Horizon Kinetics Royalty and Real Asset Fund, LP

HORIZON KINETICS

Mid-Year 2026 Investor Update

Dear Valued Partners,

We would like to begin by thanking our investment partners, operating partners, and limited partners for their continued collaboration in building a unique portfolio of real assets—grounded in tangible value, long-duration cash flows, and forms of optionality difficult to replicate elsewhere. The portfolio today comprises a collection of strategic land assets, mineral (crude oil and natural gas) interests, farmland, water rights, industrial power storage technology, data-center development infrastructure, and a range of other strategic assets and businesses.

The Horizon Kinetics Royalty and Real Asset Fund ("the Fund") has approximately $58 million in assets under management as of July 31, 2026, and remains well-positioned to capitalize on several emerging opportunities across our secular growth themes.

Since inception, the portfolio has generated a net annualized return of 9.76% (16.79% cumulatively) and is up 7.68% year to date. The Fund has remained resilient despite a volatile equity and commodity price environment over the past year and a half.

The portfolio is now almost fully invested, following capital deployment into new public and private investments over the past nine months. At the same time, our team remains in regular conversations with an expanding network of partners, creating a growing opportunity set. To this end, we have identified a few high-conviction opportunities where we are ready to deploy additional capital.

As previously disclosed, we planned to reinvest all cash flows during the first year (2025) as we built out the portfolio. In year two (2026), our plan was to scale distributions to a conservative annualized rate target of 7–8%, with the potential for distributions in certain years to reach the double-digit range subject to the performance of the underlying investments.

Our cornerstone investment, Brigham Royalties, represents more than 30% of Fund NAV and operates on a three-year investment period, during which it reinvests all cash flows. Because Brigham was already approximately 70% when we initiated our allocation in January 2025, we (and they) anticipated distributions to begin earlier in 2026, given that much of the capital had already been called.

However, volatility in the oil markets stemming from the U.S.-Iran conflict caused deal flow to stall as bid-ask spreads widened. Since summer, those spreads have narrowed and deal flow has resumed. Brigham is now approximately 92% called and expects to complete its investment period before year-end. Distributions to the Fund will begin immediately upon completion of that capital call period. Because Brigham represents roughly 30% of Fund NAV, reaching the anticipated target of 7–8% is closely tied to the timing of this distribution payment.

In addition to Brigham, we have allocations in two other high-yielding private investments, Del Rio II and Stone Ridge Energy Acquisition Fund II, both currently yielding over 10%. We are also in due diligence on a few other high-yield opportunities we could potentially close on within the next few months. We fully expect to meet our conservative target yield of 7–8% next year, with the larger pickup in distributions beginning in either Q4 of this year or Q1 of 2027.

We've built a differentiated portfolio with exposures to themes that should persist for decades to come. We achieved this by partnering with some of the highest-quality management teams in the industry and investing in critical assets that support daily life, while also benefiting from infrastructure growth tied to the AI data-center buildout.

Though our investments provide exposure to scarce resources that provide built-in localized inflation protection—such as land, water, energy minerals, and materials—their outcome is not dependent solely on general inflation.

Given our history and reputation for investing in niche areas related to hard-asset businesses, our network and investment partners continue to provide us with a strong pipeline of proprietary deal flow. Given that the Fund is nearly fully invested and our pipeline remains robust, we currently have capacity to accept additional capital.

As we have reiterated, our Fund will only accept capital when we have attractive opportunities in which to deploy it. Every new dollar we take in, and every new investment we make, must be accretive to the Fund—and, ultimately, to our investors. We will never compromise on that standard.

We will provide a more robust outline of new investment and investment updates in the August update, followed up with a webinar shortly after.

Thank you for your trust and partnership.

Important Disclosures

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 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. The Fund has a limited operating history. Horizon Kinetics Asset Management LLC ("HKAM") is a subsidiary of Horizon Kinetics Holding Corp. (OTCM: HKHC), and it and its affiliates manage money on behalf of their clients. 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 no part of this material may be copied, photocopied, or duplicated in any form, by any means, or redistributed without Horizon Kinetics' prior written consent.

