# HORIZON KINETICS EQUITY OPPORTUNITIES FUND, LP

## Class H (Bitcoin Cash) Portfolio | August 2026

HORIZON KINETICS

## OVERVIEW

**The Fund:** Horizon Kinetics Asset Management LLC ("HKAM"), a U.S. registered investment adviser and wholly owned subsidiary of Horizon Kinetics LLC ("Horizon Kinetics"), serves as the Investment Manager for the Horizon Kinetics Equity Opportunities Fund, LP - Class H Portfolio ("Class H Portfolio" or "Fund").

**Investment Objective and Strategy:** The Class H Portfolio's objective is to obtain superior investment returns by investing in or otherwise obtaining exposure to Bitcoin Cash. Bitcoin Cash is a cryptocurrency that is similar to bitcoin. It represents a decentralized digital currency that enables instant transfers to anyone, anywhere in the world and is the result of a "hard fork" of the bitcoin blockchain. The Class H Portfolio may hold other cryptocurrencies as a result of, among other things, forks that occur in the Bitcoin Cash blockchain. While Bitcoin Cash is similar to bitcoin and is a continuation of the Investment Manager's bitcoin investment thesis, Bitcoin Cash possesses certain differences from bitcoin, such as a larger block size and allowing for replay / wipeout protection.

There can be no assurance that the foregoing objective will be met or that an investment will be profitable. The Fund seeks to achieve its objective primarily by investing directly in Bitcoin Cash. The Fund may also seek exposure to Bitcoin Cash through a wide variety of financial instruments, including but not limited to equities, pooled vehicles (including private placements), futures, swaps, convertible preferred obligations, debt instruments, options, including specifically puts and calls, closed-end funds, open-end funds, and preferred stocks. The Investment Manager believes that cryptocurrencies including Bitcoin Cash represents an opportunity for investors to achieve substantial appreciation over the long-term; however, it acknowledges that there may be extreme volatility associated with such investment and that there is a substantial risk of loss because, among other things, cryptocurrencies, including Bitcoin Cash, represent a relatively new technological innovation.

## FUND INFORMATION

| | Class H Portfolio |
|---|---|
| **Fund Structure:** | Domestic 3c1 Fund<br>Delaware Limited Partnership |
| **Initial Investment:** | USD Minimum $25,000<br>USD Maximum $50,000 |
| **Valuation:** | Monthly |
| **Custodian:** | National Financial Services LLC, NYDIG Trust Company LLC, Coinbase Custody Trust Company LLC |
| **Management Fee:** | None |
| **Liquidity:** | Monthly, with 15 days advanced written notice only after holding the Fund for 12 months |
| **Incentive Fee:** | 20%, subject to high water mark |
| **Open to:** | Qualified Clients |
| **Administrator:** | U.S. Bank Global Fund Services |
| **Auditor:** | CBIZ CPAs PC |

## PERFORMANCE SUMMARY

| Class H Portfolio | |
|---|---|
| **Year** | **Net Performance %** |
| **2017*** | **261.73** |
| **2018** | **-91.12** |
| **2019** | **32.00** |
| **2020** | **60.00** |
| **2021** | **6.78** |
| **2022** | **-72.71** |
| **2023** | **119.63** |
| **2024** | **71.32** |
| **2025** | **33.05** |
| **2026 Performance** | **Net Performance %** |
| **January** | -15.28 |
| **February** | -9.88 |
| **March** | 1.82 |
| **April** | -5.42 |
| **May** | -31.43 |
| **June** | -33.80 |
| **July** | 5.05 |
| **August** | 17.81 |
| **September** | |
| **October** | |
| **November** | |
| **December** | |
| **2026 YTD** | **-58.70** |
| **-Since Inception Cumulative*** | **-59.11** |
| **Since Inception Annualized*** | **-9.63** |

*The net returns presented represent the performance experience of an investor who has been invested in the fund since inception. Individual investor performance returns will vary given associated incentive fee accruals.*
**The Class H Portfolio was incepted in November 2017.*

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*Returns are net of all fees. Past performance is not a guarantee for future results. Please see additional information and disclosures on the last page.*

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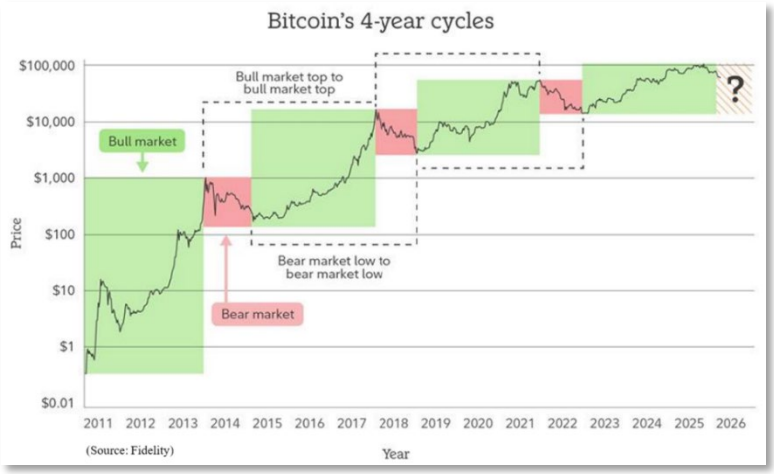
# WHAT'S WITH THE PRICE OF BITCOIN?

