Horizon Kinetics Inflation Beneficiaries ETF (INFL)
Five Year Anniversary Update

January 2026

Dear Valued Partners,

We are pleased to announce that the Horizon Kinetics Inflation Beneficiaries ETF (INFL) reached its five-year anniversary on January 12, 2026. In that time, INFL ("the Fund") materially bested its primary global equity benchmark (MSCI ACWI), and marginally eclipsed the S&P 500 Index, despite no direct technology/A.I. exposure.

"All Weather" Real Asset Strategy

INFL was launched during the global pandemic, when economic activity and real asset prices were depressed, with CPI inflation running well below target levels. In the five years since, the Fund has navigated a myriad of market environments including a surge in inflation, pandemic lockdowns, geopolitical conflicts, aggressive policy shifts, technology and AI euphoria, supply chain disruptions, tariffs and more.

INFL's "capital light, real asset" strategy has remained consistent throughout and it has outperformed the relevant major real asset related indices – with no negative performance years.

As of January 12, 2026	*1 Year*	*3 Years*	*5 Years*	*2021**	*2022*	*2023*	*2024*	*2025*
INFL (NAV)	**20.53**	**15.34**	**14.94**	**26.05**	**2.57**	**1.86**	**23.34**	**17.96**
MSCI ACWI All Cap Index	26.41	19.31	10.80	15.76	-18.44	21.46	16.29	22.13
S&P 500 Index	21.23	22.39	14.59	27.16	-18.11	26.29	25.02	17.88

*2021 is not a full year. 1/12/21 to 12/31/21. INFL expense ratio is 0.85%.

The performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. For performance current to most recent month end please call 646-495-7333. For standardized INFL performance, please visit https://horizonkinetics.com/products/etf/infl/#performance

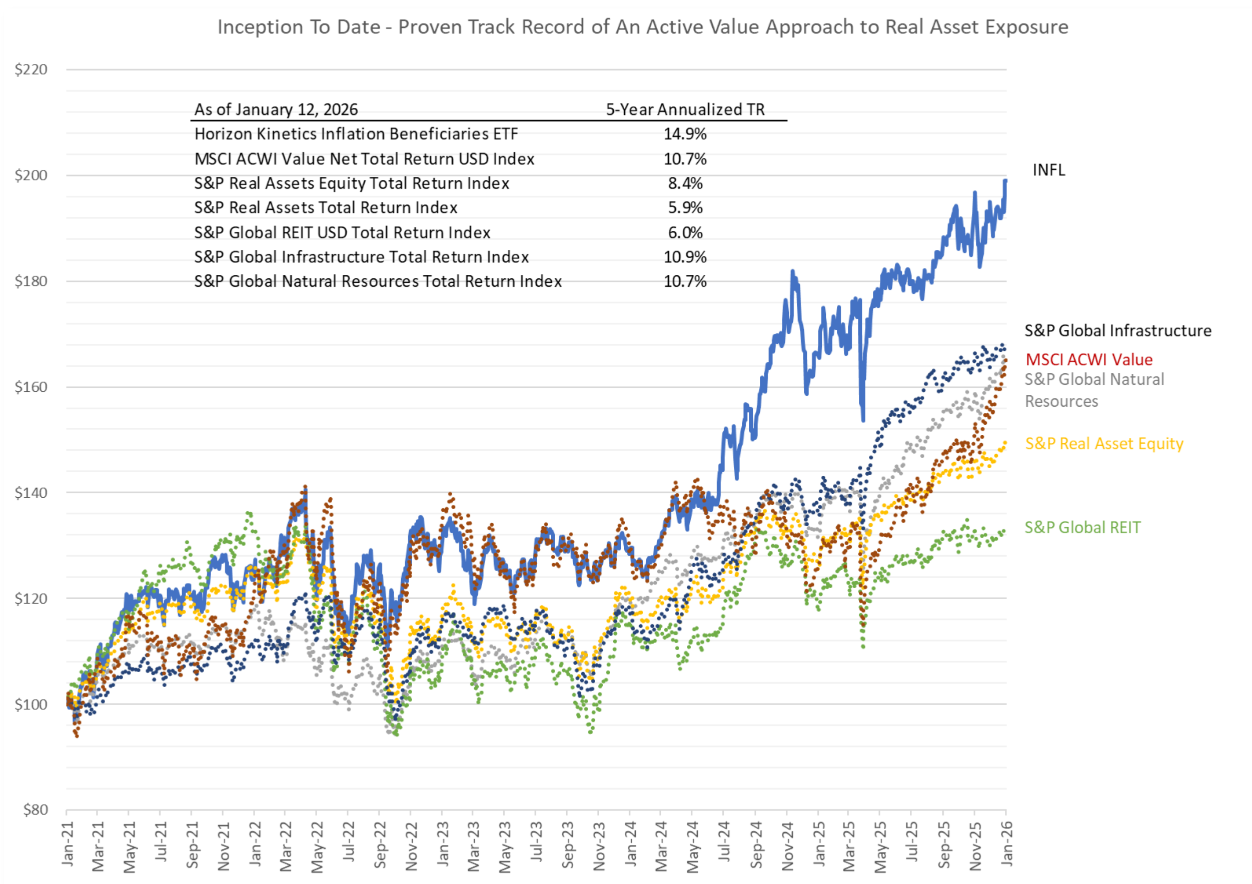
The Fund was launched in January 2021, but the genesis of the capital-light, real asset strategy dates to the founding of Horizon Kinetics in 1994. The firm has written extensively about – and invested in – niche royalty, financial exchange, power/infrastructure and other commodity-oriented businesses before "real assets" became a widely-adopted asset class. To this day, the bespoke strategy remains unlike any other real asset investment product.

