion's share of that. The bottom 50% is up now about 2.5%, and the bottom, say – the bottom 50- 90% is only about 27 – 29.5%, maybe 30%. But that's down from 40% going back to 1989.



So, as the money printing goes on, those individuals that have financial assets have benefited the most from this. And that's not sustainable long term. It's not good for society, it's not good for our company, and there is going to be a fallout as a result of that. Now, that being said, I don't see this correcting itself, primarily because if the Federal Reserve understands that the tax base is really bolstered by financial assets, they can't allow financial assets to collapse. So, in dollar terms they'll do whatever it takes, in our opinion, to keep those prices up.

So, here you can see – again, that circle is 1971 – and as we go from a dollar that's backed by gold and there's some discipline, and obviously we're coming out of the last 1960s, the cost of the Vietnam War, Nixon decides to abandon the Gold Standard so he can basically stop the conversion from dollars to gold, and you can see once the politicians, once the central bankers understand – particularly the Federal Reserve understand that we're no longer tied and have discipline in keeping our currency in relationships to the gold reserves that we have, you can start seeing that the prices of assets, particularly in this case housing – and there are a lot of different reasons as to why housing has gone up and why the middle class has gotten hit hard from that – but if you're tied to the CPI, your increases in cost of living tied to the CPI, you have not been able to keep up for a very long period of time. And a lot of people have been shut out of the housing market and it's having an impact on basically how society functions.

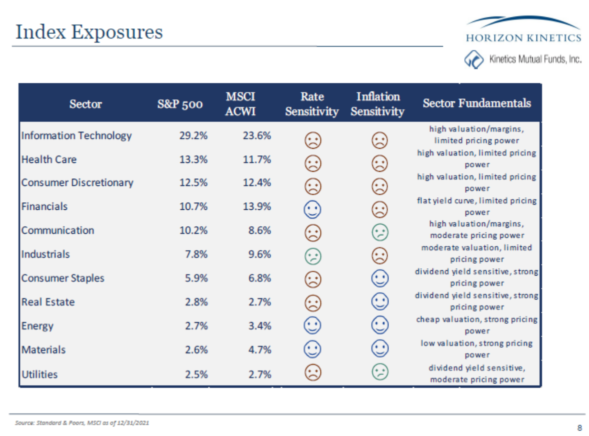




Here, you can see it seems it's become more affordable and that's coupled with the fact that the Federal Reserve has basically taken rates down to zero. So, the Fed Funds rate as we speak right now is 0.8%. And even though home prices and financial assets have risen fairly dramatically, the cost of funding that, because interest rates are so low, it actually is more affordable today. So, potentially — normally I would say based on valuations, but based on fundamentals, I would be very concerned about the stock market. If you're going to keep rates at an artificially low rate, and you're going to continue to inject more money, financial assets are the way to go. And part of that is getting people out of more conservative fixed income assets into the riskier assets out there.

So, with that, I will turn over the next slides to James, who will continue on.

<u>James Davolos:</u> Thanks, Peter. So, I'm basically going to run through how the economy's set up or whatever you think the new macro regime is going to look like. Obviously, there are no certainties, but I think that two things are pretty clear. It's unlikely that we're going to see rates continue to drop, as we've seen for the better part of the last 40 years. It's also arguably highly likely that we're going to see higher consumer and purchasing prices. So, if you look at the composition of both the S&P 500 and the MSCI ACWI, which is the All Country World Index, granted it's about 50-55% U.S. companies but whether you think you can diversify internationally or stick with the U.S., you're very top-heavy in both indexes between IT, healthcare, consumer discretionary – and all of those sectors probably have a lot of headwinds if this future is what results. Because with tech you've got high valuations and record high profit margins, arguably, limited pricing power on their consumer base. Healthcare high valuations – again, limited pricing power, a lot of government pay. Consumer discretionary, high valuation, limited pricing power.



Sector	S&P 500	MSCI ACWI	Rate Sensitivity	Inflation Sensitivity	Sector Fundamentals
Information Technology	29.2%	23.6%	☹	☹	high valuation/margins, limited pricing power
Health Care	13.3%	11.7%	☹	☹	high valuation, limited pricing power
Consumer Discretionary	12.5%	12.4%	☹	☹	high valuation, limited pricing power
Financials	10.7%	13.9%	☺	☹	flat yield curve, limited pricing power
Communication	10.2%	8.6%	☹	😕	high valuation/margins, moderate pricing power
Industrials	7.8%	9.6%	😕	☹	moderate valuation, limited pricing power
Consumer Staples	5.9%	6.8%	☹	☺	dividend yield sensitive, strong pricing power
Real Estate	2.8%	2.7%	☹	☺	dividend yield sensitive, strong pricing power
Energy	2.7%	3.4%	☺	☺	cheap valuation, strong pricing power
Materials	2.6%	4.7%	☺	☺	low valuation, strong pricing power
Utilities	2.5%	2.7%	☹	😕	dividend yield sensitive, moderate pricing power

Financials are a little trickier because the flat yield curve could be of benefit to them if it steepens but, again, I think there are a lot of price pressures that are going to be flowing through the financial system. Communications, high valuations. A lot of these things are rate proxies – whether it's your cell companies or cable companies, where a lot of them are basically valued on a yield. So, they're turning into a lot of utilities. You can see utilities down at the bottom, where they're very yield sensitive. And it's a staple, in my opinion, but again there's not that much regulatory bandwidth to really push a lot of prices.

Industrials, you can argue they're reasonably valued but, again, also you're selling into companies that have a lot of sensitivity to margins and cost of goods sold. So, I'd argue, where's the pricing power?

Moving down, Consumer Staples. Again, Staples are dividend-yield proxies. The P&Gs and Colgate-Palmolives of the world and Unilevers are trading at wild valuations because they can manufacture a 3 or a 4% dividend yield. Very yield-sensitive, but I would argue these could push a better price; however, there is a switching risk. Real estate, by and large, has fairly high prices. But I would say that there's pricing power. They also have a bit of rate sensitivity which gets a little bit tricky.

You have to go all the way down to energy to actually get something where you have a double win with rate sensitivity. Because you have low valuations and strong pricing power. Below that, with materials, you have strong pricing power and low valuations. So, when you look at the two areas that are probably going to do best, you can argue there are some environments where real estate does okay. You're well below 10% of each respective index, specifically within energy and materials, which you'll see later in this presentation, which I think have the best opportunity to really thrive in the future. You're barely 5% of the index for U.S. and then maybe 8% for international. So, you're going to need a lot of heavy lifting for those rates – for those sectors that could really do well in a rising interest rate, inflation-sensitive environment. So, moving on to slide nine.

Here's another example where I go through a 22-year history or 21-year history of how market cycles have really performed, where you're looking at changes in the relative 10-year yield, changes in the relative Consumer Price Index, and then the relative change in the real yield. So, the inflation-adjusted yield. And you can see in the gray there's only been three occurrences where you've had rising 10-year, rising CPI, but it's almost impossible to actually see a scenario where that also coincides with a rising real rate, because CPI tends to run ahead of rates. You also have an even more rare occurrence in 2014 and 2020, where 10-year drops, CPI drops – but that's not a deflation; that's just dropping from the regular level. But then also real yields change. So, keeping these two examples within context, we can go to the next slide, which looks at sector leadership.

Rates & Inflation

HORIZON KINETICS
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				Year Over Year Change		
Year	10Y Yield	CPI	Real 10Y Yield	10Y	CPI	Real Yield
2000	5.12	3.4	1.68			
2001	5.07	1.6	3.47	(0.05)	(1.83)	1.78
2002	3.83	2.5	1.35	(1.24)	0.88	(2.12)
2003	4.27	2.0	2.23	0.44	(0.45)	0.89
2004	4.24	3.3	0.90	(0.03)	1.31	(1.34)
2005	4.39	3.3	1.05	0.15	(0.00)	0.15
2006	4.71	2.5	2.19	0.32	(0.81)	1.13
2007	4.04	4.1	(0.07)	(0.67)	1.58	(2.25)
2008	2.25	0.0	2.27	(1.79)	(4.13)	2.34
2009	3.85	2.8	1.04	1.60	2.84	(1.24)
2010	3.30	1.4	1.86	(0.55)	(1.38)	0.83
2011	1.89	3.1	(1.17)	(1.41)	1.62	(3.03)
2012	1.78	1.8	0.02	(0.11)	(1.30)	1.19
2013	3.04	1.5	1.53	1.26	(0.25)	1.51
2014	2.17	0.7	1.52	(0.87)	(0.86)	(0.01)
2015	2.27	0.6	1.63	0.10	(0.01)	0.11
2016	2.45	2.1	0.40	0.18	1.41	(1.23)
2017	2.40	2.1	0.30	(0.05)	0.05	(0.10)
2018	2.69	1.9	0.77	0.29	(0.18)	0.47
2019	1.92	2.3	(0.34)	(0.77)	0.34	(1.11)
2020	0.93	1.3	(0.37)	(0.99)	(0.96)	(0.03)
2021	1.52	6.8	(5.28)	0.59	5.50	(4.91)

Source: FactSet

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So, this is a graph going all the way back to 2002, and it shows the best down to the worst performer within the S&P 500's sectors for each respective year. So, if you look at 2021, you can see energy was the best performer, utilities were the worst performer. So, not necessarily that big of a surprise when you look at the macro factors driving. Obviously very rate-sensitive with utilities, energy. Coming off a low base, you have the pro-cyclicality, you have the inflation, you have the declining real yields.

Market Leadership

Ranked performance of each sector in the S&P 500 by year

HORIZON KINETICS
Kinetics Mutual Funds, Inc.