Here is commentary we recently published on **What's with the Price of Bitcoin?** The short answer is that it's doing pretty much what was expected.




Or, as Murray Stahl answered someone's "Why is bitcoin down?" question earlier this year, amid a bumpy stretch: "It's right on schedule."

That's plain to see in the chart to the right, from Fidelity, the first mainstream financial firm that allowed clients to buy and hold bitcoin in their accounts.




Note that the price axis is on a log scale, where each step increases by a multiple of 10: the distance from $0.01 per bitcoin to $1 is the same as from $10,000 to $100,000. It would look like a rocket-ship trajectory if it were an ordinary stock-price scale.

One couldn't expect that periodic result without having a sense of the programming behind it, because bitcoin is—however you want to classify it—a programmed money, asset, or commodity. It has a distinct economic *supply* and cost-of-supply component, and a distinct economic *demand* component, and these can be measured.

Without a modicum of knowledge, all you have are the pattern-association explanations: It's a risk-off environment; it was overbought and is finding consolidation at the current resistance level; there's competition from 10,000-plus other cryptocurrencies; oil prices or interest rates are the culprit; heightened geopolitical risk is making gold the favored hedge asset; and so on.

If anyone's patience for the coming explanation is already exhausted, here's the conclusion, right up front, and you can be done with it. By tax-payment day in April 2028, the basic math and real-world economics of the supply side of the bitcoin system (the cost of production) say that bitcoin should be trading between about $150,000 and $250,000; and the basic math of the bitcoin system based on the power law relationship described shortly suggests that bitcoin should be trading at $270,438...and 5 cents.

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# WHAT'S WITH THE PRICE OF BITCOIN?

For anyone who wants to hang around a bit, one part of the explanation—the Snowball Fight exercise—has already been covered in our latest Quarterly Commentary: namely that time and value progression aren't one-to-one relationships in long-term compounding. Knowing that can save you from disappointed expectations and badly timed investment decisions.

It's worth reviewing a couple of essentials before moving on. They are the reasons—in the wake of the flood of government money and debt issuance in and after the 2008 global financial crisis—that someone(s) created the bitcoin protocol as a hedge against, or haven from, the debasement of national currencies:

> Bitcoin was the first digital currency to solve two challenges associated with digital money: simultaneously controlling its creation and avoiding its duplication or counterfeiting.
>
> If viewed as a safe MONEY that can't be devalued, bitcoin—alongside energy as perhaps the keystone needs in any economy—really could be the "greatest thing since sliced bread." Without historical exception, any currency that became widely adopted succumbed to the inflationary consequences of its controller issuing ever more of it over time, ultimately to the point of collapse.
>
> Bitcoin is that first exception. About 96% of the total fixed supply has already been released, so the experienced supply inflation over the next 114 years, by which time the remainder will have released, will average less than 0.04%/yr. The U.S. M2 money supply expanded 5.5% in the past 12 months, while real GDP growth was about 2.7%.

### *The Supply Side of Bitcoin's Value*

Bitcoin's current decline is the fourth in a series that's repeated with remarkable regularity every four years. That's partly related to the cost of production, which doubles every four years upon the "halving." This is when the amount of bitcoin awarded to the miners, whose activity sustains the bitcoin blockchain ownership record, is reduced by half. In other words, their revenues get halved, but their operating costs don't.

There have been many approaches toward identifying a factor that will match or explain bitcoin's price behavior. On the supply side, which is the most intuitively obvious to investors, if one could know the global cost of production, one could know the minimum bitcoin price, because the miners in their entirety can't, generally speaking, continue production at a loss. The system is much more dynamic than this, but it serves for this discussion.

