HORIZON KINETICS

INFL

Horizon Kinetics Inflation Beneficiaries ETF

4th Quarter 2023
Prepared in February 2024

INFL Portfolio Construction - 3 Components

Hard Asset, Capital Light Focus

INFL

Direct	Direct beneficiaries are companies with **hard asset exposure** underlying their business. This portfolio component is largely comprised of high margin royalty businesses focused on energy, precious metals, and industrial commodities, as well as other inflation-impacted assets.
Indirect	Indirect beneficiaries are focused on **"spread-based businesses"**. These businesses benefit from rising prices but with limited cost exposure. Examples include brokerages, commodity infrastructure, and financial exchanges.
Opportunistic	Opportunistic beneficiaries are firms with a unique product with **limited competition and strong barriers to entry.** As this type of company is less common, this is the smallest portion of INFL.

What is INFL?

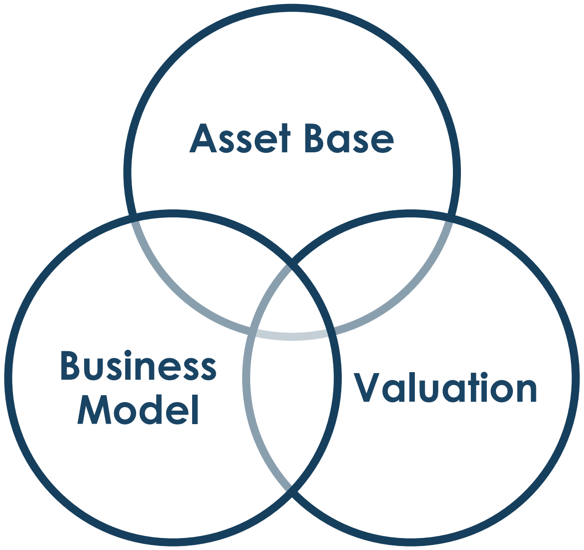
Investment Summary

INFL is an equity portfolio primarily focused on capital-light business models with direct or indirect exposure to real assets. The portfolio also includes niche, advantaged business models in otherwise capital intensive industries.

These businesses are positioned to do well through inflationary periods, while not requiring higher prices to generate strong returns. This is driven by focusing on both top quality business models and underlying assets.

INFL may fit into a portfolio by:

- Adding a portfolio component with positive alignment to higher price levels
- Diversifying away from the broader indexes
- Including "advantaged" hard asset exposure



INFL Portfolio Overview

An Active Approach to Inflation Risk

INFL

Fund Descriptions

Investment Objective:

The Horizon Kinetics Inflation Beneficiaries ETF (the "Fund") seeks long-term growth of capital in real (inflation-adjusted) terms.

Strategy:

An actively-managed ETF that seeks to provide positive real investment returns in an inflationary macroeconomic environment. The Fund seeks to achieve this by investing in the public equity securities of profitable businesses which we believe are also inflation beneficiaries with scalable, economically resilient business models.

Portfolio Managers:

James Davolos – 18 years of investment experience

Peter Doyle – 38 years of investment experience

Steven Bregman – 38 years of investment experience

Fund Details

Ticker/CUSIP	INFL/53656F623
Inception Date	January 12, 2021
Expense Ratio	0.85%
Total Net Assets	$683,371,438 (as of 12/31/23)
Index Tracked	None (Active ETF)
Issuer	Foreside Fund Services, LLC
Stock Exchange	NYSE Arca

Performance History

As of 12/31/2023	QTD	YTD	1 Year	Since Inception Annualized
Total Return % (Price)	3.76	1.61	1.61	9.65
Total Return % (NAV)	3.71	1.86	1.86	9.71

Top 10 Holdings

Total Top 10 (%)	45.1
PrairieSky Royalty Ltd	5.8
Wheaton Precious Metals	5.8
Texas Pacific Land Corporation	5.5
Viper Energy Partners LP	5.2
Intercontinental Exchange, Inc.	4.5
Archer-Daniels-Midland Company	4.3
Glencore PLC	3.8
Marsh & McClennan Cos. Inc.	3.7
Deutsche Boerse AG	3.3
Bunge Limited	3.3

Holdings are subject to change without notice

The performance data quoted represents past performance. Past performance does not guarantee future results. The 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 and current performance may be lower or higher than the performance quoted. Performance current to the most recent month-end can be obtained by calling (800) 617-0004.

Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns. Returns beyond 1 year are annualized. A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The market price is the most recent price at which the fund was traded.