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Cons S	I.T.	Energy	Energy	Comm	Energy	Cons S	I.T.	R.E.	Util
Mat	Mat	Util	Util	R.E.	Mat	HC	Mat	Cons D	Cons S
Energy	Cons D	R.E.	R.E.	Energy	Util	Util	Cons D	Indu	HC
Fin	Indu	Comm	Fin	Util	I.T.	Comm	Indu	Mat	R.E.
R.E.	Fin	Indu	HC	Fin	Cons S	Cons D	R.E.	Energy	Comm
HC	Util	Cons D	Mat	Cons D	Indu	Energy	HC	Comm	Cons D
Cons D	Energy	Mat	Cons S	Mat	Comm	Indu	Fin	Cons S	Energy
Indu	R.E.	Fin	Indu	Cons S	HC	I.T.	Cons S	Fin	I.T.
Util	HC	Cons S	I.T.	Indu	Cons D	R.E.	Energy	I.T.	Indu
Comm	Cons S	I.T.	Comm	I.T.	Fin	Mat	Util	Util	Mat
I.T.	Comm	HC	Cons D	HC	R.E.	Fin	Comm	HC	Fin

2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fin	Cons D	Util	Cons D	Energy	I.T.	HC	I.T.	I.T.	Energy
Cons D	HC	R.E.	HC	Comm	Mat	Util	Comm	Cons D	R.E.
Comm	Indu	HC	Cons S	Fin	Cons D	Cons D	Fin	Comm	Fin
HC	Fin	I.T.	I.T.	Indu	Fin	I.T.	Indu	Mat	I.T.
R.E.	I.T.	Cons S	Comm	Mat	HC	R.E.	R.E.	HC	Mat
Indu	Cons S	Fin	R.E.	Util	Indu	Cons S	Cons D	Indu	HC
Mat	Mat	Indu	Fin	I.T.	Cons S	Comm	Cons S	Cons S	Cons D
I.T.	Energy	Cons D	Indu	Cons D	Util	Fin	Util	Util	Comm
Cons S	Util	Mat	Util	Cons S	R.E.	Indu	Mat	Fin	Indu
Energy	Comm	Comm	Mat	R.E.	Energy	Mat	HC	R.E.	Cons S
Util	R.E.	Energy	Energy	HC	Comm	Energy	Energy	Energy	Util

Source: Bloomberg
GICS Sectors: Consumer Staples (Cons S), Materials (Mat), Financials (Fin), Real Estate (R.E.), Health Care (HC), Consumer Discretionary (Cons D), Industrials (Indu), Utilities (Util), Communications Services (Comm), Information Technology (I.T.)

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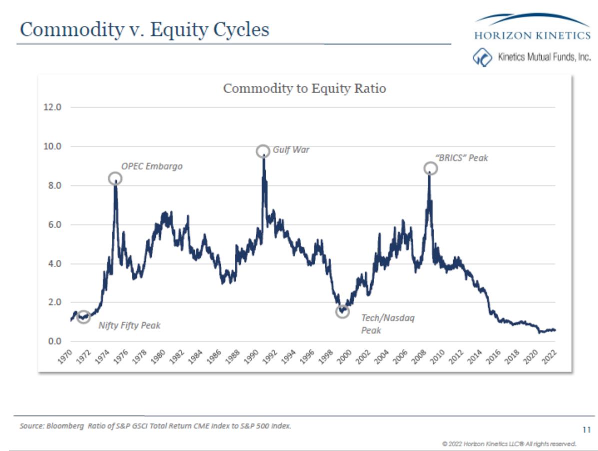
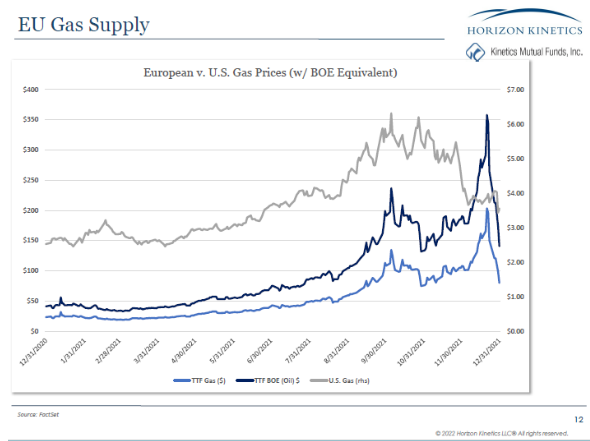
So, I think what else is really interesting here is if you look at the 2014 and the 2020 experience, which were two anomalous years where you have the most negative backdrop for energy. Similarly, you have energy at the very bottom of 2014, at the very bottom of 2020. The other interesting thing is if you go back to 2014 – look at all that yellow on the bottom. So, energy's been the worst performer in the S&P five out of seven years, and one of the years that it wasn't the worst, it was the second worst. So, six out of the last seven years, you've either been the worst or the second worst. You see a lot of materials down that low as well. So, '14, '15, '18, '19, are also really terrible years for energy. So, the macro backdrop has really been disadvantageous to these real economy sectors that we think are going to be incredibly important going forward. You can look at where leadership has been during each of these years based on that macro backdrop. And, again, as I mentioned before, I think that we're going to shift radically going forward.



So, moving on to the next slide, we're going into some of the more fundamentals of the commodity world versus what I'll call the digital era. We had a really interesting Investment Committee the other day where Murray really stress-tested a lot of the assumptions of the digital world where a lot of these companies, whether it's the ubiquitous companies or even some of these smaller software as a service, tech-oriented companies, their valuations are predicated on a continuation, if not acceleration, of this work-from-home, remote, no-in-person world. And I would argue from my personal experience and my social interactions, that's extremely unlikely.

But you can see that as there are these cycles of technology and access in the markets, you have these really steep imbalances between equities relative to commodities. So, this is the S&P 500 divided by the GSCI Commodity Index. So, starting on the bottom left, that's when the Nifty Fifty was at its absolute peak, so equities were extremely richly valued relative to commodities. That reversed very quickly with the OPEC embargo. Oil prices rose radically. And then the equity market fell with the Nifty Fifty peaking. Then you bounce around for a while. You had this breakout with commodities in the early '90s with the Gulf War, but then basically retraced entirely over the next decade as you went into the NASDAQ tech bubble peak.

Then again, if you go back into the next 2007 peak, it actually lasted into 2008 for a while, you had a huge commodities boom. Probably one of the best commodities cycles most people can ever remember. But I was starting my career at this time, and I remember that it was all predicated on this BRICs thesis, of Brazil, Russia, India, China being the demand-drivers forever for all of these commodities. So, all the commodity companies were expanding capacity at really irresponsible levels with leverage and financing that's just completely out of the market today. But that also coincided with that blow-off peak basically aligning the 2009 market bottom with the commodity boom. Since then, we've literally retraced to the most extremely valuations ever. So, Nifty Fifty peak, NASDAQ tech bubble peak, not even remotely close to the extent that we have equity valuations being rich relative to commodities.



So, moving on to the next slide, I'll just give you a couple of examples that I'd like to point out here about reality versus perception. You know, one thing that I think is going to be an interesting theme – and Jeff Currie, the investment strategist at Goldman Sachs, coined this so I'll give credit where credit is due. He calls the next cycle – it's going to be a super cycle in commodities. You can look up his interview. It was a day or two ago on CNBC. But I really like the phrase he used, which is the revenge of the old economy. So, you're going to see a revenge of the old economy because everything else that we take for granted today is based on the old economy. And, unfortunately, here – this is a bit of a complicated graph, but this is the European price for gas delivery. So, TTF stands for the Title Transfer Facility. It's a virtual contract, which is benchmarked on getting natural gas into the gas distribution system in Europe.

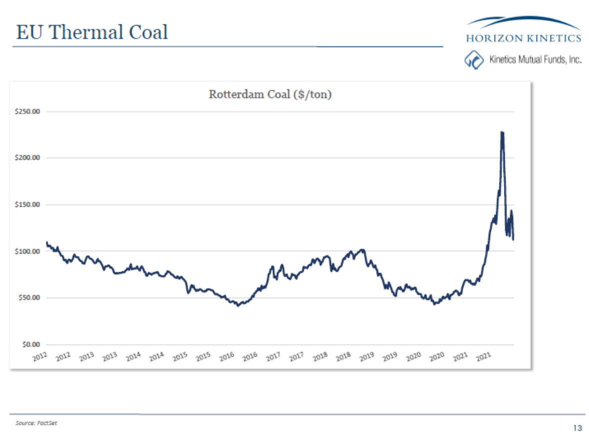
Now, the reason that these prices went spectacularly high over the past year is that a lot of European politicians have said we don't want coal, we don't want nuclear, all we want is wind and solar and we're actually going to get rid of gas too. So, as a result of that, when it's not sunny enough, it's not windy enough, when there's downtime, none of these things are perfect, you have a need, for lack of a better word, for gas. And obviously there's some geopolitics with Nord Stream 2 and how Russia's basically playing with their leverage, getting gas into Germany, and some politics, and gesturing going on there as well. But the fundamentals are the fundamentals.

So, just to walk you through this graph, the gray line is the U.S. natural gas price– it's on the right index. You can see it got as high as $6, down to about $3.5 today. By the way, at $3.5, a lot of the gas producers and energy companies make a ton of money. At $2, some people made money, some didn't. $2.50, people are okay. $3 bucks, you're great. $3.50, everybody's making money.

The blue line, the light blue line, which is indexed to the left side, that is the TTF gas price. So, the Title Transfer Facility. And you need to convert the megawatt hour equivalent of European gas – electricity prices in euros to the equivalent in U.S. gas terms. So, if you go back to the left axis, you can see that light blue line, it's around $75 as of when this chart was run, which is the end of the year. So, $75 for gas in Europe versus $3.5 in the U.S. I think the more striking comparison, which is the dark blue line, again on the left axis – if you then convert that, call it, $70-80 gas into oil, basically you multiple by a factor of 6 – you're talking just crazy prices of oil equivalent. And so that's why you're seeing well over – it got up to $375 oil equivalent. Now you're more like up to $150 oil equivalent.