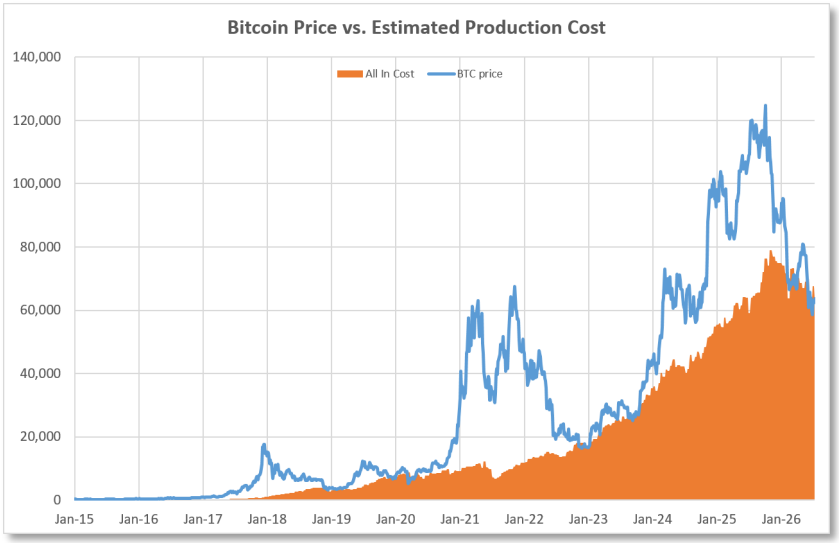
We've made our own direct estimation of bitcoin's historical production cost as a demonstration of the way it works. The primary cost of mining bitcoin is electricity. Electric power, embodied in hosting costs at a data center, plus ancillary operating expenses, is roughly 60% of the total; the rest is ancillary operating expenses and equipment, which depreciates rapidly enough that it becomes a pretty normalized expense. With some additional information, it's possible to develop an estimate of the production cost per coin.

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# WHAT'S WITH THE PRICE OF BITCOIN?

Our analyst constructed his own estimated historical electricity consumption schedule of the global bitcoin network, although others, like the University of Cambridge Judge Business School, also maintain such indexes. The total computational power of the network is also a known figure, and dividing the two is a way of estimating the average efficiency of the global fleet of bitcoin miners, in terms of electricity used per computation per second. It's known how many coins are issued per day, so one has an estimate of the production cost per coin for an average miner.

On a backward-looking basis, there is a historical series for total network electricity usage, for network hashing power, and plenty of information about the power consumption efficiencies of prior generations of equipment relative to their hashing power. The chart to the right was modeled using an electricity cost of $0.05/kWh. The all-in-cost estimate over time is the orange solid-fill area chart, and the bitcoin price is the blue line. Being a model, we can adjust the inputs, say $0.04 or $0.06/kWh electricity cost, or a 55% electricity cost (as a proportion of total costs) as opposed to 60%, but the figures we used are pretty close to our real-world observations.




*For illustrative purposes only. Past performance is not indicative of future results.*

The periodic bitcoin price spikes generally occur at the four-year halvings, because of the cost of production spikes. The periodic declines in the bitcoin price appear to touch and climb with the production cost curve until the next price spike.

From this point forward, one can estimate what the production cost per coin will be upon the halving on or around April 15, 2028. If using the present average miner efficiency, multiply by two, from the current all-in estimated cost of $65,000, which would be $130,000. For a variety of reasons, the price tends to rise above that. Natural factors, like bitcoin miners who enjoy being—or need to be—compensated for the time and risk they expend. They could do something else for a living. Taking the average post-halving peaks above production cost, if the price will rise 75% above the production cost, bitcoin might be valued at $225,000.

A final note on these production-side estimate of bitcoin's value range. The chart above used the convenience of an estimated system-wide efficiency of an average mining rig. But recent and more efficient models are now available. If a certain one of them were used, the current all-in production cost—with an allowance for some miner return on investment—might be about $117,000. If another were used, the figure would be roughly $149,000. To be clear, these figures assume a 25%

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annual return on invested capital for the miners (i.e., the midpoint between breakeven and a 50% rate of return).

Though this is a familiar approach, it is not the only one. The more interesting approaches—particularly because they so closely match these figures, but with an entirely different methodology—come from the demand side of bitcoin's value progression.

### *The Demand Side of Bitcoin's Value*

It's not all about production costs. There are explicit demand functions, too. Putting aside the indeterminate (albeit gargantuan) ultimate demand value for bitcoin as a globally accepted parallel currency, if that's how the future unfolds, there is, for instance, its network value. This is a well-known and calculable number developed by Robert Metcalfe for the Ethernet, a local area network for data transfer.

Metcalfe's Law, well-known in the computer sciences—though not frequently used in economics—has been evident in the initial valuations of companies like Facebook (now Meta) and Tencent, as well as Internet usage in general. It states that the value of a network grows proportionally to the square of its number of users, and this provides a framework for understanding bitcoin's rise over the past 16 years.

The basic idea is that a network gets more valuable when more participants can interact with each other. For bitcoin, each additional user can make the system more useful for payments, savings, transfers, and liquidity, which can increase demand for bitcoin.

Even though people don't transact with every other participant, a larger network generally means more people willing to accept bitcoin as payment; more liquidity in exchanges; more developers building software; more businesses offering services; greater confidence that others will also value and use it. Each of these effects can reinforce the others.