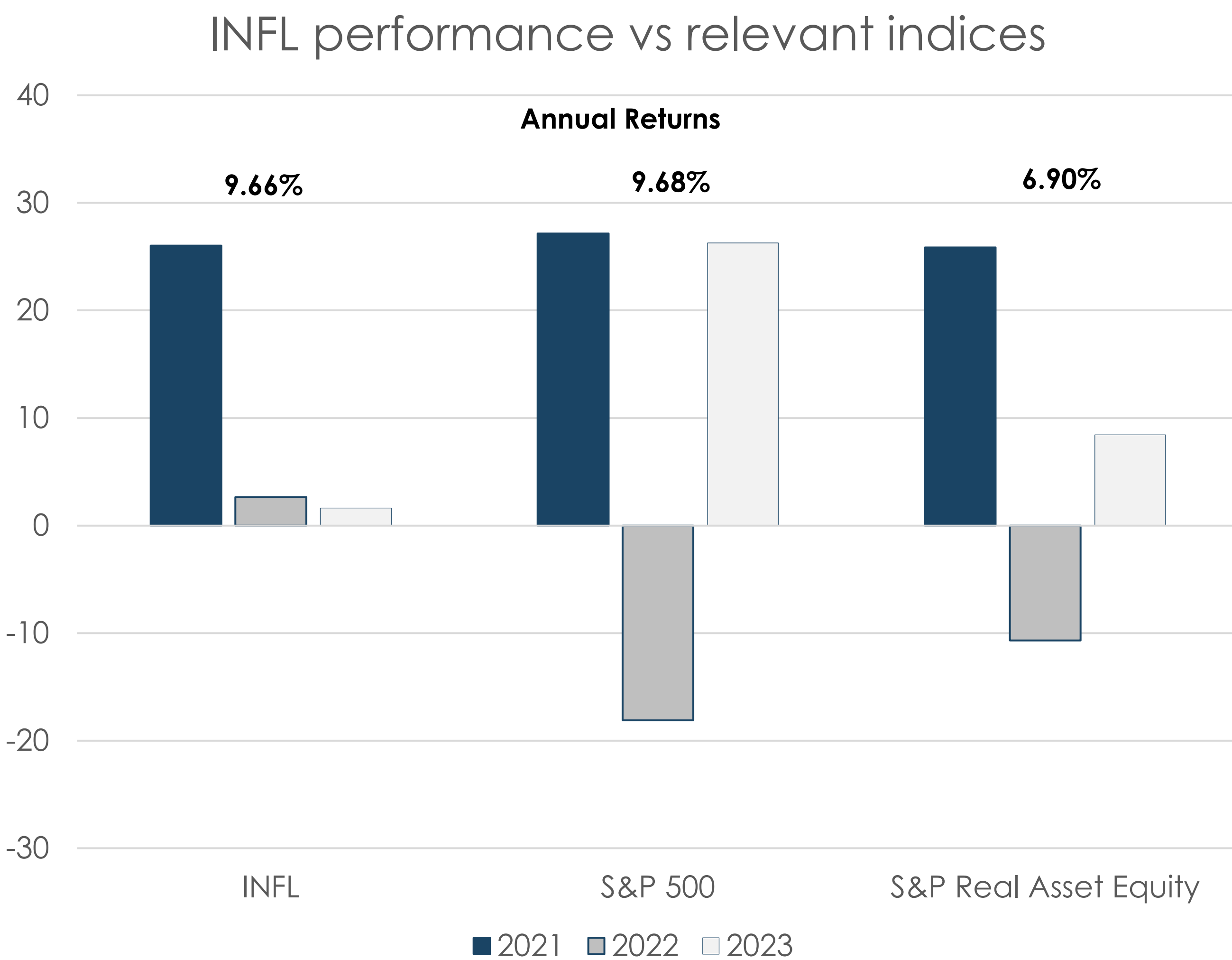
INFL Performance

Upside Capture; Preservation of Capital

INFL offers exposure to quality businesses which benefit from higher and rising prices over time. It should not be viewed as a short-term "bet".

In 2021, the market experienced pro-cyclical inflation and INFL performed accordingly.

In 2022-23, inflation began to moderate as rate hikes pressured many asset classes. The Fund preserved capital with **positive returns** in each year. This is despite steep drawdowns in 2022 and a narrow market rally in 2023.



Source: Bloomberg, 2021 figures are from inception date of INFL on 1/11/2021

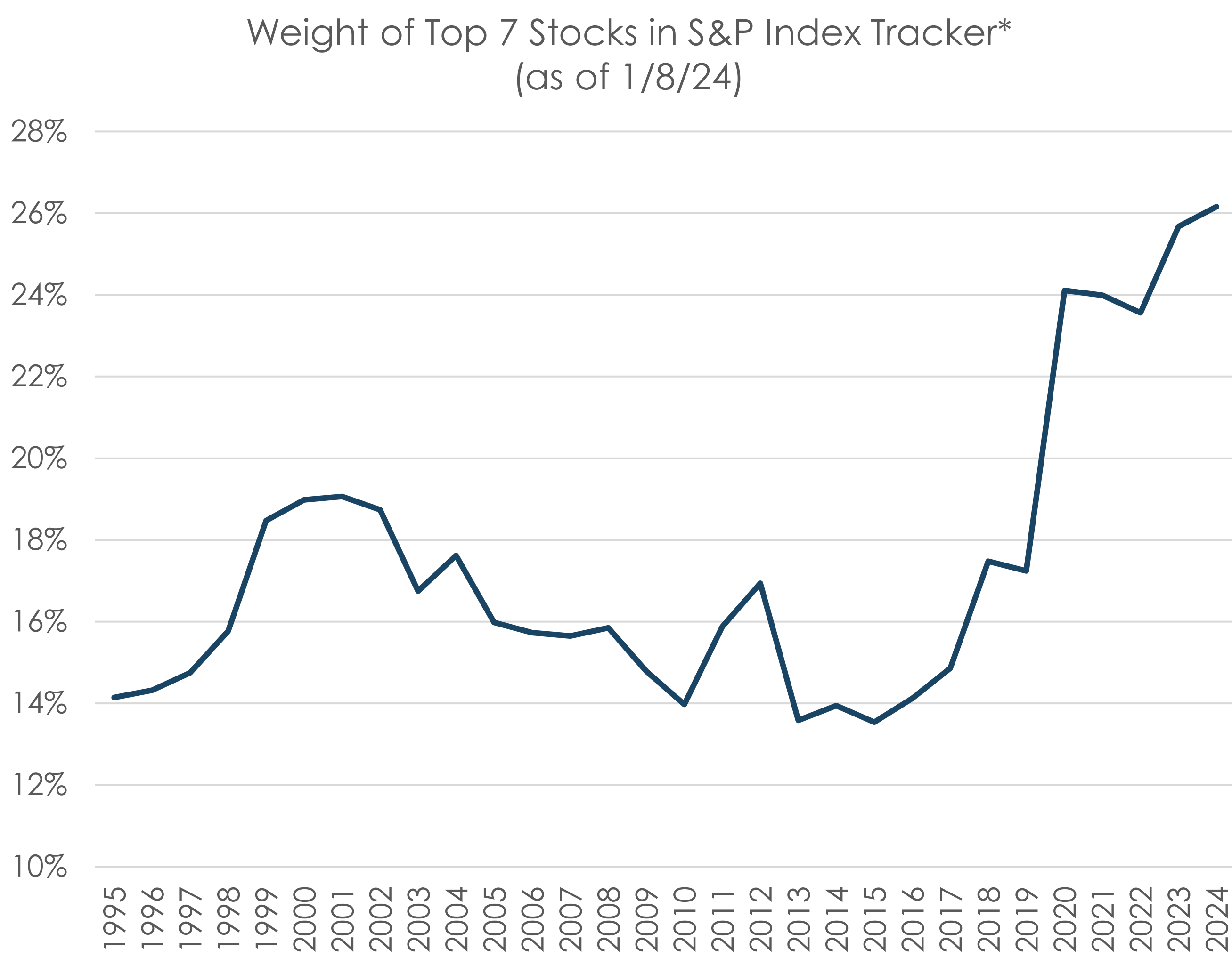
Diversification

S&P 500 Concentration

The performance of major US equity indices, as represented by the S&P 500 Index, is significantly impacted by the holdings with largest capitalizations.