So, people are literally burning heating oil. In Japan they were burning heating oil because it was cheaper than natural gas, even though the carbon – you really don't want to be burning heating oil to power a power grid. Nor do you want to burn wood. In certain third world countries, they're burning wood for a lack of anything else. They're actually even burning trash. These things are even far worse than coal. But out of necessity, basically, people are burning this stuff. So, a really telling chart about what is happening. And I think that this is probably likely to be an ongoing effect, because this is a 15-year fix, not a throw a bunch of money at it, get a pipeline, get an LNG (liquid natural gas) cargo.

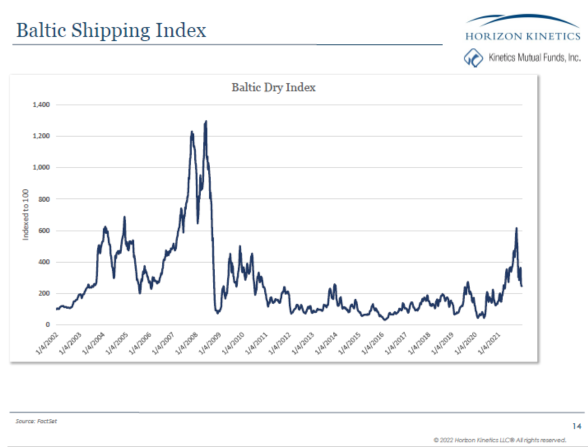
That big drop, that's not related to demand going down or supply basically coming in. We basically sent a convoy of LNG cargos over to Europe to put a Band-Aid on a gaping wound. So, we'll see how this thing plays out because a lot of these LNG cargos are contracted to other people that have take-or-pay arrangements. So, it could get really ugly in the next 6-12 months, but it doesn't go away for 6-12 years.



I was just talking about coal. So, just to differentiate for people, there's two types of coal. There's metallurgical coal, which we need. You need met coal to make steel. There are electric arc furnaces, but electric arc furnaces cannot break down big dense ore. Most ore is basically fine powder. You can't dump that into an electric arc furnace. It's not hot enough, and it needs air to circulate. Even when you get more pellets and you get lumps, which is actually a higher grade coal – long story short, without going into the full met coal market, you need met coal to make steel out of iron ore.

So, that's not as vilified, although it is vilified. But the stuff that really gets the scarlet letter is thermal coal. Thermal coal is a different chemical composition, which is used to make thermal heat, i.e., power plants. This is the most vilified coal that basically the entire world has said we're never going to use again, going back to 2012. Ex-COVID adjustments, we're actually still using as much coal as we were in 2012. The reason why is simple. As the economy grows, energy consumption per capita grows. So, you can build windmills on Mars, but you're still using coal if you don't have a non-intermittent power source for a lot of the world, especially non-OECD countries.

So, here again, you can see we went from $100 back in 2012, it got as low as $50, back to $100. Kind of range-bound. Blow-off topped to about $225, back down to about $125-150 today. Some of that demand coming down is China. China definitely tried to cool the market in the fourth quarter, when they had rolling blackouts. But, again, we don't need to be using coal. Combined cycle gas is cleaner by a factor of 10, but we've mortgaged the world to technologies that aren't going to get the job done, so you have blowout pricing in a very abundant dirty energy source.



Last slide, again, on this kind of revenge of the old economy, the Baltic Dry. The Baltic Dry Index, for those who don't know, is a shipping composite provided by the Baltic Exchange. They use three different types of vessels of different sizes, but, basically, it's an index around shipping rates for container ships. So, you saw a huge demand again – remember that BRIC slide in the commodity to equity ratio – blow-off top going out into 2009, everybody ordered too many ships. There are actually still ships being delivered that were ordered in 2008 from Chinese and Korean shipyards, assuming these wildly high rates. But what happens when basically nobody builds or buys ships for 10 years and then people need to start shipping goods again, you have the index go off a cyclical low in 2020 up to about 700 again. This isn't to say that you're not going to see new builds. There are some new builds. There are some new builds with different fuel sources, but this is, again, shipping is ubiquitous. It's very highly in demand. Some people are saying that this is related to congestion at ports in Long Beach and what have you but, again, there are old vessels that need to be replenished, there's a higher and higher demand on global commerce. So, this is all feeding into CPIs and PPIs, as is coal prices, as are energy prices going into fertilizer prices, going into agriculture. So, it's this infinite feedback loop that feeds on itself and I think that it's pretty clear where the world is going. And we think that we're positioned pretty well for it.

And that's all that I had prepared for today. I think before we open it up to Q&A, I'll see if Chris Bell or Peter Doyle have any closing remarks.

Peter Doyle: Yeah, so, I'll just make a few comments, James. So, even though we're pretty certain that the world is heading this way and we're going to have an energy crisis – I'll label it greenflation. I'm not the person who came up with that term – the ESG movement and the movement away from fossil fuels has caused a 50% decline in the last decade in exploration for oil and gas, and the demand is not going away. The demand's going to continue to grow. So, less supply, more demand, higher prices.

That being said, as an investor, I would never want to invest with somebody that's making a binary bet. And as professional investors, that's not what we're doing. And the companies that we own could do well even if this scenario of higher energy prices doesn't play out – our names could actually still do reasonably well and get us a reasonable rate of return. So, I want to make it perfectly clear that we're not making a binary bet. We see the world this way. We see the problems that are coming – not only that are coming, but that are actually here. And one of the interesting things that James said is that as the U.S. was shipping gas to Europe to help bring down the price over there and people were switching over from gas to oil, the demand for oil has grown. So, now the problem that you saw in gas and that spike in prices, you're likely to see much sooner now in oil as a result of that.

So, it's here. It's coming and we're positioned for it. But even if it doesn't come, we'll end up with a reasonable rate of return.

Chris Bell: Thank you, Peter. James, if you can give an update on Civeo, I'd appreciate it. And we'll take questions from everyone.

James Davolos: Yeah. There's really not a lot to say. But if you look at our view on energy, which I think is very well fundamentally rooted, Canada's going to play a big role in keeping the world fed and warm and Civeo has the lodges there. And, also, with metallurgical coal. The world is going to need a lot of steel, especially with all this greenwashing, if we're going to build new infrastructure to basically rebuild the entire world, it will need a heck of a lot of steel. And so, the lodges in Australia are going to be extremely high performing.

But forget all that. Let's just say that the world goes into some variation of sluggish growth and crisis, and volumes go nowhere. Civeo right now, if you look at their free cash flow – if you look at their run rate free cash flow on a very depressed rate, I'd argue maybe – if you're very aggressive with how you calculate free cash flow, you're buying this around 4-5 times. So, there are not many companies where you could basically buy back your entire company in four years with free cash flow. So, it's one of those rare situations. It's a small cap company. Horizon owns a lot of the float. But–if you do your own free cash flow calculation, if you agree with us that these are depressed rates, and if you agree with even 10% of what we think about energy and iron/coal, I think you don't need to be a Ph.D. to connect those dots.

Agustin Krisnawahjuesa: Sure. James, regarding the information technology sector, the giants and the pricing power, can you comment on that? Microsoft, Google and many other software businesses could have much higher pricing power than we expect. This is not the old school tech. Can we share your perspective on that?

James Davolos: Yes. And this is something Murray talked about yesterday. Everyone thinks of these businesses for what you use them for. You think of Google for search, which is ads. Can they push on costs there? Maybe. At the end of the day, who's paying for those ads? Those companies have the ability to absorb those higher rates. Microsoft, their software, you're not changing that. But where is all of their growth and margin coming from? It's the cloud. It's enterprise servers, and it's been an arms race for the last ten years to provide cloud.

So, whether it's AWS at Amazon, Azure at Microsoft, or Google Cloud, that's where a lot of the growth and a lot of the margin is coming from. And I think that there's going to be a heck of a lot less pricing power right now because there are more providers at scale and a lot of companies actually can do it internally. Make no mistake, the cloud is the high-cost solution. So, you can argue security, you can argue scale, you can argue very quick startup, but a lot of these tech companies, startup companies use cloud mostly because if they need an extra X amount of gigs or megabytes of storage immediately, they turn that on. You flick a switch. You can't do that if you're building it out yourself.

So, I'd say that there are businesses that have better pricing power than others but this cloud, which has really driven a lot of the tech growth, that's going to be challenged both on a growth rate basis, once people start going back into the real economy, as well as pricing, as there's basically full capacity and there's redundancies. And once you build out too much power generation, then basically people start producing power and selling it at their marginal operating cost.

Peter Doyle: Hey, James? Do you want to follow on with that and talk about CACI and how we get our exposure to that sector at a much more attractive valuation, and the various entries to that business?

James Davolos: Yeah. Yeah, that's a great example. If people read the *Wall Street Journal*, the Small Cap Opportunities Fund at Kinetics was in the winner's circle for trailing annual performance for I think about the third or fourth time in the past couple of years. But I just happened to be the one that did the interview, despite it being a team product, which is primarily managed by Murray. But one of the areas that I think is great is CACI, which is a defense contractor. So, people think of it as if it's the same thing as Lockheed Martin or maybe the tech business of Boeing, Northrop Grumman. But it's really a tech-enabled – I call them defense technology companies because they provide the solutions for everything. If you want to go on one side of the business to really, really high-tech surveillance cryptography for Black Ops missions; whether you want to guide a missile into a very specific area, or encrypt communications behind enemy lines, or jam radios and encrypt communications.

But it's also very mundane. On the other side is the enterprise business where basically every database in the DOD, the Department of Defense, is analog. They're old internal record systems which are very prone to corruption and hacking. So the VA Hospital, the Navy Federal Credit Union, CACI is one of the only companies that can provide the infrastructure to take that digital and secure it and scale it because they have the expertise – but also everybody that's doing the work has NSA clearance. So, it is really hard to compete with and there's decades of secular growth here.

Just think about the amount of moving all of this stuff from analog to digital for government services. The need to encrypt, and secure, and transmit data is only going to go up. And, hopefully, we'll be blessed by continued peacetime, but to the extent that there are people – men and women that are fighting this war behind the scenes – that's not in the press, they have a lot of the solutions that keep us safe. So, a really interesting niche way to play a secular theme that I think isn't properly appreciated.