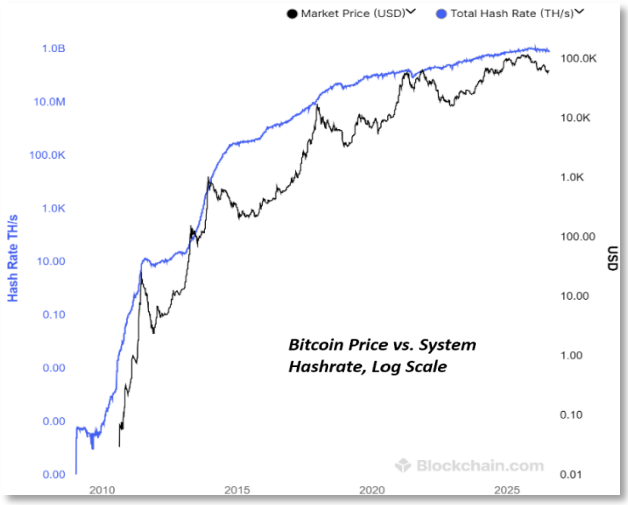
Bitcoin's adoption follows a predictable societal trajectory. Individuals disappointed by inflation and financial "repression" were the early adopters. They were first joined by entrepreneurial and technically knowledgeable institutions like MicroStrategy and Tesla, which recognized bitcoin's potential as a hedge against fiat currency debasement. Now, nation-states like El Salvador and Bhutan are leading the way, adopting bitcoin as a strategic reserve currency to safeguard their economies from fiat inflation.

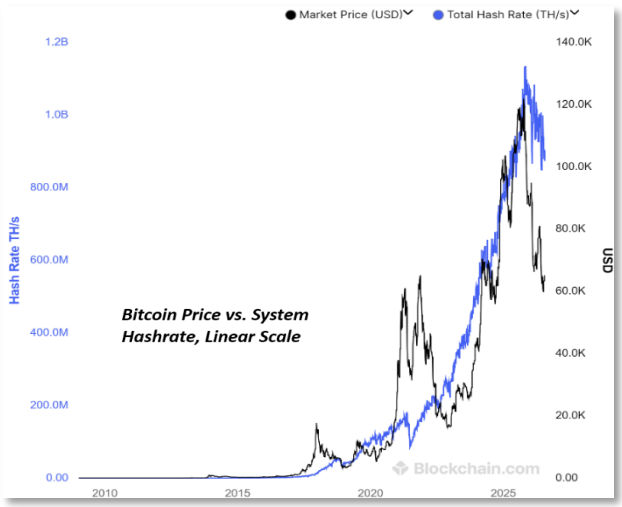
As the network expands, bitcoin's security and utility improve considerably. For example, bitcoin's total hashrate or computational power—a measure of its security—has increased tenfold in the past five years. The decentralized nature of the bitcoin network ensures that no central authority can manipulate its supply or undermine its value. The hashrate, as a demand-side measure, also describes bitcoin's price behavior remarkably closely.

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# WHAT'S WITH THE PRICE OF BITCOIN?

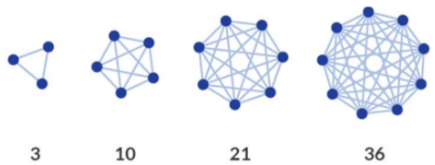
Accompanying is both a log-based chart comparing the system's historical hashrate with the bitcoin price, and a normal linear-scale price chart—the rocket-ship trajectory version. Question: is the bitcoin price following the system hashrate, or is it the other way 'round?




Therefore, Metcalfe's Law can be applied to bitcoin by treating it as a network rather than just a digital currency: As more people, wallets, merchants, and nodes join and use it, the network's usefulness and value can grow roughly with the square of its users. In that context, bitcoin's price is driven less by isolated speculation and more by the size and activity of its network.[1]

A visual example would show a three-node network, say for a phone network: There are three possible user-to-user connections that can be made. For a five-person network, there are 10 possible connections. By the time you've got a nine-node network, one begins to lose the ability to visually identify all 36 connections. For 100 users, it's almost 5,000 connections; for 1,000 users, just under 500,000 connections, and for 1 million users, *500 billion connections*. Applications based on Metcalfe's Law are in use commercially, such as by shipping logistics companies,[2] from which the below graphics of small networks come.




**Metcalfe's Law and Network Effect in Shipping[23]**

***Extending the exercise for possible number of 2-user connections:***

With 100 users: **~4,950** possible connections
1,000 users: **499,500** connections
1 million users: **500 billion** connections

Using two formulas familiar to people in the cryptocurrency realm, and which we covered already here, one can project forward the theoretical price or value an asset like bitcoin. Importantly, these

[1] https://papers.ssrn.com/sol3/
[2] From SeaRates, a cargo logistics and shipping company.