The Fund was predicated upon the firm's long history in, and appreciation for, these eclectic capital light companies with extraordinarily profitable and high cash flow business models –

seeking a durable, long-term solution to the inevitable variability of inflation in business cycles.

The market capital cycle may have been altered by the global financial crisis, but we were confident in its return, and that it would usher a paradigm shift towards a structurally different investment landscape. The prior decade of the near zero-interest-rate policy preceding the pandemic provided a catalyst for the "hyper-financialization" of the economy.

It can be argued whether the pandemic, and the attendant policy responses hastened the return and relevance of physical assets, like minerals, oil and gas and other hard commodities. But there is no debate that price (and spending) levels have risen, prompting a reemergence of real borrowing costs.



Most conventional real asset strategies concentrate on physical commodities, natural resource producers, real estate, and or global listed infrastructure, as represented in the chart above. These strategies share an inherent vulnerability: an interest rate and cyclical sensitivity— with a corresponding inadequate full-cycle level of ROIC (Return on Investment Capital)[1]—that inhibits long-term compounding.

INFL takes a pragmatic approach —mitigating these uncontrollable factors by emphasizing capital-light businesses with robust operating margins, high intrinsic ROE (Return on Equity), business unit economics (scale), limited financial leverage and most importantly, exposure to scarce assets. They can be *direct* and *indirect* revenue and earnings beneficiaries of rising price levels for their relevant underlying sector/asset, while avoiding the capital intensity and upward cost pressures faced by conventional real asset companies.

The Value of Capital Light

Royalty companies are the best example of a capital-light, real-asset business model. A royalty is a direct "real" property interest that includes a contracted payment associated with the development of that land by a third-party operator.

In a simplified example, a royalty holder is entitled to a fixed percentage of the gross revenue that is produced by the land, whether it be gold, oil, natural gas, copper or water. The royalty holder has no operating expense obligations, or capital expenditure obligations, resulting in exceedingly high operating margins and free cash flow conversion. The free cash flow margin of a typical royalty company is often vastly superior to even the most profitable IT companies.

This business model creates an asymmetric return stream that both cushions the downside (limited operating and capital expenses) and leverages the upside (no marginal cost for expansion projects) in a full commodity and real asset price cycle. This can result in consistent, compounded returns throughout and over multiple cycles.