So, going back to Civeo for a minute, that's priced like a cyclical where their earnings are going to fall off a cliff, when actually they're at a trough. CACI is priced as if it's a hyper-cyclical defense contractor based on DOD budgets but there's a secular need and a secular growth here and it's a much smaller company with a far larger addressable market. So, the great commonality here is that we like the fundamental backdrop, but also, the valuation is pretty easy to get behind.

Agustin Krisnawahjuesa: So, the next question, James, is related to Texas Pacific Land Corp. The question – the first one is related to the valuation, if we can speak about that. And the second question is related to the production growth, especially in the Delaware Basin.

James Davolos: Yeah, I think – look, the valuation, there's a lot of value that's not captured by the current free cash flow or certainly book value. Book value says that billions of dollars of land and royalties are worth nothing. And maybe there's a fraction of a fraction of the land being put at its best and total use. And you can see from their presentations how much of the royalties they're currently producing.

So, I think that's some of the trouble that misguided sell side people have with it. But if you look at the potential of a million acres in a corridor of sun and wind, which also happens to be a corridor that could be very useful for carbon capture, the amount of opportunity for wind and solar installation to plug into the grid and then a million contiguous acres for carbon capture, you know, I'd argue that the revenues from water, and pipelines, and things like that might vastly understate the surface. The energy is the energy. It's going to be the swing producer of global energy for probably the next couple of decades. Because OPEC, they're under-producing. They typically don't do that when they can produce at quota. So, if they're under-producing their quota, let's revisit what spare capacity is. Forget what's going on in Kazakhstan and Libya and all that.

The huge question is going to be: is growth in the Delaware Basin going to be 10, 12, 15% over the next couple of years or are we going to have a blow-off top in energy where we get into the hundreds? I would agree with some other commentators that $100 oil for a week, or a month, or a quarter isn't necessarily going to prompt any of these people to start hammering their wells. It's going to take triple-digit oil for a year to get a lot of these operators comfortable. Everybody's had their legs chopped off so many times. And then if you look at where there are cheap liquid-rich hydrocarbons with a good jurisdictional backdrop and infrastructure, every arrow leads to the Delaware. So, again, connect all the dots yourself and, obviously, we see a lot of opportunity here.

Agustin Krisnawahjuesa: Great. And can you give your thoughts around the metal royalties, Franco-Nevada in precious metals and so forth as that seems to be the weak spot of the commodities market last year?

James Davolos: Yeah, a lot of precious metals in particular are what I call paper markets. The majority of prices are set on exchanges that are not physical delivery. And that means it's very prone to trading and speculation. You can actually look at the COMEX report of spec versus hedgers. It's mostly specs, meaning, speculators. And they look at momentum and real yields. So, rising real yields. So, if interest rates go up relative to inflation expectations, everybody sells gold. But when you look at the fundamentals, whether it's central banks or individuals and investment funds, they're buying more physical gold. And this goes for gold. Silver's a little bit of a different animal. I think the Platinum Metals Groups are most interesting. But there's a lot of noise in these prices over short and even intermediate term. But that's why we like the royalties. They're making record profits at $1,800 an ounce gold and $20 – $22 silver.

But one of the really great parts is that –it's really interesting right now because you're not seeing a lot of financing going into gold. I mean, you can see a lot of these little boutique and bucket-shop places raising money for goldmines and nobody's really lending them money. I mean, mining is not necessarily an ESG project. People aren't necessarily thrilled with gold and silver prospects. A little bit more for copper and silver but it's still not – people aren't just throwing money like it's early 2021 for SPACs.

So, why are the royalties so interesting? A lot of their production, the vast majority of their production, is a byproduct of copper. I think it's beyond a doubt right now, barring some sort of wild technological shift, the world's going to need a heck of a lot more copper and they're in good jurisdictions. A lot of them are Central America, South America, to a lesser extent in the U.S. and Canada. And these companies, whether it's Freeport-McMoRan, Teck Resources, BHP, you name it, their shareholders aren't going to give them any credit. They're not going to capitalize gold and silver earnings. So, they monetize this production via streams and royalties to the distinct benefit of the royalty companies.

So, the market is going to continue to be there certainly at scale to the extent that you continue to see copper and nickel production because of this byproduct dynamic. So, that's why we really like the streamers. It's a better business model, it's more profitable, it's better in the full cycle. But also fundamentally, if the goldminers – and there's not a lot of direct gold production, you're benefitting by a lot of hugely scaled byproduct production.

Agustin Krisnawahjuesa: One of the questions following up to James' remarks earlier: Is the infrastructure going to be able to handle the increased need for electricity due to demand from EVs?

James Davolos: Yeah, this goes into the same thing here where I think that there's... If you believe anything close to what the EIA is estimating for EV adoption or certainly some of the less scrupulous EV manufacturers say that we're going to have in terms of adoption, the grid can't handle it. There's already – we got really close to overloading the grid in the northeast this year based on how much gas is here. I mean, it's wild. There's LNG tankers sitting off the coast of Boston, waiting to see how much gas we drain from our reserves in New England because of this current freeze. So, they're going to deliver it at wild prices. And so, the northeast – if this is already straining the grid, what's going to happen when people start plugging in a couple hundred thousand more cars?

I don't know what's going to happen. But if we do increase the grid, we're going to need a heck of a lot more gas, a heck of a lot more steel and a heck of a lot more copper, and that's infrastructure-related. Once you get into the EVs themselves, you can make a huge argument for aluminum, for copper, for nickel, cobalt, things like that. But I'm talking purely the infrastructure which is very steel and copper-intensive.

So, again, I think – look at where the actual meat is but I think, even regardless of what adoption's going to be, we're going to have to improve the grid. Because the New England grid got dangerously close to having rolling blackouts already and I don't think society's going to tolerate that very well.

Chris Bell: Thank you, James. That concludes our remarks today. We've answered all the questions that have been submitted. If you have any more questions or if you want a replay, or if you want any other information, please reach out to one of us. And with that, I'll say goodbye and have a nice day.

The Kinetics Alternative Income Fund

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since 2012

Matt Houk
Co-Portfolio Manager
17 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	$8.3 million
Total Number of Positions*	4
Turnover Ratio	0.00%
Minimum Purchase	$2,500

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

Portfolio Allocation

Investment Company	70.0%
Cash or Equivalent	30.0%

www.kineticsfunds.com

Alternative Income Fund Overview

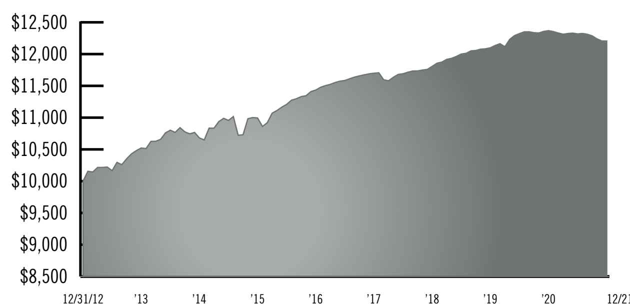
- A two-part investment strategy focused on generating income and capital gains in excess of traditional short duration, investment grade fixed income indexes.
- The strategy primarily invests in a diversified portfolio of short-term, investment grade bonds with an emphasis on liquidity, diversification,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

Historical Total Return (No-Load Class) as of 12/31/21

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Since 1/1/13
Fund (KWINX)	5.2%	1.50%	2.9%	4.0%	2.3%	0.9%	2.5%	2.2%	-1.3%	2.2%
Bloomberg Barclays 1-3 Year US Credit Index	1.5%	1.1%	0.9%	2.1%	1.7%	1.6%	5.0%	3.7%	-0.2%	1.9%
Bloomberg Barclays US Aggregate Bond Index	-2.0%	6.0%	0.6%	2.7%	3.5%	0.0%	8.7%	7.5%	-1.5%	2.8%

Growth of $10,000 Returns

$12,206



Statistics

	Fund	Barclays Agg.
Beta	0.09	1.00
Standard Deviation	1.96	3.07
Sharpe Ratio	0.80	0.68

Equity Option Overview

Option Statistics

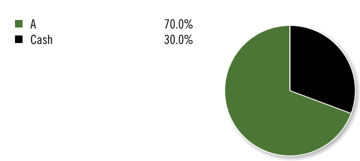
Notional % of Portfolio with Put Options	0
Average Life of Options (days)	N/A
Average Option % Moneyness	N/A
Average Option Delta	N/A

Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	1.73
Average Maturity (years)	1.88

Credit Quality (%)



The Kinetics Alternative Income Fund

4Q 2021

Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 12/31/21 1YR	3YR	5YR	10YR	Since Inception
Alternative Income Fund (KWINX)	-0.66%	-1.32%	-1.32%	1.11%	1.31%	2.98%	0.59%
Bloomberg Barclays 1-3 Year US Credit Index	-0.53%	-0.17%	-0.17%	2.82%	2.35%	2.09%	2.89%
Bloomberg Barclays US Aggregate Bond Index	0.01%	-1.54%	-1.54%	4.79%	3.57%	2.90%	4.16%

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.