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are for specific fundamental reasons, one being the value of a network, using a t^2 power function over time, based on Metcalfe's Law. The other is for the expanding size of a network, approximated by t^3, a cube function. Think of a gas expanding to fill a sphere, which is why natural gas is priced in cubic feet. While the radius increased linearly with each rotation, the volume or mass of the snowball increased by a cubic function. Combining the two network value and size functions, one gets a power function for bitcoin's value expansion that is a touch less than t^6.

| | For Bitcoin Value Expanding at the Theoretical Power Function of ~t^6 | | Actual Price & Values of Bitcoin At Same Dates | | |
|---|---|---|---|---|---|
| Dates by Which Theoretical Value Increases 10x | Years Required For 10x Increase | Theoretical Future Cumulative Value (Starting Index Value of 1.00) | Price | Value Change Period-to-Period (x) | Cumulative Multiple (x) |
| 4/7/2011 | | **1** | **$ 0.75** | | |
| 5/10/2012 | **1.1** | 10 | 4.85 | 6.5 | 6.5 |
| 12/23/2013 | **1.6** | 100 | 651 | 134.2 | 868 |
| 5/20/2016 | **2.4** | **998** | 442 | 0.7 | **589** |
| 12/16/2019 | **3.6** | **9,986** | 6,877 | 15.6 | **9,169** |
| **4/5/2025** | **5.3** | **99,878** | $ 83,045 | 12.1 | **110,726** |
| *4/15/2028* | *next halving* | *270,438* | | | *??* |
| **2/17/2033** | **7.9** | **998,842** | | | **??** |

*For illustrative purposes only. Past performance is not indicative of future results.*

The extraordinarily surprising part of this demand-based function is that, over time, it has projected bitcoin prices so close to the actual result that one might swear it was cheating, or at least peeking. There are two things to pay attention to, an obvious one and a more-subtle-but-still-important one.

*Obvious Thing*:

- The theoretical value of $1 invested in bitcoin in 2011, as projected eight years into the future was, on December 16, 2019, $9,986, or a cumulative multiple of **9,986**. The actual bitcoin cumulative multiple (the actual starting price was $0.75) on that date was **9,169** ($0.75 to $6,877).
- As of 4/5/2025, 14 years into the model, the theoretical value of bitcoin was $99,878, or a cumulative multiple of **99,878**. The actual cumulative multiple of bitcoin was **110,726**.

*Less-Obvious-But-Still-Important Thing:*

- The dates used in this table were based on how long it would take for the projected bitcoin value to increase 10x.
- Each such 10-fold increase takes longer. The first took 1.1 years, the second took 1.6 years, and the third was 2.4 years. From the last such date, April of last year, it will take almost 8 years for the next 10x increase. With power laws, the incremental time required for the same relative increase…increases.

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# What's with the Price of Bitcoin?

- It's important to know this to avoid unnecessary disappointment because of our arithmetic-anchored pattern spotting brains: the 90% annualized returns from the 2016 "era" will be more like 33% annualized.
- Important, because between the four-year halving-related price declines and the slowing rate of change of the network value as it expands, it's easy to be fooled—without an understanding of the TIME function of compounding—into making investment decisions for the wrong reasons.

It's why we here at Horizon Kinetics Central are not perturbed by the periodic price declines in bitcoin.



**Famous meme among the young folks**

## Appendix

A telling, by our analyst, of the train of thought that led him from an observed frustration with a seeming lack of bitcoin value progress to…some of the preceding TIME and compounding exercises reproduced in this report and in our latest Quarterly Commentary.

As I was listening to a recent conversation, I started thinking about bitcoin and its relationship to time, Amazon's share price history, and, ultimately, cartoon snowballs rolling down hills—and whether some of these seemingly different things might really be the same, at least in some general sense. And if they were the same, well, wouldn't that be surprising, even hilarious!

I often tell my kids to be on the lookout for irony—it comes in multiple forms—and it's often the thing that'll get you, especially if you lose your sense of humor.

There's humor to be found in the outcomes described in the attached. They surprise us. But the outcomes are surprising mostly because of our ignorance, which is harmless most of the time, like a child laughing at Wile E. Coyote, from the old *Looney Tunes* cartoons, as he repeatedly fails to catch the roadrunner. Or when an adult diligently watches and, yet, still manages to burn that piece of toast as the process accelerates at the very end (for me, it's always the sesame seeds and pine nuts!) No harm done in either case.

But when crossing the street or making a consequential investment decision, such ignorance can be disastrous. And just like it is for the frustrated coyote, the negative outcome is often self-inflicted and avoidable, *if only we would acknowledge certain basic laws*—the force of gravity for the coyote and the Arrhenius relationship for the toast enthusiast (who knew?!) And perhaps a power law for the tech or bitcoin investor.

If you want to be good at chasing roadrunners, consider learning about gravity (and avoid ACME products!) If you want to make toast

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successfully—even if you know nothing of Arrhenius—be aware that the process tends to accelerate at the very end, so make sure your focus is oriented towards, and heightened at, *the very end*.

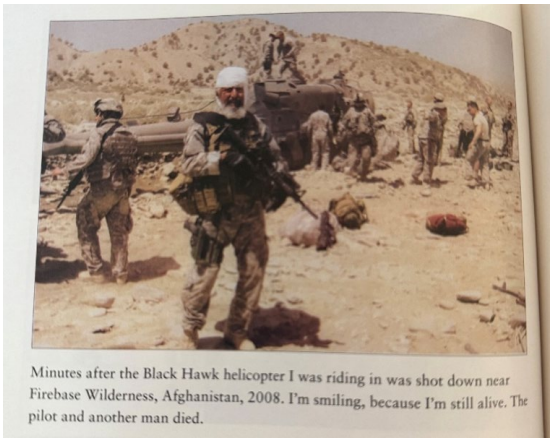
If you want to be good at holding bitcoins and the like, perhaps consider learning some of the characteristics associated with such processes (hint from the attached: similar to toast, but for different reasons, it's also very much about what happens *at the very end*).