The primary goal of INFL is to own quality companies that benefit from elevated and rising prices, at discounted valuations.

As a result the Fund has minimal overlap with broad markets and provides high quality diversification.



*Source: *SPDR S&P 500 ETF (SPY) Trust Filings via www.sec.gov (EDGAR); & SSGA.com*

The Inflation Beneficiaries Fund (INFL)

Why should an investor maintain a position in INFL?

- Inflation has normalized from extremely elevated levels, **however price levels remain elevated and continue to rise.**
  - Inflation levels remain "modestly elevated" (e.g. 3% - 5%) globally, which is optimal for the operation of inflation beneficiary holdings

- **The Fund holds no directional "bets"** on inflation, but rather high quality businesses that can generate high full-cycle returns, that are enhanced by inflation

- Global macroeconomic variables have shifted significantly compared to the prior market regime, and investors **need to rethink the long-term investment implications**

Inflation Beneficiaries Fund

Some Important Economic Data to Consider

Inflation Cycles: 1970s

A Decade Long Process

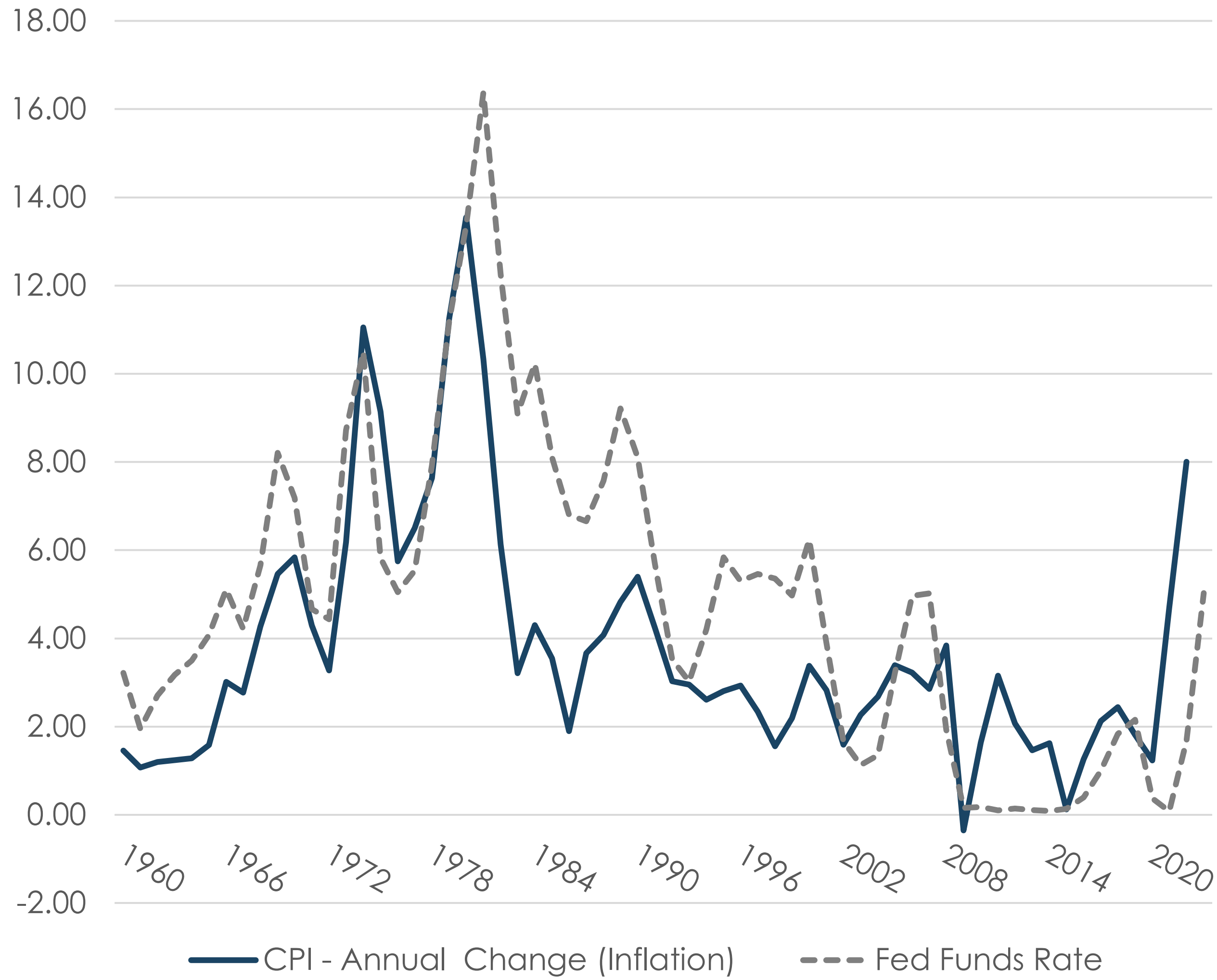
INFL

Inflation surged following the Bretton Woods Agreement in 1971 and remained elevated for over a decade.

The Federal Reserve ultimately raised interest rates to over 16%, while structural factors also contributed to price stabilization.

An important detail: In 1980, the US Debt to GDP was 30% versus **120% today.** And US Debt maturities are becoming shorter term.

These rates would be practically impossible with the $34 trillion federal debt burden.