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

Kinetics Mutual Funds, Inc
We Do *Our* Research

The Kinetics **Global** Fund

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since 2011

Steve Tuen, CFA
Co-Portfolio Manager
33 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	$27.2 million
Total Number of Positions*	46
Turnover Ratio	7.00%
Investment Style	Global Equity
Market Cap Focus	All Cap
Minimum Purchase	$2,500

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

Portfolio Allocation

Common Stocks	40.5%
Cash and Cash Equivalents	39.7%
Unit Investment Trust	19.7%
Other Investments	0.0%

www.kineticsfunds.com

Global Fund Overview

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

Performance (No-Load Class)

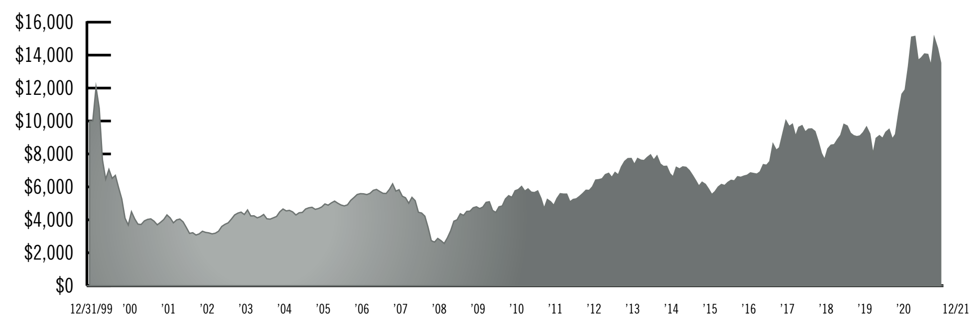
Annualized Returns as of 12/31/21

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWEX)	1.52%	16.32%	16.32%	20.92%	15.06%	10.74%	5.90%	1.38%
S&P 500 Index	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%	9.52%	7.53%
MSCI ACW Index	6.68%	18.54%	18.54%	20.38%	14.40%	11.85%	7.98%	5.63%

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

$13,529



Top 10 Holdings (%) as of 12/31/21

Grayscale Bitcoin Trust	19.7%
Texas Pacific Land Corp.	13.3%
CACI International, Inc. - Class A	5.3%
Galaxy Digital Holdings Ltd.	2.9%
Clarkson plc	2.1%
Franco-Nevada Corporation	1.8%
Mesabi TR	1.8%
Wheaton Precious Metals Corporation	1.6%
Civeo Corp.	1.4%
GAMCO Investors, Inc. - Class A	1.3%

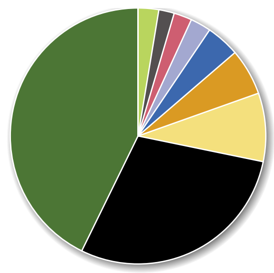
Statistics	Fund	S&P 500
Beta	0.95	1.00
Standard Deviation	21.99	15.05
Up Market Capture Ratio	0.88	-
Down Market Capture Ratio	1.09	-
Sharpe Ratio	-0.01	0.40
Weighted Avg. Mkt. Cap. ($mil)	$17,132	$674,225
Median Market Cap. ($mil)	$2,377	$34,176
Price to Book	1.71	4.64
Price to Earnings	15.57	25.53
Return on Equity	22.74%	21.12%
Active Share	99.37%	-

Historical Total Return (No-Load Class) as of 12/31/21

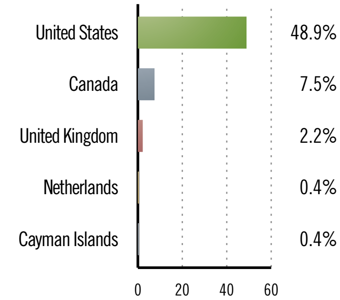
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (WWWEX)	-63.1%	16.5%	-24.7%	33.6%	7.7%	2.7%	16.9%	4.3%	-50.7%	66.9%	20.3%	-15.4%	23.2%	28.6%	-11.9%	-13.8%	14.4%	49.2%	-23.6%	21.6%	25.0%	16.3%
S&P 500 Index	-9.1%	-11.9%	-22.1%	28.7%	10.9%	4.9%	15.8%	5.5%	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%
MSCI ACW Index	-14.2%	-16.2%	-19.3%	34.0%	15.2%	10.8%	21.0%	11.7%	-42.2%	34.6%	12.7%	-7.4%	16.1%	22.8%	4.2%	-2.4%	7.9%	24.0%	-9.4%	26.6%	16.3%	18.5%

Top 10 Sectors (%)

Finance and Insurance	26.2%
Mining, Quarrying, and Oil and Gas Extraction	17.8%
Professional, Scientific, and Technical Services	5.3%
Management of Companies and Enterprises	3.6%
Transportation and Warehousing	2.6%
Real Estate and Rental and Leasing	1.6%
Accommodation and Food Services	1.4%
Manufacturing	1.2%
Machinery Manufacturing	0.6%
Other Services (except Public Administration)	0.0%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **Beta:** A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. **Down Market Capture Ratio:** A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated since inception. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **Return on Equity:** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated since inception using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated since inception. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period. **Up Market Capture Ratio:** A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated since inception. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

The Gross expense ratios listed are as of 12/31/2020 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.

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

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

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

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

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

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

The Kinetics **Internet** Fund

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since 1999

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

James Davolos
Co-Portfolio Manager
17 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	$236.2 million
Total Number of Positions*	41
Turnover Ratio	4.00%
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	43.6%
Unit Investment Trust	31.1%
Cash and Cash Equivalents	25.3%

www.kineticsfunds.com

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)

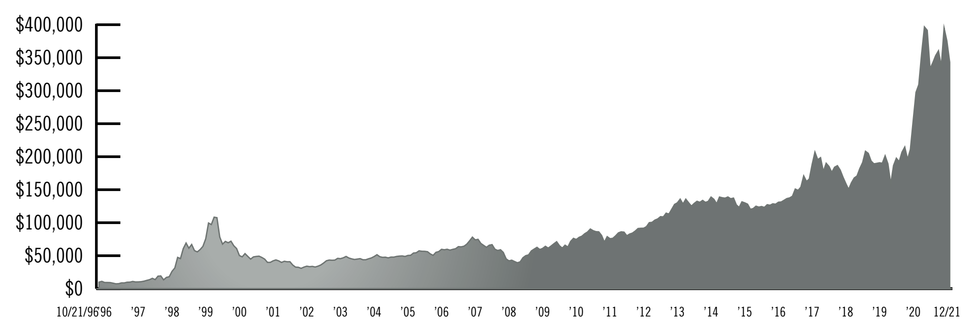
Annualized Returns as of 12/31/21

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWWFX)	1.93%	15.35%	15.35%	31.65%	21.16%	16.22%	10.86%	15.06%
S&P 500 Index	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%	9.52%	9.88%
NASDAQ Composite Index	8.28%	21.39%	21.39%	33.10%	23.79%	19.63%	10.97%	10.60%

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

$343,085



Top 10 Holdings (%) as of 12/31/21

Grayscale Bitcoin Trust	31.1%
Texas Pacific Land Corp.	11.1%
CACI International, Inc. - Class A	4.9%
PayPal Holdings, Inc.	4.8%
OTC Markets Group, Inc. - Class A	3.0%
eBay, Inc.	2.1%
Alphabet, Inc. - Class A	2.0%
Alphabet, Inc. - Class C	2.0%
Visa, Inc. - Class A	1.9%
Power & Digital Infrastructure Acquisition Corp.	1.6%

Statistics

Statistics	Fund	S&P 500
Beta	1.22	1.00
Standard Deviation	29.96	15.34
Up Market Capture Ratio	1.38	-
Down Market Capture Ratio	1.18	-
Sharpe Ratio	0.42	0.52
Weighted Avg. Mkt. Cap. ($mil)	$148,692	$674,225
Median Market Cap. ($mil)	$6,274	$34,176
Price to Book	1.64	4.64
Price to Earnings	19.36	25.53
Return on Equity	32.72%	21.12%
Active Share	93.27%	-

The Kinetics **Internet** Fund

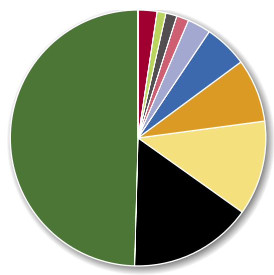
4Q 2021

Historical Total Return (No-Load Class) as of 12/31/21

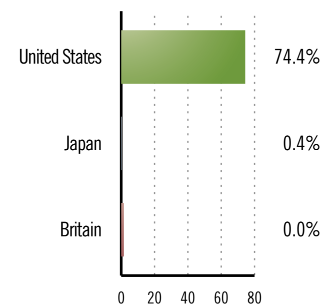
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (WWWFX)	-51.5%	-9.6%	-23.4%	40.1%	10.1%	-1.69%	16.5%	26.8%	-42.2%	48.6%	21.18%	-2.0%	23.2%	44.3%	-0.2%	-5.4%	2.6%	57.4%	-27.3%	26.5%	56.4%	15.4%
S&P 500 Index	-9.1%	-11.9%	-22.1%	28.7%	10.9%	4.9%	15.8%	5.5%	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%
NASDAQ Composite Index	-39.3%	-21.1%	-31.5%	50.0%	8.6%	1.4%	9.5%	9.8%	-40.5%	43.9%	16.9%	-1.8%	15.9%	38.3%	13.4%	5.7%	7.5%	28.2%	-3.9%	35.2%	43.6%	21.4%

Top 10 Industries (%)

Sec., Cmmdty Contracts, and Other Fin. Inv. and Rel. Act.	35.3%
Oil and Gas Extraction	11.1%
Data Processing, Hosting, and Related Services	8.5%
Aerospace and Defense	5.7%
Other Information Services	3.9%
E-Commerce	2.1%
Other Telecommunications	1.1%
Management of Companies and Enterprises	1.0%
Office of Other Holding Companies	0.8%
Spectator Sports	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 11/01/96. **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 11/01/96 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 11/01/96. **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 11/01/96. **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 (10/21/96). 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. Furthermore, Internet stocks are subject to a rate of change in technology obsolescence and competition that is generally higher than that of other industries, and have experienced extreme price and volume fluctuations. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

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

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

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

Kinetics Mutual Funds, Inc
We Do *Our* Research

The Kinetics **Market Opportunities** Fund

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since inception (2006)

Peter Doyle
Senior Portfolio Manager
37 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	$129.4 million
Total Number of Positions*	55
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	57.3%
Cash and Cash Equivalents	26.3%
Unit Investment Trust	15.9%
Other Investments	0.3%
Preferred Stocks	0.2%

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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.

