



Horizon Kinetics Medical ETF

An Active Approach To Biopharmaceuticals

Prepared in January 2023

The Horizon Kinetics Medical ETF

The logo for MEDX, featuring the letters "MEDX" in a serif font with a curved line above it, all enclosed in a square border.

Fund Overview

- **Stable, tenured team** – Paul Abel has been the lead portfolio manager for the Fund since inception in 1999 and has substantial personal wealth invested alongside the Firm's clients.
- **20+ year track record of strong performance** – Annualized, as of 12/31/2022, the Fund has generated 8.96% (net) per year since the inception date of 9/30/1999 (no-load)¹.
- **Time-tested Investment Approach**
 - Fundamental value, bottom-up investment approach
 - Buy good companies and let them compound for you
 - Long-term investment horizon / low turnover
 - Diversified exposure to the biopharmaceutical complex
- **Active Management Approach in a new dynamic era of medical discovery** – The Fund targets companies that:
 - Have high potential return on equity and are focused on long-term operating results
 - Have sufficient cash to pursue drug development
 - Allow transparency into their trials and results
 - Are either potential buy-out candidates or are actively reviewing the landscape to acquire companies that complement existing business lines

¹ Returns includes net performance of MEDRX (no-load) prior to the conversion. Please see slide 7 for additional information regarding annualized returns. Standardized historical returns are listed on page 6.

Effective at the close of business on 1/27/2023, the Medical Fund will be converted into shares of the Horizon Kinetics Medical ETF as part of a tax-free reorganization. For further details, please refer to: <https://kineticsfunds.com/wp-content/uploads/2022/12/KMF-Shareholder-Notice-Jan-4-2023.pdf>

An Active Management Approach



How we Got Here (1999-2022)

Recalling the landscape of 1999, we were faced with a primordial sea of nascent biotechs. This explosion contained all the requisite parts to become a modern therapeutic industry.

From its inception a quarter century ago, the Medical Fund took a three-tier approach to investing in biopharma. By casting a wide net, the Fund was able to employ a balanced approach, allowing it to participate in the maturation of the biotech industry, as well as the transformation of the pharmaceutical industry.

Pharmaceuticals

- Large, dividend paying conglomerates, which included non-core businesses outside of pharmaceuticals
- Lower margin due to factors such as consumer products, that were based on expertise in marketing rather than innovative research
- Growth by consolidation and acquisition

Biotechnology companies

- Young but already profitable biotech businesses
- Often targets for consolidation or acquisition by larger biotechs or pharma companies

Small Cap/Public Venture Capital

- Yet to be profitable innovation firms with little to no cash flow, at the cutting edge of advances in science

The distinction between large pharma and biotech has all but evaporated.

The large pharmaceutical companies have now streamlined operations to focus on the highest margins and best returns on equity. R&D-to-revenue ratios are as large as or larger than those of biotechs.

We witnessed the maturation of the biotech industry.