Source: *Federal Reserve of St. Louis (FRED)*

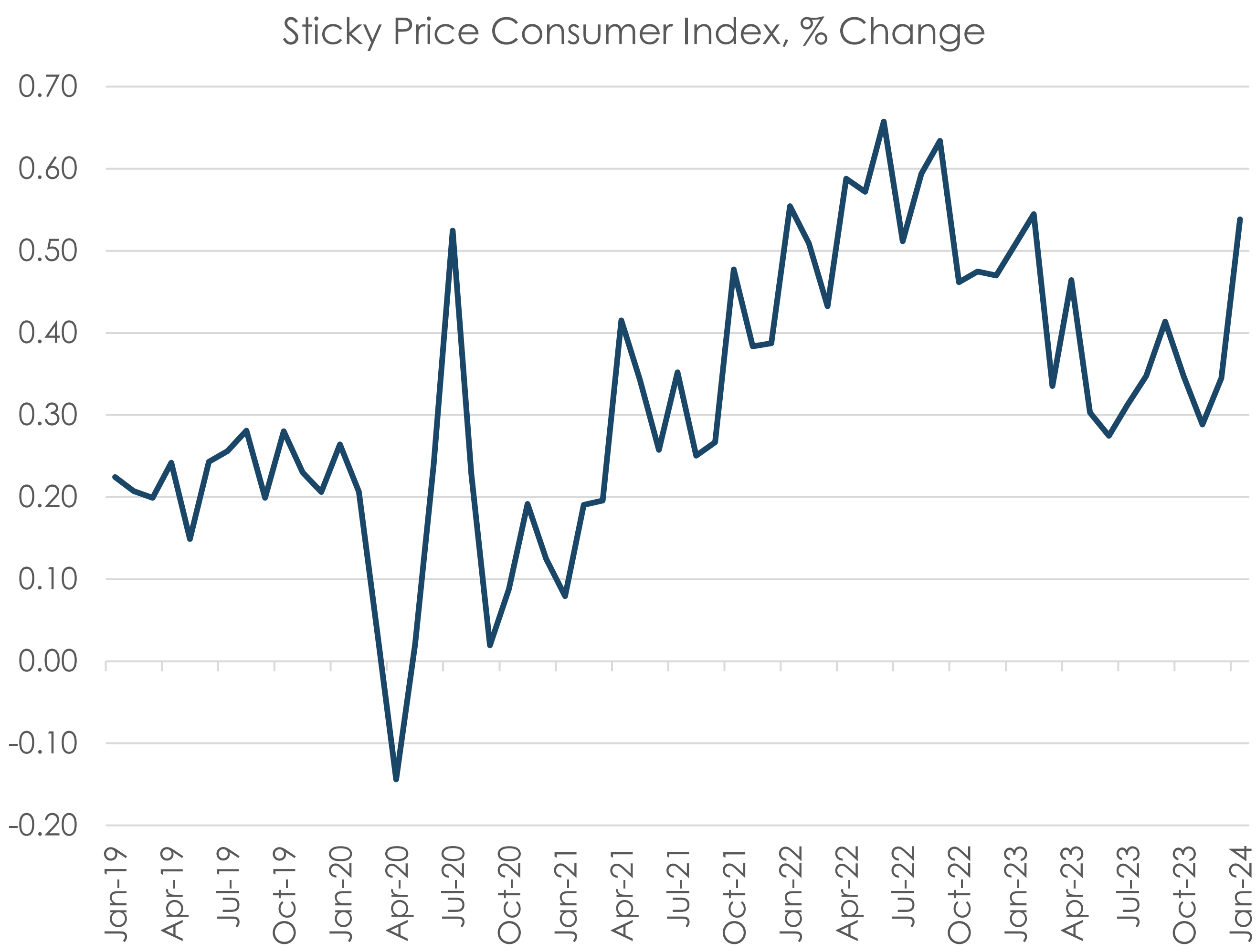
CPI Components

Inflation Descent is Uneven

Some components of CPI have shown improvement (slowing growth), while other components continue to rise faster than anticipated.

The "sticky" CPI is a weighted basked of components that change "relatively slowly" thus providing a less volatile measure of inflation.

These measures suggest inflation will remain elevated for some time.



Source: Federal Reserve Bank of Atlanta via https://fred.stlouisfed.org/
The Sticky Price Consumer Price Index (CPI) is calculated from a subset of goods and services included in the CPI that change price relatively infrequently. Because these goods and services change price relatively infrequently, they are thought to incorporate expectations about future inflation to a greater degree than prices that change on a more frequent basis. One possible explanation for sticky prices could be the costs firms incur when changing price.

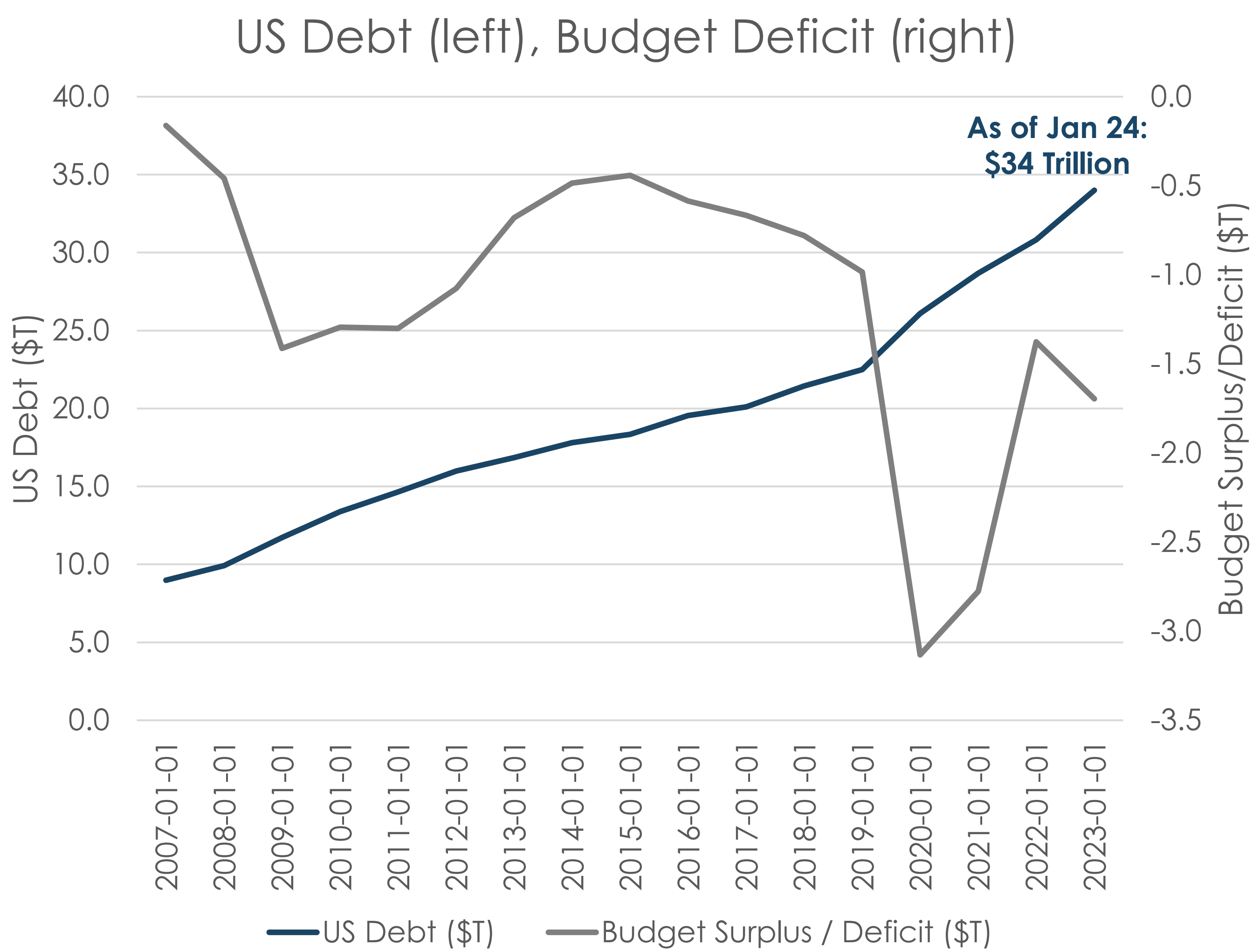
U.S. Financial Conditions

Elevated Debts and Deficits

US Government Debt has now reached $34 Trillion.