Perhaps what you'll find in the attached spreadsheets is all obvious. I did it to answer some basic questions I had, and to find some interesting parallels and maybe have a little fun (and then my notes turned into this!) But I thought I'd share it in the event you might find it useful. There's humor in the below—it makes the ideas easier to hold onto.

It helps to have a sense of humor. Recently, I have been reading about the Iranian sense of humor and the Persian language (and, unrelatedly, about Chuck Jones, creator of Wile E. Coyote—great story!) The detour into Iranian comedy wasn't the plan! I was actually retracing my steps through the Diamond District—where Murray and I first went on walks long ago (it's the secret to coming up with good ideas, you know)—and ultimately found myself at the New York Public Library. I renewed my library card, thought about old newspapers and wondered what he might be reading right now, and then saw something about humor in Iran.

The classic novel is called *My Uncle Napoleon*. They have some interesting expressions. "*Ba namak"* is one—literally meaning "with salt" and used to describe someone with a charming, witty, captivating personality—someone with *flavor*, a person whose presence elevates everything else. I thought that fit Murray nicely—perfectly, in fact. I think that's why I stumbled onto Iranian comedy—to find that phrase. It's perfect. I hope he would like it.

The military history of Iran is interesting. Iranian military history and Iranian comedy—a natural combination, right? If you knew Murray, absolutely! The person below is an American-Iranian and *the* longest-serving member of the United States Special Forces. The attached image is from his *autobiography*. I look at it and the caption frequently, *"I'm smiling, because I'm still alive,"* with a downed Blackhawk helicopter in the background. Just incredible.



Minutes after the Black Hawk helicopter I was riding in was shot down near Firebase Wilderness, Afghanistan, 2008. I'm smiling, because I'm still alive. The pilot and another man died.

While perhaps not finding it hilarious to be in such a predicament, I imagine the author at least finding humor in the situational, or maybe it's cosmic irony—a Blackhawk helicopter crash landing, you say?!—*"Dâstân dârim!" or, "We have a story ahead of us!"* as they would say in Persian. Like a more optimistic version of the English speaker's, *"Oh man, here we go again!"* Irony and humor being mobilized to steel one's resolve, to turn the otherwise unpleasant situation into an adventure; not the

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end of something, but a chance to accumulate another great story. And, perhaps ultimately, an acknowledgement of the insignificance of human machinations when confronted by a higher power—the cosmic, r^x, etc.—sometimes you just have to go with the flow. Irony and humor.

Peter said Murray would want us to laugh. This exercise made me laugh. It can be a little analytical in spots, sure, and there's value in being analytical. But everyone's analytical these days, just like the coyote! The coyote would rather be a technician, immersed in the tangible details of his most recent contraption, while at the same time completely ignoring gravity until it's too late. Gravity, a potential ally, instead becomes his antagonist, with the roadrunner's simple *"beep, beep"* being all that is needed to catalyze the series of events that sends him over the edge.

Gravity, time, irony, humor…These expansive ideas can be quite powerful if you know how to use them. Most people just can't bring themselves to focus on time, for example, only on price running up and down the chart—*"beep, beep."* Not everyone has a sense of humor. Not everyone appreciates time the way a historian might.

Murray sure did. A combination of Ben Graham and Fernand Braudel, but also Mel Brooks. Isaiah Berlin's hedgehog *and* his fox. Murray made sense of things analytically, but he was also open to the surprising and the unexpected—*"cheap optionality,"* he would say. Understand things like capital structure risk, of course—but, he might add, *"Did you ever read the Mel Brooks autobiography, the part where he first understands risk?"* It's so good, it's worth including here, and, of course, it all goes back to Brooklyn:

*It is 1931, I am five years old, and my older brother Bernie takes me to see a movie called* Frankenstein *at the Republic Movie Theatre. Big mistake! That evening, even though it was a hot summer night, I closed the window next to my little bed. My mother hears it being closed and immediately comes into the bedroom and quickly opens it.*

*"Mel," she says, "we're on the top floor and it's a hundred degrees in here. It's very hot. We have to keep the window open."*

*I counter with, "No, we must keep it closed! Because if we keep it open Frankenstein will come up the fire escape and grab me by the throat and kill me and eat me!"*

*(Even though it was the doctor who was named Frankenstein, all the kids called the monster Frankenstein because that was the title of the picture.)*

*My mother, realizing that she could never win by demanding that the window stay open, decides to reason with her five-year-old baby boy. "Mel," she says, "let's say you are right. That Frankenstein wants to come here and kill you and eat you. But let's look at all the trouble he's going to have to get to Brooklyn.*