INFL applies this framework to various classes of real assets spanning real estate, infrastructure, financial services, energy, metals & mining, and agriculture to isolate similar

[1] ROIC (Return on Invested Capital) is a key financial metric showing how effectively a company generates profits from all its capital (debt, equity, etc.), calculated as Net Operating Profit After Taxes (NOPAT) / Invested Capital, indicating value creation; a high ROIC compared to WACC (Weighted Average Cost of Capital) suggests strong profitability and efficient capital use, making it a vital tool for investors to assess a company's performance and value.

business models that can opportunistically navigate secular market shifts without being overly exposed to short-term cyclicality.

In fact, such interim cyclicality is particularly accretive to their long-term value-creation. It is during downturns when a royalty company possess favorable terms of trade with customer base, say a gold miner, seeking to fund an expansion project. Hence, a royalty company has the tendencies to invest at the most opportune time, when alternative forms of capital are largely unavailable.

To this end, we believe that INFL offers a complementary and potentially countercyclical long-term asset allocation tool.

For more information on INFL, or to discuss how investors are using the Fund in asset allocation models, please reach out to your Horizon Kinetics representative or email INFL@horizonkinetics.com.

Important Disclosures

Please consider carefully a fund's investment objectives, risks, charges and expenses. For this and other important information, obtain a statutory and summary prospectus by contacting 646-495-7333. Read it carefully before investing.

Past performance is not a guarantee of future returns and you may lose money. Opinions and estimates offered constitute our judgment as of the date made and are subject to change without notice. This information should not be used as a general guide to investing or as a source of any specific investment recommendations.

The Horizon Kinetics Inflation Beneficiaries ETF (Symbol: INFL) is an exchange traded fund ("ETF") managed by Horizon Kinetics Asset Management LLC ("HKAM"). HKAM is an investment adviser registered with the U.S. Securities and Exchange Commission. You may obtain additional information about HKAM at our website at www.horizonkinetics.com.

Investing involves risk, including the possible loss of principal. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. The Fund's investments in securities linked to real assets involve significant risks, including financial, operating, and competitive risks. Investments in securities linked to real assets expose the Fund to potentially adverse macroeconomic conditions, such as a rise in interest rates or a downturn in the economy in which the asset is located.

The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. The Fund may invest in the securities of smaller and mid-capitalization *companies, which may be more volatile than funds that invest in larger, more established companies. The fund is actively managed and may be affected by the investment adviser's security selections. Diversification does not assure a profit or protect against a loss in a declining market.*

HKAM does not provide tax or legal advice, all investors are encouraged to consult their tax and legal advisors regarding an investment in the Fund. No part of this material may be copied, photocopied, or duplicated in any form, by any means, or redistributed without the express written consent of HKAM.

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S&P 500 Index is a broad-based index intended to show the performance of the 500 largest companies listed on stock exchanges in the United States.

MSCI ACWI Value Index captures large and mid-cap securities exhibiting overall value style characteristics across 23 developed markets countries and 24 emerging markets countries.

S&P Real Assets Equity Index is a static weighted return of investable and liquid equity indexed components that measures the performance of real return strategies that invest in listed global property, infrastructure, natural resources, and timber and forestry companies.

S&P Real Assets Index measures global property, infrastructure, commodities, and inflation-linked bonds using liquid and investable component indices that track public equities, fixed income, and futures.

S&P Global REIT Index serves as a comprehensive benchmark of publicly traded equity REITs listed in both developed and emerging markets.

S&P Global Infrastructure Index is designed to track 75 companies from around the world chosen to represent the listed infrastructure industry while maintaining liquidity and tradability.

S&P Global Natural Resources Index includes 90 of the largest publicly-traded companies in natural resources and commodities businesses that meet specific investability requirements, offering investors diversified and investable equity exposure across 3 primary commodity-related sectors: agribusiness, energy, and metals & mining.