According to the CBO, deficits will continue for the foreseeable future.

At current debt levels, each 1% increase in interest rates leads to an **additional $340B in interest expense.** This amount is on par with the US Defense budget.



Source: Federal Reserve of St. Louis (FRED), Treasury.gov

U.S. Fiscal Spending

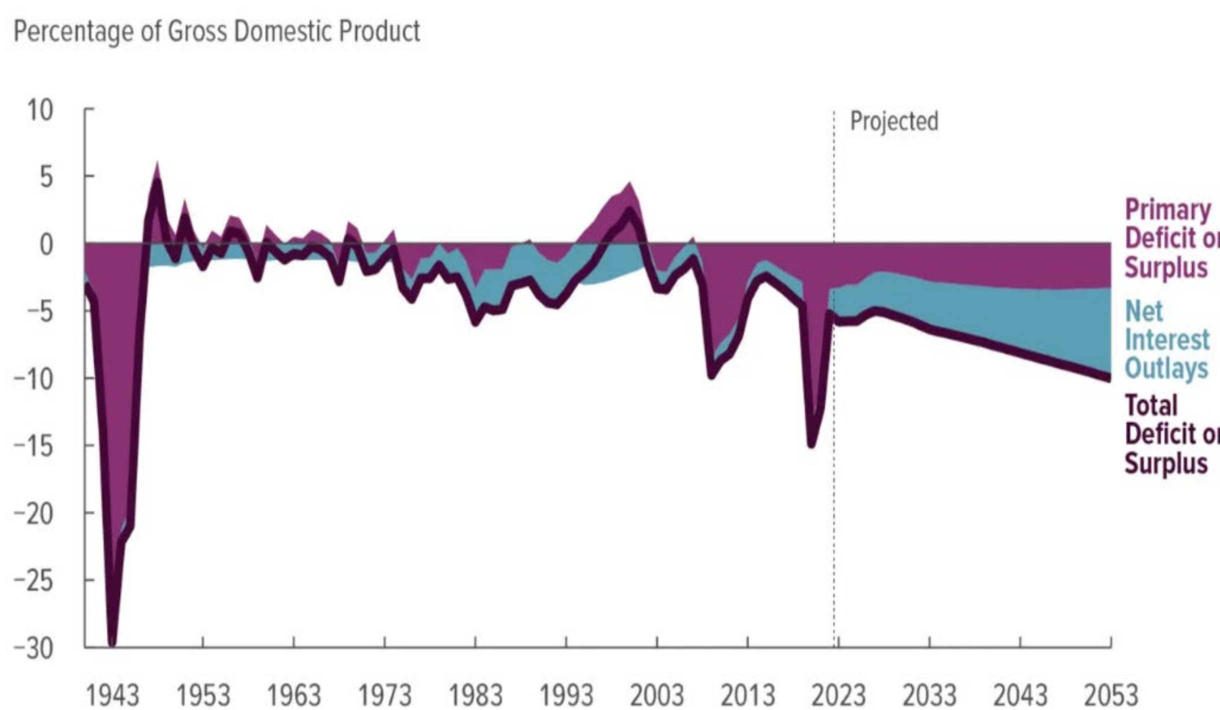
Congressional Budget Office Forecasts

The CBO estimates that deficits will continue unabated indefinitely. The 10-Year budget forecast includes annual deficits averaging approximately 6% of GDP, or \$2 - \$3 trillion, per year.

These levels were unprecedented outside of war or financial crisis, but are now base case policy.

Interest rate policies will be constrained by the **interest cost of servicing the debt.**