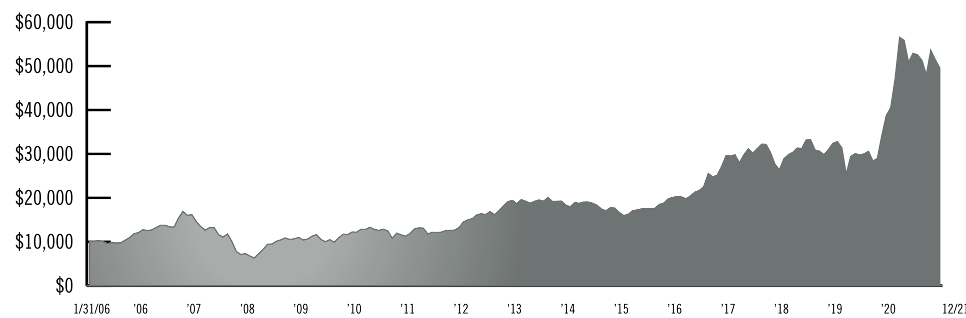
Performance (No-Load Class)

	3 Month	YTD	Annualized Returns as of 12/31/21: 1YR	3YR	5YR	10YR	Since Inception
Fund (KMKNX)	3.30%	28.04%	28.04%	23.40%	19.79%	15.97%	10.58%
S&P 500 Index	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%	10.85%
MSCI EAFE Index	2.69%	11.26%	11.26%	13.54%	9.55%	8.03%	4.53%

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

$49,589



Top 10 Holdings (%) as of 12/31/21

Texas Pacific Land Corp.	35.0%
Grayscale Bitcoin Trust	15.9%
DREAM Unlimited Corp.	2.8%
Partners Value Investments LP	2.0%
Galaxy Digital Holdings Ltd.	1.6%
Associated Capital Group, Inc. - Class A	1.5%
IntercontinentalExchange Group, Inc.	1.4%
Visa, Inc. - Class A	1.3%
Clarkson plc	1.2%
MasterCard Incorporated - Class A	1.1%

Statistics	Fund	S&P 500
Beta	1.12	1.00
Standard Deviation	21.36	14.95
Up Market Capture Ratio	1.12	-
Down Market Capture Ratio	1.16	-
Sharpe Ratio	0.45	0.65
Weighted Avg. Mkt. Cap. ($mil)	$28,878	$674,225
Median Market Cap. ($mil)	$2,313	$34,176
Price to Book	2.36	4.64
Price to Earnings	23.35	25.53
Return on Equity	29.08%	21.12%
Active Share	97.63%	-

The Kinetics **Market Opportunities** Fund

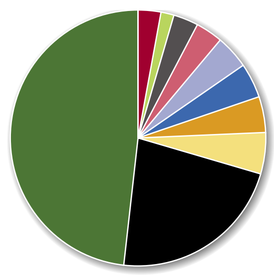
4Q 2021

Historical Total Return (No-Load Class) as of 12/31/21

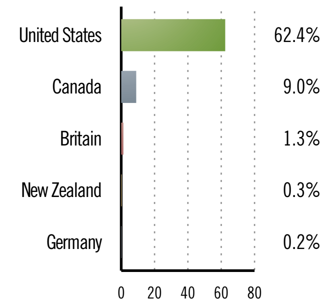
	2006*	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (KMKNX)	20.9%	34.0%	-54.8%	50.2%	11.3%	-7.85%	17.5%	46.7%	-5.6%	-9.1%	20.5%	47.3%	-10.9%	22.8%	19.6%	28.0%
S&P 500 Index	10.8%	5.49%	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%
MSCI EAFE Index	20.9%	11.2%	-43.4%	31.8%	7.8%	-12.1%	17.3%	22.8%	-4.9%	-0.8%	1.0%	25.0%	-13.8%	22.0%	7.8%	11.3%

Top Industries (%)

Oil and Gas Extraction	35.1%
Sec., Cmmdty Contracts, and Other Fin. Inv. and Rel. Act.	16.2%
Securities and Commodities Exchanges	3.8%
Other Investment Pools and Funds	3.3%
Real Estate	3.2%
Management of Companies and Enterprises	3.1%
Data Processing, Hosting, and Related Services	2.5%
Mining (except Oil and Gas)	2.3%
Support Activities for Water Transportation	1.2%
Global Exchanges	1.1%



Top Countries (%)



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

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

Kinetics Mutual Funds, Inc

We Do *Our* Research

The Kinetics **Medical** Fund

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
23 years of management experience
Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
37 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	$18.4 million
Total Number of Positions*	30
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	99.7%
Cash and Cash Equivalents	0.2%
Other Investments	0.1%

www.kineticsfunds.com

Medical Fund Overview

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

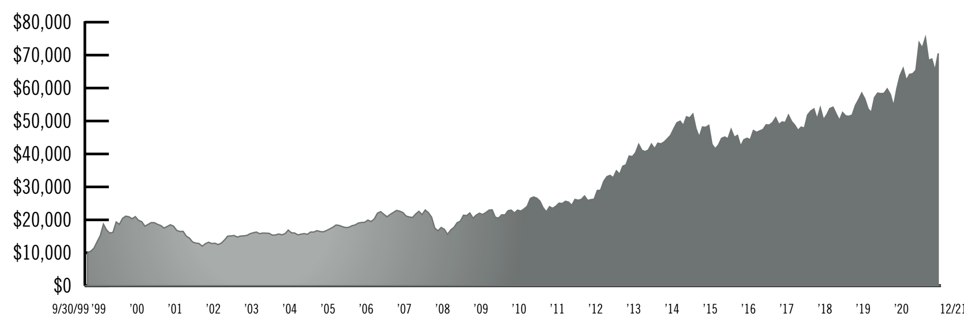
Performance (No-Load Class)

			Annualized Returns as of 12/31/21					
	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (MEDRX)	3.08%	10.59%	10.59%	11.85%	9.51%	11.32%	7.04%	9.18%
S&P 500 Index	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%	9.52%	8.11%
NASDAQ Composite Index	8.28%	21.39%	21.39%	33.10%	23.79%	19.63%	10.97%	8.13%

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

$70,529



Top 10 Holdings (%) as of 12/31/21

Pfizer, Inc.	9.6%
Eli Lilly & Co.	8.2%
Bristol-Myers Squibb Company	7.9%
AbbVie, Inc.	7.3%
Novartis AG - ADR	6.6%
Johnson & Johnson	6.5%
Intellia Therapeutics, Inc.	6.4%
Merck & Co., Inc.	5.8%
AMGEN, Inc.	4.9%
Biogen, Inc.	4.9%

Statistics

Statistics	Fund	S&P 500
Beta	0.69	1.00
Standard Deviation	16.97	15.05
Up Market Capture Ratio	0.84	-
Down Market Capture Ratio	0.67	-
Sharpe Ratio	0.45	0.43
Weighted Avg. Mkt. Cap. ($mil)	$166,077	$674,225
Median Market Cap. ($mil)	$18,312	$34,176
Price to Book	4.94	4.64
Price to Earnings	22.29	25.53
Return on Equity	6.50%	21.12%
Active Share	95.42%	-

The Kinetics **Medical** Fund

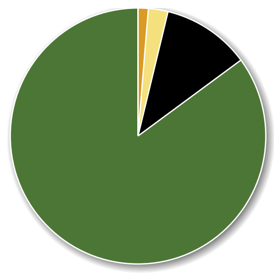
4Q 2021

Historical Total Return (No-Load Class) as of 12/31/21

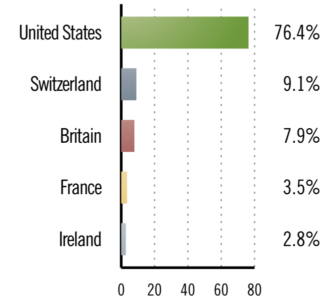
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (MEDRX)	57.0%	-13.8%	-29.1%	23.2%	7.0%	-0.72%	14.8%	15.5%	-20.4%	24.5%	4.30%	5.1%	8.9%	49.3%	16.4%	6.6%	-8.0%	10.7%	1.7%	16.0%	9.0%	10.6%
S&P 500 Index	-9.1%	-11.9%	-22.1%	28.7%	10.9%	4.9%	15.8%	5.5%	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%
NASDAQ Composite Index	-39.3%	-21.1%	-31.5%	50.0%	8.6%	1.4%	9.5%	9.8%	-40.5%	43.9%	16.9%	-1.8%	15.9%	38.3%	13.4%	5.7%	7.5%	28.2%	-3.9%	35.2%	43.6%	21.4%

Top Industries (%)

Pharmaceutical and Medicine Manufacturing	85.7%
Chemical Manufacturing	11.2%
Professional, Scientific, and Technical Services	2.5%
Ambulatory Health Care Services	0.3%
Scientific Research and Development Services	0.0%



Top Countries (%)



Definitions:

Active share: A measure of the percentage of holdings in a portfolio that differ from a benchmark index. It is calculated by taking the sum of the differences of the weight of each holding in the portfolio and the weight of each holding in the benchmark index and dividing by two. Active share is measured against the iShares S&P 500 ETF. **Beta:** A statistic that measures the volatility of the fund, as compared to the overall market. The market's beta is set at 1.00; therefore a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile. It is important to note that a low beta for a fund does not necessarily imply that the fund has a low level of volatility, a low beta signifies only that the fund's market-related risk is low. **Down Market Capture Ratio:** A statistical measure of an investment manager's overall performance in down-markets. The down-market capture ratio is used to evaluate how well or poorly an investment manager performed relative to an index during periods when that index has dropped. The down-market capture ratio has been calculated since inception. **Median Market Capitalization:** The median market capitalization (value of outstanding shares) of a basket of stocks. **Price to Book Ratio:** The harmonic weighted average of the price/book (P/B) ratios of the equity securities referenced. The ratio calculated by dividing the current price of the stock by the company's book value per share (assets minus liabilities). **Price to Earnings Ratio:** The harmonic weighted average of the price/earnings (P/E) ratios of the equity securities referenced. The P/E ratio is calculated by dividing the current price of the stock by the trailing one year earnings. **Return on Equity:** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **Sharpe Ratio:** A statistical measure that uses standard deviation and excess return to determine reward per unit of risk. A higher Sharpe ratio implies a better historical risk-adjusted performance. The Sharpe ratio has been calculated since inception using the 3-month treasury bill for the risk-free rate of return. **Standard Deviation:** A statistical measure of portfolio risk used to measure variability of total return around an average, over a specified period of time. The greater the standard deviation over the period, the wider the variability or range of returns and hence, the greater the fund's volatility. The standard deviation has been calculated since inception. **Turnover Ratio:** A measure of how frequently assets within a fund are bought and sold by the managers represented over a one year period. **Up Market Capture Ratio:** A statistical measure of an investment manager's overall performance in up-markets. The up-market capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen. The up-market capture ratio has been calculated since inception. **Weighted Avg. Mkt. Cap:** The mean market capitalization (value of outstanding shares) of a basket of stocks, taking into account the relative weight of each investment.