*First of all, he lives in Transylvania. That's somewhere in Romania. That's in Europe. And that's a long, long ways away. So even if he decides to come here, he has to get a bus or a train or hitchhike to somewhere he can get a boat to go to America. Believe me, nobody is going to pick him up. So let's say he's lucky*

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*enough to find a boat that would take him here. Okay, so he is here in New York City, but he really doesn't know how the subways work. When he asks people they just run away!*

*Finally, let's say he figures out it's not the IRT, it's the BMT and he gets to Brooklyn. Then he's got to figure out how to get to 365 South Third Street. Okay, it's going to be a long walk. So let's say he finally gets to Williamsburg and he finally finds our tenement. But remember, all the windows at 365 are going to be wide open and he's had a long journey, so he must be very hungry. So if he has to kill and eat somebody, he probably would go through the first-floor window and eat all the Rothsteins who are living in apartment 1A. And once he's full, there is no reason for him to go all the way up to the fifth floor and eat you.*

The story made good sense to me. "Okay," I said, "open the window. I'll take a chance." And that's how my patient, loving mother solved only one of the many problems I would hand her each day.

Murray had a way of telling stories that made good sense to me too. I'm grateful that I got the chance to know him.

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# WHAT'S WITH THE PRICE OF BITCOIN?

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## PORTFOLIO MANAGERS

**Steven Bregman** is a Co-Portfolio Manager for the Horizon Kinetics Equity Opportunities Fund, LP. Steven is a co-founder, Co-Chief Executive Officer and Co-Chief Investment Officer of Horizon Kinetics. He is a senior member of the Firm's research team, a member of the Investment Committee and Board of Directors and supervises all research reports produced by the Firm. Steven is a Co-Portfolio Manager for several registered investment companies, private funds, and separately managed accounts. 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 (Fixed Income Contrarian) 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). Steven is also the Co-Chief Executive Officer of FRMO Corp., an affiliated publicly traded company and is a member of the Board of Directors of Winland Holdings Inc., a public company. He received a BA from Hunter College, and his CFA® Charter in 1989. Steven has authored a variety of papers, notably "Spin-offs Revisited: A Review of a Structural Pricing Anomaly" (1996) and "Equity Strategies and Inflation" (2012).

**Peter Doyle** is a Co-Portfolio Manager for the Horizon Kinetics Equity Opportunities Fund, LP. Peter is a co-founder, Co-Chief Executive Officer and Co-Chief Investment Officer of Horizon Kinetics. He is a senior member of the Firm's research team, and a member of the Investment Committee and the Board of Directors. Peter is also the President of Kinetics Mutual Funds, Inc., a series of investment companies managed by the Firm. Peter is a Co-Portfolio Manager for several registered investment companies, private funds, and separately managed accounts. Peter currently serves on the Board of Directors of Texas Pacific Land Corp. (NYSE: TPL). Peter is also the Co-Chief Executive Officer of FRMO Corp., an affiliated publicly traded company. 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.

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## DISCLOSURES

*Past performance is not a guarantee of future results. This is neither an offer to sell nor a solicitation to invest. Such an offer or solicitation must be preceded by a current Private Placement Memorandum for the Fund, which describes the risks, fees and expenses associated with an investment in the Fund. Only certain sophisticated investors are eligible to invest. Limited Partnership interests have not been registered with the U.S. Securities and Exchange Commission or with any other governmental authority in the United States or any other country. Investments in a private fund are speculative and entail a high degree of risk. Interests are non-transferrable and certain investments may be in illiquid, difficult to value securities.*

*The performance data contained herein is presented net of fees and expenses. While the fund is audited annually, the monthly returns have not been audited. The performance data assumes the reinvestment of dividends and other earnings*

*The Fund imposes a lock-up of investor money and utilizes instruments and securities that may carry special risks. Prospective investors should read the Fund's offering memorandum carefully for a complete description of investment techniques, risks, fees, and liquidity characteristics. Investments in bitcoin represent a relatively new asset class/currency and as such there is a high degree of risk involved. You should only invest after carefully reading the fund's offering memorandum and consulting with your investment and tax professionals.*

*The Fund has a limited operating history. Horizon Kinetics Asset Management LLC ("HKAM"), a subsidiary of Horizon Kinetics LLC, along with its affiliates, may have positions in the securities or instruments referenced herein.*

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*Horizon Kinetics Equity Opportunities Fund, LP is a private fund formed in June 2007. In March 2014, the Fund changed its name and assigned the designation of "Class A Interest" to such initial interests of the Fund. In October 2014, the General Partner authorized the formation of two additional classes of interest: Class B Interests and Class C Interests. In January 2016, the General Partner authorized the formation of the Class D Interests. All assets and liabilities existing prior to the formation of the Class D and Class E Interests were assumed by the other classes of the Fund. In January 2017, the General Partner authorized the creation of the Class E Interests. In September 2017, the General Partner authorized the creation of the Class H and Class J Interests. In November 2017, the General Partner authorized the creation of the Class K and Class L Interests. The General Partner has the right to create additional classes of interest in the future. HKAM has been the Investment Manager since the fund's inception.*