An Active Management Approach

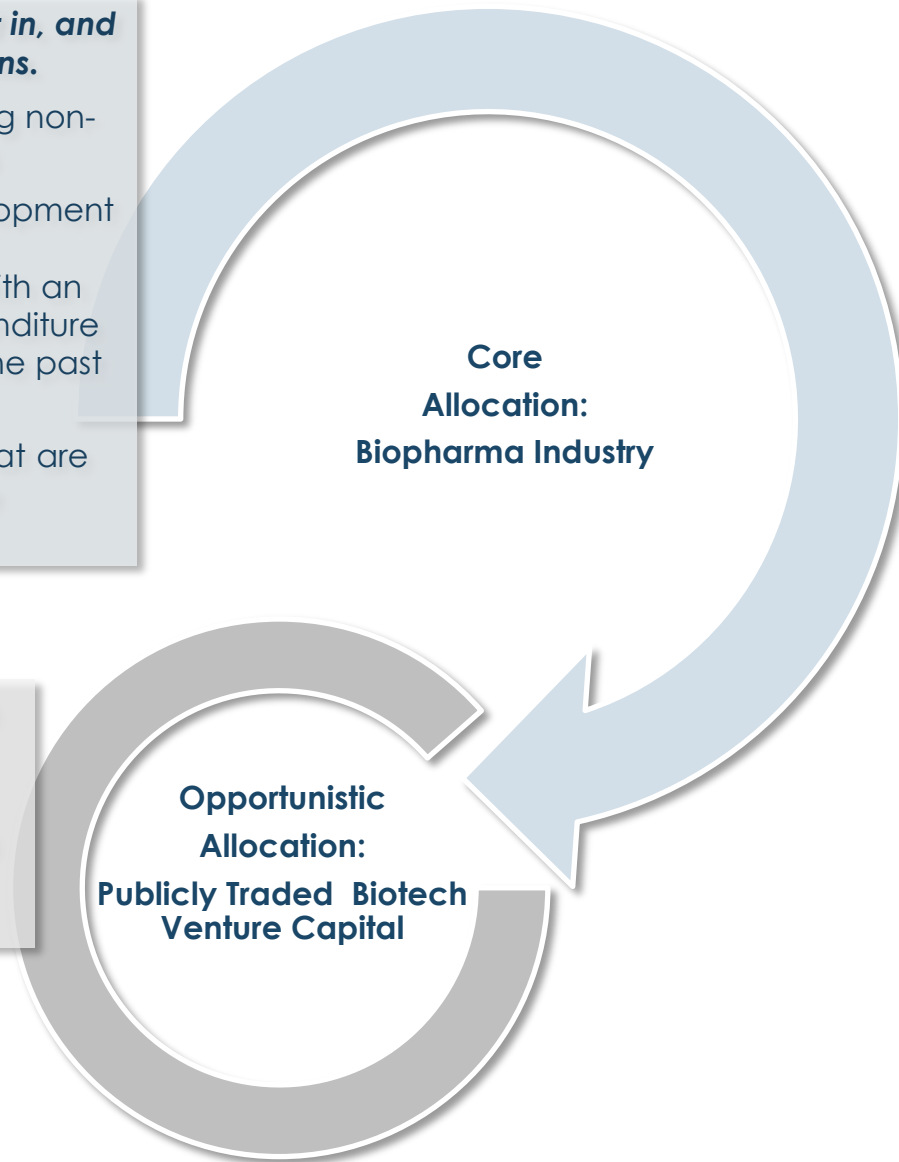


Investment criteria in a new dynamic era of medical discovery

It is the innovation that we invest in, and the innovation that delivers returns.

- Lean and mean after divesting non-core, lower margin businesses
- Increased focus on the development and commercialization of revolutionary therapeutics, with an astonishing R&D capital expenditure commitment (\$1 trillion over the past 20 years)
- Innovation with time scales that are not co-linear with those of the capricious capital markets

- Higher risk, with potentially high reward
- Judicious exposure with the goal of participating in success mode without incurring undue portfolio risk



Good science is good medicine during periods of market uncertainty.

Portfolio Attributes:

- High profit margins
- High barriers to entry
- Relatively insensitive to economic turmoil

MEDX Overview



Horizon Kinetics Medical ETF

FUND DESCRIPTIONS

Investment Objective:

The Horizon Kinetics Medical ETF (the "Fund") seeks long-term growth of capital.

Strategy:

The Fund is an actively-managed exchange-traded fund ("ETF") that will invest primarily in patented first line pharmaceuticals and biologics as these products tend to have high profit margins and significant barriers to entry. The Fund employs a long-term perspective seeking to capture returns of both intrinsic valuation realization and scientific discovery.

Portfolio Manager:

Paul Abel – 23 years of experience

FUND DETAILS

Ticker/CUSIP	MEDX / 53656G5633
Inception Date	September 30, 1999, to be converted to ETF on January 27, 2023 ¹
Expense Ratio	0.85%
Index Tracked	None (Active ETF)
Issuer	Foreside Fund Services, LLC
Stock Exchange	NASDAQ
Net Assets	\$19,259,685 (as of 2/2/23)

INVESTMENT CRITERIA

The Fund targets companies that:

- Have high potential return equity
- Are focused on long-term operating results
- Have sufficient cash to pursue drug development
- Allow transparency into their trials and results
- Are either potential buy-out candidates or are actively reviewing the landscape to acquire companies that complement existing business lines

PORTFOLIO CONSTRUCTION

Core Allocation: Biopharma with streamlined operations focusing on the highest margins and best returns on equity, particularly in the development and commercialization of revolutionary therapeutics

Opportunistic: Public Venture Capital at the cutting edge of advances in science

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Appendix



Paul Abel

Senior Portfolio Manager

Paul joined the Firm in 1999 and currently serves as Portfolio Manager to The Medical Fund and various other private funds. Paul's primary duties include research and analysis of developing scientific technologies and innovations in the medical and biopharmaceutical industries. Prior to joining Kinetics, Paul was employed by Brookhaven National Laboratories, from 1989 through 1999, where he researched, developed and implemented technical and scientific programs and systems in the areas of nuclear physics, computer programming and industrial design. During that time, Paul also provided freelance writing services for the Academic Science and News Review, reporting and offering insight on myriad issues and developments in the fields of science and technology. Paul received a BS in Physics from SUNY Stony Brook and holds a Master's Degree in Mechanical/Nuclear Engineering from Manhattan College.

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 also 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.

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.

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).

Thomas Ewing

Co-Founder

Tom is a Managing Director and co-founder of the Firm. Tom joined the Firm in 1996 and is a member of both the Board and the Investment Committee. Tom oversees Horizon Kinetics' North Carolina office and is instrumental in the creation of new Horizon Kinetics investment strategies. Previously, Tom was a Marketing Director with Smith Barney's Capital Management Division (1989-1991) and then a Financial Consultant at Wheat First Butcher Singer (1991-1996). Tom received a BA from Washington & Lee University.

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 member of several of the Firm's operating committees. Russ holds a BA in Legal Studies from Quinnipiac University (cum laude) and a JD from Albany Law School.

Jay Kessler

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 Horizon 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.

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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 prospectus 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 Medical ETF (Symbol: MEDX) 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.

Associated Risks of Investing in the Medical Industry: Medical and pharmaceutical-related companies in general are subject to the rate of change in technology, which is generally higher than that of other industries. Below Investment Grade Bonds Risk. The Fund's investments in below investment grade bonds are subject to a greater risk of loss of income and principal than higher grade debt securities. Concentration Risk. The Fund expects to concentrate (i.e., invest more than 25% of its net assets) its investments in a limited number of issuers Derivatives Risk. Put and call options are referred to as "derivative" instruments since their values are based on, or derived from, an underlying reference asset, such as an index. Liquidity Risk. Liquidity risk refers to the possibility that the Fund may not be able to sell or buy a security or close out an investment contract at a favorable price or time. Options Risk. The prices of options may change rapidly over time and do not necessarily move in tandem with the price of the underlying securities. Emerging Markets and New fund Risk.

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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