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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

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since inception (2008)

Matt Houk
Co-Portfolio Manager
17 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	$24.7 million
Total Number of Positions*	11
Turnover Ratio	0.11%
Minimum Purchase	$2,500

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

Portfolio Allocation

Cash and Cash Equivalents	65.4%
Fixed Income	23.5%
Other Investments	10.7%
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)

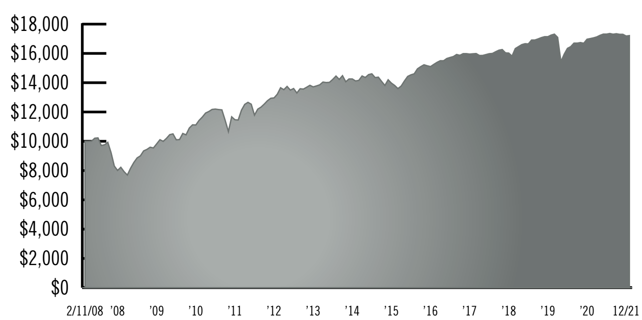
Annualized Returns as of 12/31/21

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception	5 Year Standard Deviation
Multi-Disciplinary Income Fund (KMDNX)	-0.51%	1.18%	1.18%	2.87%	2.45%	4.16%	3.99%	5.39%
BB Barclays US Agg. Bond Index	0.01%	-1.54%	-1.54%	4.79%	3.57%	2.90%	3.79%	3.06%
BB Barclays US HY Corp. Bond Index	0.71%	5.28%	5.28%	8.83%	6.30%	6.83%	7.71%	7.31%

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 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

$17,216



Statistics	Fund	Barclays Agg.
Beta	0.42	1.00
Standard Deviation	5.39	3.06
Up Market Capture Ratio	0.65	-
Down Market Capture Ratio	0.54	-
Sharpe Ratio	0.25	0.81

Recent Fund Distributions**	Fund
Dec-2021	$0.01
Sep-2021	$0.05
Jun-2021	$0.05
Mar-2021	$0.08

Fixed Income Overview

Fixed Income Statistics

Average Duration (years)	0.67
Average Maturity (years)	1.10

Top 10 Holdings (%)

as of 12/31/21

STOLT-NIELSEN LTD	8.3%
LENNAR CORP	8.1%
PIMCO DYNAMIC INCOME FD SHS	6.7%
DOUBLELINE OPPORTUNISTIC CR FD COM	3.9%
CHENIERE ENERGY INC	2.7%
LUMEN TECHNOLOGIES INC	2.0%
BALL CORP	1.0%
CABLEVISION SYS CORP	0.8%
BRANSON MO REGL ARPT TRANSN DE TAXABLE BDS	0.5%
VALARIS LIMITED	0.4%

Historical Total Return (No-Load Class) as of 12/31/21

	2008*	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (KMDNX)	-17.8%	22.9%	13.0%	0.2%	15.4%	4.3%	2.5%	-2.2%	10.4%	4.8%	-1.0%	9.1%	-1.4%	1.2%
BB Barclays US Agg. Bond Index	4.1%	5.9%	6.5%	7.8%	4.2%	-2.0%	6.0%	0.6%	2.7%	3.5%	0.0%	8.7%	7.5%	-1.5%
BB Barclays US HY Corp. Bond Index	-27.0%	58.2%	15.1%	5.0%	15.8%	7.4%	2.5%	-4.5%	17.1%	7.5%	-2.1%	14.3%	7.1%	5.3%

*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%

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The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares on commencement of operations (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.

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

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

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The Kinetics **Paradigm** Fund

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since inception (1999)

Peter Doyle
Senior Portfolio Manager
37 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	$826.6 million
Total Number of Positions*	52
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	84.5%
Unit Investment Trust	7.9%
Cash and Cash Equivalents	7.6%

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Paradigm Fund Overview

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

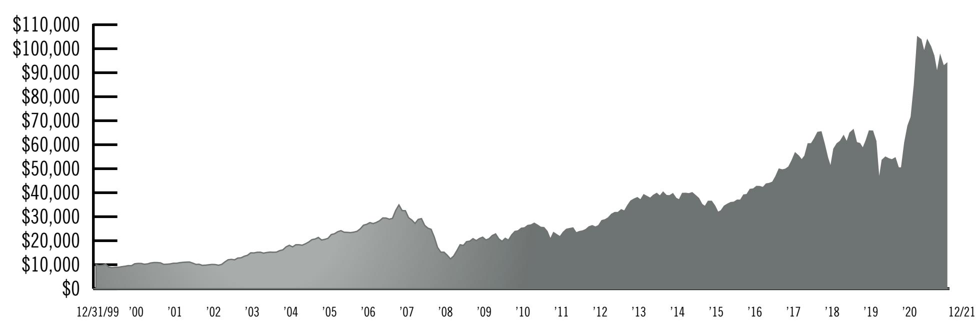
Performance (No-Load Class)

Annualized Returns as of 12/31/21

	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (WWNPX)	4.83%	38.15%	38.15%	23.03%	17.70%	15.81%	11.51%	10.71%
S&P 500 Index	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%	9.52%	7.53%
MSCI ACW Index	6.68%	18.54%	18.54%	20.38%	14.40%	11.85%	7.98%	5.63%

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 **$93,785**



Top 10 Holdings (%) as of 12/31/21

Texas Pacific Land Corp.	49.6%
Grayscale Bitcoin Trust	7.9%
Brookfield Asset Management, Inc. - Class A	5.8%
Live Nation Entertainment, Inc.	4.1%
The Howard Hughes Corporation	3.8%
Franco-Nevada Corporation	2.8%
Liberty Broadband Corporation - Series C	2.2%
CACI International, Inc. - Class A	1.5%
Icahn Enterprises LP	1.4%
Associated Capital Group, Inc. - Class A	1.3%

Statistics

Statistics	Fund	S&P 500
Beta	1.03	1.00
Standard Deviation	20.19	15.05
Up Market Capture Ratio	1.12	-
Down Market Capture Ratio	0.95	-
Sharpe Ratio	0.45	0.40
Weighted Avg. Mkt. Cap. ($mil)	$18,449	$674,225
Median Market Cap. ($mil)	$11,842	$34,176
Price to Book	3.27	4.64
Price to Earnings	31.87	25.53
Return on Equity	22.16%	21.12%
Active Share	99.44%	-

The Kinetics **Paradigm** Fund

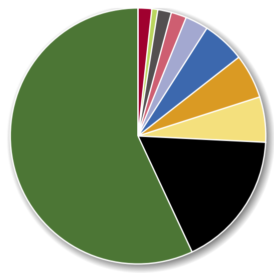
4Q 2021

Historical Total Return (No-Load Class) as of 12/31/21

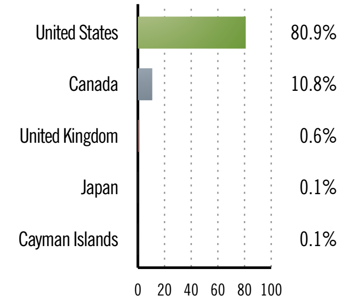
	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (WWNPX)	4.0%	2.0%	-4.6%	47.8%	20.9%	16.1%	27.8%	21.1%	-53.2%	41.0%	17.4%	-14.3%	21.8%	44.1%	-0.8%	-8.3%	20.5%	28.4%	-5.6%	30.5%	3.3%	38.2%
S&P 500 Index	-9.1%	-11.9%	-22.1%	28.7%	10.9%	4.9%	15.8%	5.5%	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%
MSCI ACW Index	-14.2%	-16.2%	-19.3%	34.0%	15.2%	10.8%	21.0%	11.7%	-42.2%	34.6%	12.7%	-7.4%	16.1%	22.8%	4.2%	-2.4%	7.9%	24.0%	-9.4%	26.6%	16.3%	18.5%

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	52.8%
Finance and Insurance	16.0%
Arts, Entertainment, and Recreation	5.3%
Information	5.2%
Real Estate and Rental and Leasing	5.0%
Management of Companies and Enterprises	2.7%
Accommodation and Food Services	1.8%
Professional, Scientific, and Technical Services	1.6%
Transportation and Warehousing	0.7%
Real Estate	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. Non-investment grade debt securities, ie., junk bonds, are subject to greater credit risk, price volatility and risk of loss than investment grade securities. Options contain special risks including the imperfect correlation between the value of the option and the value of the underlying asset. In addition, investing in foreign securities involves more risk than just U.S. investments, including the risk of currency fluctuations, political and economic instability and differences in financial reporting standards. There may also be heightened risks investing in non-investment grade debt securities and the use of options. There are also risks associated with investing in small and medium sized companies. Unlike other investment companies that directly acquire and manage their own portfolios of securities, the Fund pursues its investment objective by investing all of its investable assets in a corresponding portfolio series of Kinetics Portfolios Trust.