*The information contained herein is obtained from sources believed to be reliable; however, no representation is made regarding its accuracy or completeness. This information is for sophisticated investors only and should not be distributed. Opinions expressed herein are the present opinions only of HKAM, and may change at any time. HKAM does not provide tax or legal advice, and all investors are strongly urged to consult their tax and legal professionals prior to investing. The information contained herein should not be construed to be a recommendation to purchase or sell any particular security, loan or investment or an assurance that any particular investment or loan will be profitable.*

*Horizon Kinetics Equity Opportunities Fund, LP (the "Fund") is a private fund managed by Horizon Kinetics Asset Management LLC, a subsidiary of Horizon Kinetics LLC. The Fund is only available to certain sophisticated, qualified investors that meet the qualification tests noted herein. The Fund has several classes, depicted above, each of which may pursue a separate investment objective and investment strategy. Limited Partners that invest in one class do not participate in the others. The interests of the Fund are non-transferable and are illiquid. Moreover, the Fund may invest in speculative and illiquid securities and other assets, which entail a high degree of risk. Cryptocurrencies represent a relatively new asset class that carries substantial risks, only investors that can appreciate the risks associated with an investment should invest in cryptocurrencies or products that offer cryptocurrency exposure.*

*Limited Partnership interests have not been registered with the U.S. Securities and Exchange Commission or with any governmental authority in the United States or any other country. This is not an offer to sell or a solicitation to invest. Such an offer must be preceded by a current private placement memorandum for the Fund, which describes the risks, fees, and expenses associated with an investment. Any opinions stated herein constitute the judgment of Horizon Kinetics LLC and are subject to change at any time. No part of this material may be copied or redistributed in any form without the prior written consent of Horizon Kinetics LLC.*

*Side-by-Side Management: A number of The Adviser's portfolio managers are responsible for managing one or more funds or client accounts. A portfolio manager may manage a separate account or other pooled investment vehicle that may have a materially higher or lower fee arrangement or that may have a performance fee arrangement. The side-by-side management of these accounts may raise potential conflicts of interest relating to cross trading, the allocation of investment opportunities and the aggregation and allocation of trades. In addition, it is possible that due to varying investment restrictions among accounts and for other reasons, certain investments could be made for some accounts and not others or conflicting investment positions could be taken among accounts. The Adviser has a fiduciary responsibility to manage all client accounts in a fair and equitable manner. The Adviser seeks to provide best execution of all securities transactions and aggregates and then allocates securities to client accounts in a fair and timely manner. To this end, the Adviser has developed compliance policies and procedures that seek to mitigate and manage the potential conflicts of interest that may arise from side-by-side management of accounts, which include its allocation and aggregation policies.*

*Material Relationships: The Adviser and certain of its management personnel have relationships or arrangements that may present potential or actual conflicts of interest. The Adviser seeks to address these potential conflicts of interest through various policies and procedures, which include both electronic and physical safeguards. Texas Pacific Land Corporation ("TPL") and Miami International Holdings Inc. ("MIAX"), both of which are public companies whose shares trade on the New York Stock Exchange, are significant portfolio holdings in many of the advisory accounts managed by the Adviser. To the extent the Adviser's policies and procedures prevent the Adviser from trading in certain securities (e.g., TPL or MIAX stock) for a client account during certain periods of time, the account and its performance could be negatively impacted. Furthermore, because the Firm has discretion over a substantial percentage of the outstanding shares of TPL and MIAX, it may be deemed to be an affiliate of TPL and MIAX. As a result, the Firm might be restricted from selling TPL or MIAX on behalf of certain types of client accounts.*

*Board of Director Relationships and Personal Transactions: Peter Doyle is a member of the Board of Directors of Texas Pacific Land Corporation ("TPL"). Eric Sites, who is an employee of the Funds' adviser is a member of the Board of Directors of Miami International Holdings ("MIAX"). TPL and MIAX are holdings in certain client accounts and funds (including the Funds) managed by Horizon Kinetics Asset Management LLC ("HKAM"). Officers, directors and employees may also hold substantial amounts of TPL and MIAX, 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. Additionally, Mr. Doyle does not exercise investment discretion over TPL and Mr. Sites does not exercise investment discretion over MIAX.. All personal and proprietary trading is subject to HKAM's Code of Ethics and is monitored by the firm's Legal and Compliance Department. In connection with Mr. Doyle's appointment on the TPL Board, the Adviser entered into a Board Representation Agreement, the terms of which in HKAM's Form ADV on file with the SEC. Because it has investment and voting discretion with respect to a substantial percentage of the outstanding voting shares of TPL and MIAX, the Adviser may be deemed to be an affiliate of TPL and MIAX under certain securities laws. As a result, the Adviser and the Funds might be restricted or limited in selling shares of TPL or MIAX and may be subject to other requirements arising from such status.*

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