Total Deficits, Primary Deficits, and Net Interest



Source: Congressional Budget Office: https://www.cbo.gov/publication/59809

U.S. Debt Holders

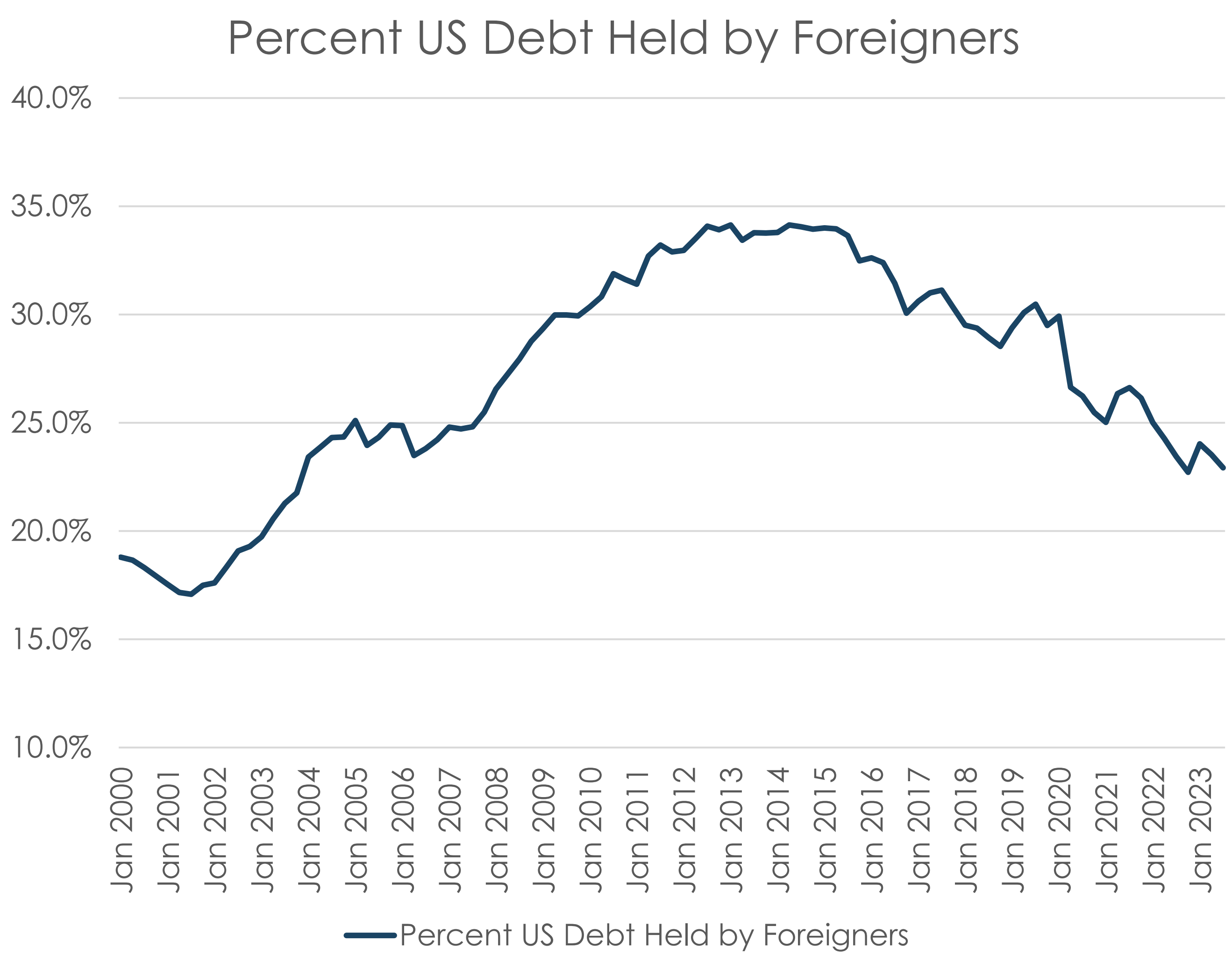
Supply > Demand?

Foreign purchases of US debt have been declining for over a decade.

At the current U.S. Debt level of $34T, a decline of 10% requires new buyers of $3.4T of bonds

All else equal, this will pressure interest rates higher over time – possibly compelling additional Fed "easing."

"Capital light" Fund holdings should be less impacted by higher rates.



Source: Federal Reserve of St. Louis (FRED)

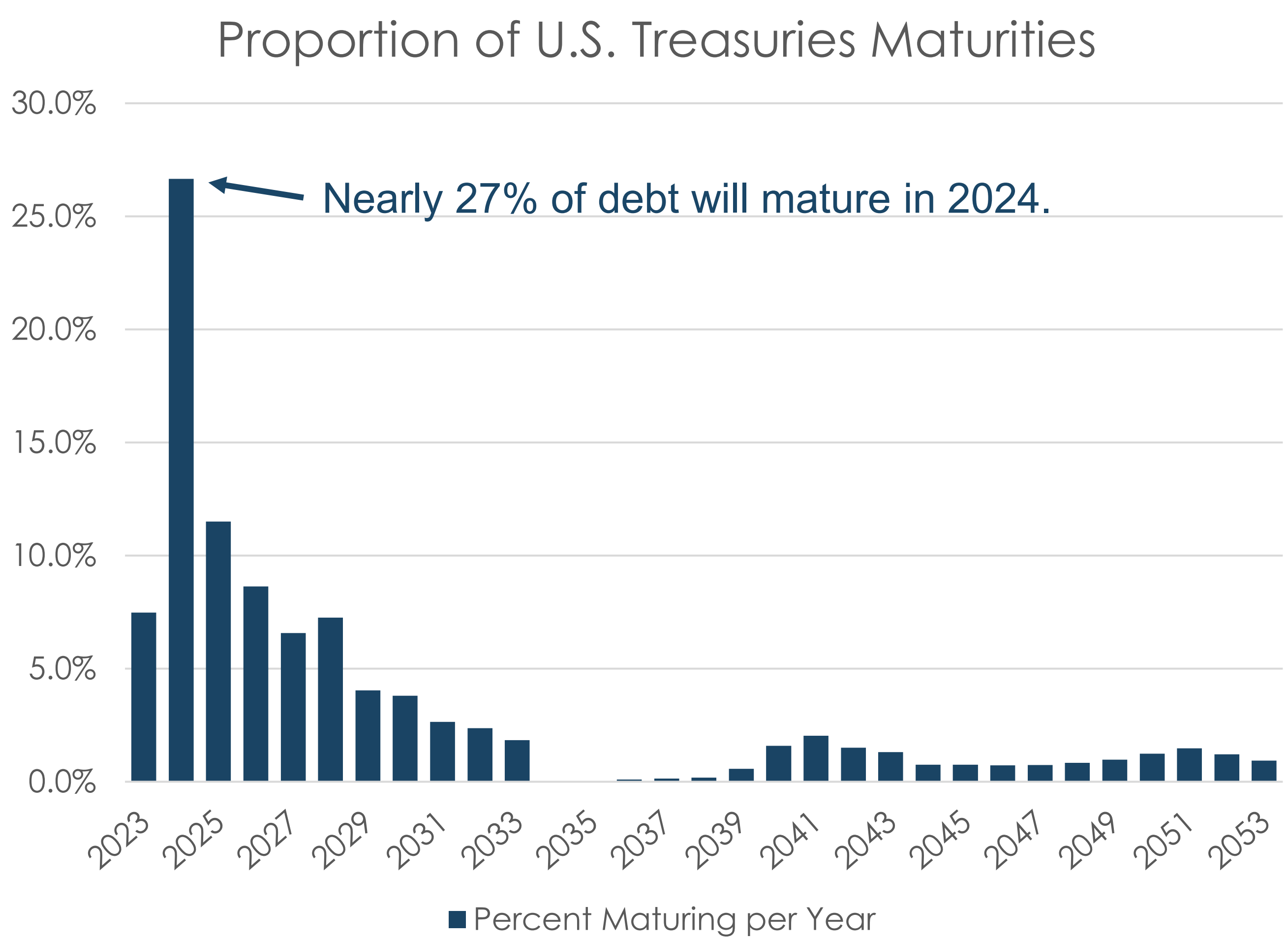
U.S. Federal Debt Outstanding

The Policy Constraint

Nearly 50% of US Debt will be maturing by the end of 2026. With a current weighted interest rate of 3.1%*, this debt (and deficit spending) will be refinanced at higher prevailing intertest rates.