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

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

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

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

Kinetics Mutual Funds, Inc
We Do *Our* Research

The Kinetics **Small Cap Opportunities** Fund

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since inception (2000)

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

Matt Houk
Co-Portfolio Manager
17 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	$269.3 million
Total Number of Positions*	46
Turnover Ratio	3.00%
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	91.1%
Cash and Cash Equivalents	4.5%
Unit Investment Trust	3.9%
Other Investments	0.5%

Small Cap Opportunities Fund Overview

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

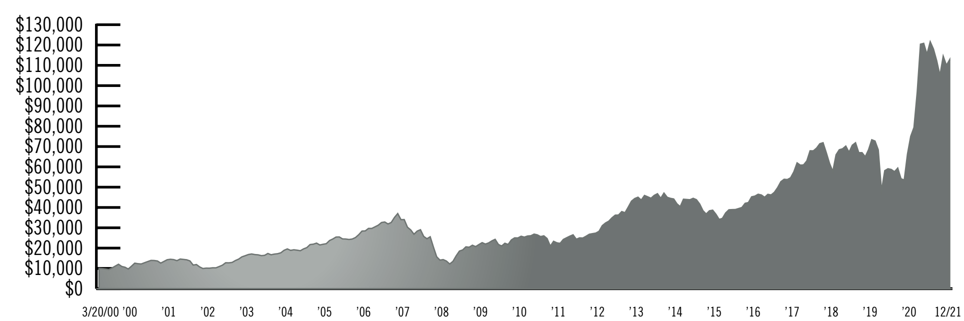
Performance (No-Load Class)

			Annualized Returns as of 12/31/21					
	3 Month	YTD	1YR	3YR	5YR	10YR	20YR	Since Inception
Fund (KSCOX)	7.43%	50.33%	50.33%	25.02%	19.86%	17.60%	10.80%	11.77%
S&P SmallCap 600 Index	5.64%	26.82%	26.82%	20.11%	12.42%	14.50%	10.73%	10.34%
S&P 500 Index	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%	9.52%	7.64%

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

$112,809



Top 10 Holdings (%) as of 12/31/21

Texas Pacific Land Corp.	47.7%
DREAM Unlimited Corp.	10.0%
CACI International, Inc. - Class A	5.6%
Grayscale Bitcoin Trust	3.9%
Live Nation Entertainment, Inc.	3.4%
Associated Capital Group, Inc. - Class A	3.3%
Icahn Enterprises LP	3.0%
The Wendy's Company	2.5%
Galaxy Digital Holdings Ltd.	2.5%
Inter Parfums, Inc.	2.3%

Statistics

Statistics	Fund	S&P 600
Beta	0.94	1.00
Standard Deviation	22.37	19.19
Up Market Capture Ratio	0.92	-
Down Market Capture Ratio	0.78	-
Sharpe Ratio	0.46	0.46
Weighted Avg. Mkt. Cap. ($mil)	$8,464	$2,755
Median Market Cap. ($mil)	$2,377	$1,605
Price to Book	2.78	2.10
Price to Earnings	23.97	16.57
Return on Equity	22.79%	6.08%
Active Share	99.51%	-

The Kinetics **Small Cap Opportunities** Fund

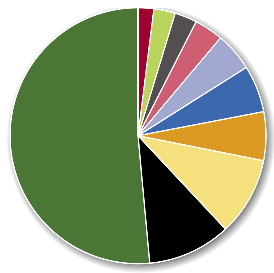
4Q 2021

Historical Total Return (No-Load Class) as of 12/31/21

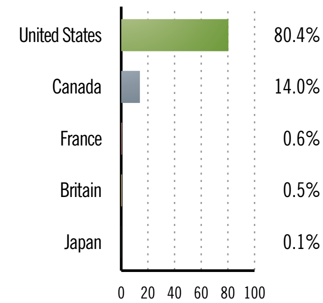
	2000*	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (KSCOX)	11.0%	30.6%	-30.3%	66.5%	16.4%	13.2%	28.4%	19.7%	-57.9%	58.2%	13.9%	-13.7%	26.7%	59.4%	-7.3%	-12.3%	24.4%	26.2%	0.3%	27.1%	2.3%	50.3%
S&P SmallCap 600 Index	4.3%	6.5%	-14.6%	38.8%	22.7%	7.7%	15.1%	-0.3%	-31.1%	25.6%	26.3%	1.0%	16.3%	41.3%	5.8%	-2.0%	26.6%	13.2%	-8.5%	22.8%	11.3%	26.8%
S&P 500 Index	-8.6%	-11.9%	-22.1%	28.7%	10.9%	4.9%	15.8%	5.5%	-37.0%	26.5%	16.0%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	49.4%
Real Estate	10.1%
Management of Companies and Enterprises	9.5%
Finance and Insurance	5.9%
Professional, Scientific, and Technical Services	5.7%
Accommodation and Food Services	4.7%
Arts, Entertainment, and Recreation	3.5%
Manufacturing	2.7%
Real Estate and Rental and Leasing	2.6%
Transportation and Warehousing	0.9%



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.

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

The Growth of $10,000 chart illustrates the performance of a hypothetical $10,000 investment made in No Load Class shares commencement of operations (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.

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

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

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

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

Kinetics Mutual Funds, Inc

We Do *Our* Research

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

4Q 2021

Horizon Kinetics Asset Management LLC

- Employee-owned, SEC-registered investment adviser, initially established in 1994.
- Manages approximately $6.9 billion in assets as of 12/31/2021.
- 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
44 years of management experience
Co-Manager of Fund since inception (2007)

Steven Bregman
President
37 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	$24.3 million
Total Number of Positions*	34
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	98.8%
Cash and Cash Equivalents	1.1%
Fixed Income	0.1%

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Spin-off and Corporate Restructuring Fund Overview

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

Performance (Institutional Class)*

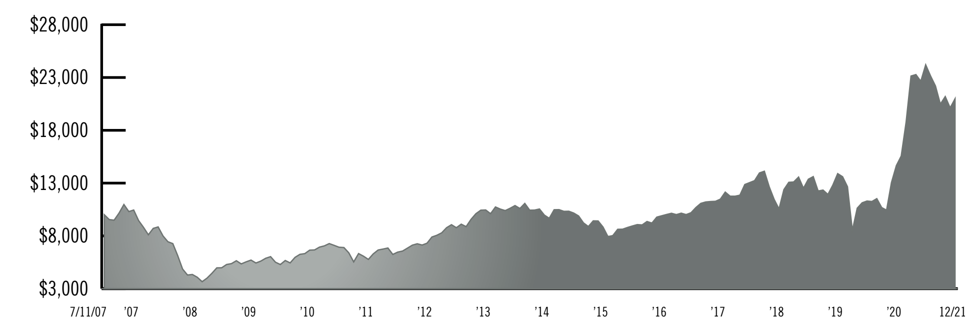
Annualized Returns as of 12/31/21

	3 Month	YTD	1YR	3YR	5YR	10YR	Since Inception
Fund (LSHUX)	2.45%	43.12%	43.12%	25.75%	16.19%	13.77%	5.25%
S&P 500 Index	11.03%	28.71%	28.71%	26.07%	18.47%	16.55%	10.47%

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

$20,977



Top 10 Holdings (%) as of 12/31/21

Texas Pacific Land Corp.	54.3%
DREAM Unlimited Corp.	8.5%
PayPal Holdings, Inc.	6.2%
Associated Capital Group, Inc. - Class A	5.7%
CSW Industrials, Inc.	5.5%
Graham Holdings Company - Class B	2.6%
The Howard Hughes Corporation	2.3%
Capital Southwest Corporation	1.8%
Welbilt, Inc.	1.7%
Liberty Broadband Corporation - Series A	1.5%

Statistics

Statistics	Fund	S&P 500
Beta	1.33	1.00
Standard Deviation	24.90	15.53
Up Market Capture Ratio	1.15	-
Down Market Capture Ratio	1.46	-
Sharpe Ratio	0.20	0.66
Weighted Avg. Mkt. Cap. ($mil)	$21,020	$674,225
Median Market Cap. ($mil)	$1,469	$34,176
Price to Book	3.30	4.64
Price to Earnings	27.75	25.53
Return on Equity	23.97%	21.12%
Active Share	99.39%	-

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

4Q 2021

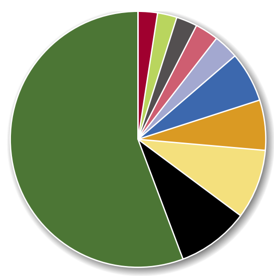
Historical Total Return (Institutional Class)* as of 12/31/21

	2007†	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Fund (LSHUX)	4.5%	-58.4%	31.4%	16.5%	-13.2%	26.5%	43.1%	-4.7%	-11.4%	12.1%	15.9%	-8.1%	31.7%	5.5%	43.1%
S&P 500 Index	-2.4%	-37.0%	26.5%	15.1%	2.1%	16.0%	32.4%	13.7%	1.4%	12.0%	21.8%	-4.4%	31.5%	18.4%	28.7%

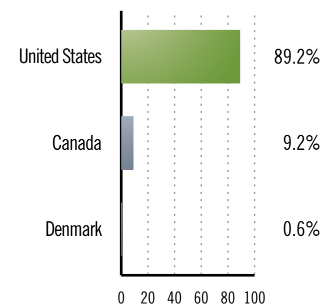
†Cumulative return from Fund's inception to year-end.

Top 10 Sectors (%)

Mining, Quarrying, and Oil and Gas Extraction	54.5%
Manufacturing	8.9%
Real Estate	8.6%
Management of Companies and Enterprises	6.2%
Admin. and Spprt. and Wst. Mgmt. and Rem. Srvcs.	6.2%
Finance and Insurance	3.1%
Real Estate and Rental and Leasing	2.9%
Educational Services	2.6%
Information	2.4%
Accommodation and Food Services	1.4%



Top Countries (%)



Definitions:

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The Top 10 Industries and Top Countries displayed represent a percentage of the net assets and excludes cash equivalents and other assets in excess of liabilities.

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