The Federal Reserve will likely be constrained in its policy choices due to government debt, **promoting higher baseline inflation.**

Elevated inflation is amongst the only factors that can **reduce the (real) U.S. debt burden.**



Source: https://fiscaldata.treasury.gov/datasets/monthly-statement-public-debt/detail-of-marketable-treasury-securities-outstanding. Years to maturity calculated from end of January 2023. Calculated on the basis of marketable US debt. Data as of November 2023.

Total Interest-bearing debt as of November 2023 https://fiscaldata.treasury.gov/datasets/average-interest-rates-treasury-securities/average-interest-rates-on-u-s-treasury-securities

Horizon Kinetics, LLC

Investing Differently Since 1994

Firm Overview

At a Glance

INFL

Horizon Kinetics LLC

- Independent, employee owned, serving clients since 1994.
- $6.5 billion in firm-wide assets under management[1].
- 75 employees.
- Offices in New York City, White Plains, NY and Summit, NJ.

Stable, tenured investment team

- Co-Founders investing together for over 30 years.
- 21 Investment Professionals with an average tenure of 20 years with the firm and 30 years in the industry.

Dedicated Culture

- Committed exclusively to investment research and portfolio management across the capital structure.
- Independent publisher of research for institutional investment community since 1995.
- Adhering to a research-intensive, time-tested fundamental investment philosophy.
- Institutional quality client service and operations infrastructure.

Investment Approach

- Independent Thinking
  - Primary source data driven process.
  - Research analysts culturally guided to overcome confirmation biases and data availability errors.
- Opportunity
  - Seek above market returns with reduced chances of loss by capturing high discount rates associated with the "Equity Yield Curve."
  - Earn returns of underlying fundamental business and potential narrowing of discount rate.
- Focus
  - Research team and process organized around attributes associated with long-term excess returns.
  - Seek to avoid the permanent loss of capital.
- Differentiated
  - Philosophy and process lead us to explore lesser researched and less frequently trafficked investments.
  - High active share[2] by design.
- Discipline
  - Portfolio Managers and Research Analysts must write logical, clear and understandable investment theses that withstand internal and external scrutiny.
- Patience
  - Capturing long-term excess returns requires commitment.

[1] As of December 31, 2023
[2] Active share is 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 strategy's primary benchmark.

Firm Overview

Strategy and Client Type Overview

Firmwide Assets Under Management[1]	$6.5 B

Separately Managed Accounts[2]	$3.3 B

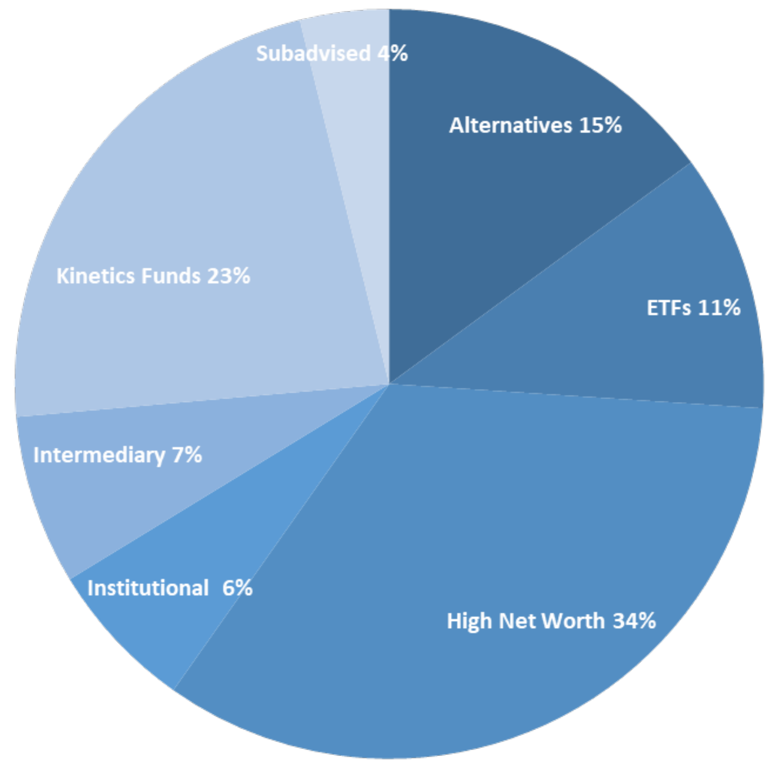
- *Equities*
- *High-Yield*
- *Opportunistic Investments, i.e. Distressed Debt*

Kinetics Mutual Funds and Active ETF[3]	$2.2 B

- *Broad Markets*
- *Specialty Markets*
- *Income-Related*
- *Inflation Beneficiaries*

Alternative Investments*	$1.0 B

Client Assets by Type[1]



*Alternative Investment values are based on previous month end fund administrator values. Additional information available upon request for qualified investors.

[1] AUM and client type as of 12/31/2023

[2] Includes assets in customized portfolios, other strategies developed for intermediaries, and sub-advised assets.

[3] Kinetics Mutual Funds, Inc. ("Kinetics Funds") are distributed by Kinetics Funds Distributor LLC ("KFD"), an affiliate of Horizon Kinetics LLC. KFD is not affiliated with the Kinetics Funds.

[4] Includes individual client accounts through intermediaries. The Horizon Kinetics Inflation Beneficiaries ETF (INFL) is distributed by Foreside Fund Services, LLC ("Foreside"). Foreside is not affiliated with INFL or Horizon Kinetics LLC or its subsidiaries.

You should consider the investment objectives, risks, charges and expenses of the mutual funds carefully before investing. For a free copy of the mutual funds' 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.

Portfolio Management Bios

Peter Doyle

Managing Director, President of Kinetics Mutual Funds, Inc.

Peter is a Managing Director and co-founder of the Firm. He is a senior member of the research team, and a member of the Investment Committee and the Board. Peter is a Co-Portfolio Manager for several registered investment companies, private funds, and institutional separate accounts. He is also responsible for oversight of the Firm's marketing and sales activities and is the Vice President of FRMO Corp. Previously, Peter was with Bankers Trust Company (1985-1994) as a Senior Investment Officer, where he also served on the Finance, Utility and REIT Research sub-group teams. Peter received a BS from St. John's University and an MBA from Fordham University.

James Davolos

Portfolio Manager

James joined the Firm in 2005 and currently serves as Co-Portfolio Manager for the Inflation Beneficiaries ETF (INFL), the Internet Fund as well as several private funds and institutional separate accounts. He began his investment career with the Firm in 2005, as a member of the trading desk and joined the investment team in December 2006. James began his tenure on the investment team as a generalist analyst covering investment and research opportunities for various strategies managed by the Firm. James received a BBA in Finance from Loyola University in Maryland, and an MBA from New York University.

Steven Bregman

President

Steven is the President of Horizon Kinetics and is a co-founder of the Firm. He is a senior member of the Firm's research team, a member of the Investment Committee and Board, and supervises all research reports produced by the Firm. As one of the largest independent research firms, Horizon Kinetics focuses on structurally inefficient market sectors, including domestic spin-offs, global spin-offs (The Spin-Off Report and (Global Spin-Off Report), distressed debt (Contrarian Fixed Income) and short sale candidates (Devil's Advocate), among others. Horizon Kinetics has also taken an interest in creating functionally improved indexes, such as the Spin-Off Indexes and the Wealth Indexes (which incorporate the owner-operator return variable). Steve is also the President and CFO of FRMO Corp., a publicly traded company with interests in Horizon Kinetics and is a member of the Board of Directors of Winland Electronics, Inc. He received a BA from Hunter College, and his CFA® Charter in 1989. Steve has authored a variety of papers, notably "Spin-offs Revisited: A Review of a Structural Pricing Anomaly" (1996) and "Equity Strategies and Inflation" (2012).

Corporate Bios

INFL

Murray Stahl

Chairman, Chief Executive Officer, Chief Investment Officer

Murray is Chief Executive Officer, Chairman of the Board of Horizon Kinetics and is a co-founder of the Firm. He has over thirty years of investing experience and is responsible for overseeing the Firm's proprietary research. Murray serves as the Firm's Chief Investment Officer, and chairs the Firm's Investment Committee, which is responsible for portfolio management decisions across the entire Firm. He is also the Co-Portfolio Manager for a number of registered investment companies, private funds, and institutional separate accounts. Additionally, Murray is the Chairman and Chief Executive Officer of FRMO Corp. He is a member of the Board of Directors of the Minneapolis Grain Exchange, the Bermuda Stock Exchange, and Texas Pacific Land Corporation. Prior to co-founding the Firm, Murray spent 16 years at Bankers Trust Company (1978-1994) as a senior portfolio manager and research analyst. As a senior fund manager, he was responsible for investing the Utility Mutual Fund, along with three of the bank's Common Trust Funds: The Special Opportunity Fund, The Utility Fund, and The Tangible Assets Fund. He was also a member of the Equity Strategy Group and the Investment Strategy Group, which established asset allocation guidelines for the Private Bank. Murray received a Bachelor of Arts in 1976, a Masters of Arts in 1980 from Brooklyn College, and an MBA from Pace University in 1985.

Jay Kesslen

General Counsel, Managing Director

Jay joined the Firm in 1999 and currently serves as General Counsel, Managing Director, and is a member of the Board. He oversees all aspects of the Firm's legal affairs, advises on all material compliance matters, and is responsible for the Firm's corporate governance. Jay is the Firm's Anti-Money Laundering Officer and also serves as a Director for several private funds managed by subsidiaries of the Firm. He is also Vice President and Assistant Secretary for Kinetics Mutual Funds, Inc., a series of U.S. mutual funds managed by Kinetics Asset Management LLC, a subsidiary of the Firm. Jay also serves as the General Counsel of FRMO Corp., a publicly traded company. Jay holds a BA in Economics from the State University of New York at Plattsburgh (cum laude) and a JD from Albany Law School.

Alun Williams

Chief Operating Officer

Alun joined the Firm in 2009 and, after 12 years as the firm's Director of Trading and Operations, took over the role of Chief Operating Officer in 2021. As Chief Operating Officer, Alun is responsible for overseeing daily operations and administrative functions for Horizon Kinetics. Prior to 2009, Alun was at Goldman Sachs where he was the head of GSAM Operations Salt Lake City. Alun joined Goldman Sachs in 1996 and in his time there held a number of operational and control positions within the equity, private wealth and asset management divisions. Alun received a BSc in Business Administration from Bath University, England.

Russell Grimaldi

Chief Compliance Officer, Associate General Counsel

Russ joined the Firm in 2005 and currently serves as the Chief Compliance Officer and Associate General Counsel. He oversees the Firm's compliance program and supports all legal and regulatory functions. Russ has substantial experience with the rules and regulations governing the investment management industry and is a frequent speaker at various industry events. He is also a member of several of the Firm's operating committees and is the Anti-Money Laundering Compliance Officer for the Firm's offshore private funds. Russ holds a BA in Legal Studies from Quinnipiac University (cum laude) and a JD from Albany Law School.

Contact Information

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Important Risk 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 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.

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.

The Horizon Kinetics Inflation Beneficiaries ETF (INFL) is distributed by Foreside Fund Services, LLC ("Foreside"). Foreside is not affiliated with Horizon Kinetics LLC, HKAM, or their affiliates or subsidiaries.

Returns are subject to change. Note that indices are unmanaged, and the figures shown herein do not reflect any investment management fee or transaction costs. Investors cannot directly invest in an index. References to market indices, benchmarks or other measures of relative market performance (a "Benchmark") over a specific period are provided for your information only. It is not our intention to state, indicate or imply in any manner that our future results will be profitable or equal past results.

Murray Stahl is a member of the Board of Directors of Texas Pacific Land Corporation ("TPL"), a large holding in certain client accounts and funds managed by Horizon Kinetics Asset Management LLC ("HKAM"). Officers, directors and employees may also hold substantial amounts of TPL, both directly and indirectly, in their personal accounts. HKAM seeks to address potential conflicts of interest through the adoption of various policies and procedures, which include both electronic and physical safeguards. All personal and proprietary trading is also subject to HKAM's Code of Ethics and is monitored by the firm's Legal and Compliance Department.

Index Definitions (Source: Bloomberg, S&P Global, Goldman Sachs)
The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products.
The MSCI ACWI All Cap index is a free float weighted equity index.
Bloomberg Commodity Index (BCOM) is calculated on an excess return basis and reflects commodity futures price movements.
Bloomberg US Aggregate Bond Index is a broad-based benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market.
The 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.