The Partnership intends to be concentrated such that exposures to certain companies may comprise an outsized percentage of the total assets. Accordingly, appreciation or depreciation in the value of investment positions may have a greater effect on the value of the Partnership's portfolio than would be the case in a more diversified or hedged portfolio. In addition, concentration of a significant portion of the Partnership's investments in a limited number of investment positions may increase the Partnership's risk in situations where an investment position becomes illiquid or markets are disrupted.

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. Certain of the parameters referenced herein are targets of the investment strategy and may differ during implementation. 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.

The Adviser's portfolio managers are responsible for managing multiple client accounts and funds (collectively "portfolios"). A portfolio manager may manage a separate account or other pooled investment vehicle that may have a materially higher or lower fee arrangement than another portfolio or that may have a performance fee arrangement. The side-by-side management of multiple portfolios may raise potential conflicts of interest, including those relating to cross trading, the allocation of investment opportunities and the aggregation and allocation of trades. Even when a portfolio manager manages portfolios with similar investment strategies, such portfolios may, for various reasons, have differing investment positions or conflicting investment positions. The Adviser has a fiduciary responsibility to manage all client accounts in a fair and equitable manner and has adopted compliance policies and procedures that seek to mitigate and manage the potential conflicts of interest arising from side-by-side management of portfolios, which include its allocation and aggregation policies.

The Adviser and certain of its management personnel have relationships or arrangements that may be material to the advisory business of the Adviser and to investors in the products and accounts managed by the Adviser and that present potential or actual conflicts of interest. Mr. Peter Doyle, a co-founder, Co-Chief Executive Officer, and Senior Portfolio Manager of the Adviser, is a member of the Board of Directors of Texas Pacific Land Corporation ("TPL"), a publicly traded company. TPL is a large holding in many portfolios managed by the Adviser and is also a large holding in the accounts of employees of the Adviser, including that of Mr. Doyle. Mr. Doyle receives compensation from TPL in connection with his service. Mr. Eric Sites, an employee of the Adviser, is a member of the Board of Directors of Miami International Holdings, Inc. ("MIAX"). MIAX is a large holding in many of the portfolios managed by the Adviser and is also a large holding in the accounts of employees of the Adviser. Mr. Sites receives compensation from MIAX in connection with his service. The Adviser has adopted policies and procedures designed to address these arrangements, which include both electronic and physical safeguards designed to restrict access to certain information. In addition, Mr. Doyle does not have investment and trading authority over shares of TPL in client portfolios. Such authority has been delegated to another member of the portfolio's investment team. Mr. Sites is not a portfolio manager for any registered investment companies, but where he is a portfolio manager, authority investment and trading of MIAX shares has been delegated to another member of the investment team.

To the extent the Adviser's policies and procedures prevent the Adviser from trading in certain securities (e.g., TPL or MIAX stock or the stock of a company that has a material business relationship with TPL or MIAX) for a portfolio during certain periods of time, the portfolio and its performance could be negatively impacted. Furthermore, Adviser personnel, including personnel who are or may be involved in the management of the portfolios, have personal investments in TPL and/or MIAX stock or the stock of a company that has a material business relationship with TPL and/or MIAX. These personal investments may also present potential or actual conflicts of interest. The Adviser has adopted a Code of Ethics governing the manner in which employees may engage in personal securities transactions. The Code of Ethics requires employees to periodically report their personal holdings and to pre-clear personal securities transactions. The personal holding information and pre-clearance requests are reviewed by the Adviser's compliance personnel.

In connection with Mr. Doyle's appointment to the Board of Directors of TPL, the Adviser has entered into a Board Representation Agreement, the terms of which limit the ability of the Adviser and certain of its clients from taking certain actions with respect to TPL. Those actions include (i) making statements that undermine or disparage TPL or its current or former directors; (ii) nominating or recommending the nomination of any person for election to TPL's board of directors; (iii) initiating or participating in any solicitation of proxies in any election context or

removal contest with respect to directors; (iv) initiating a stockholder proposal for consideration at any stockholder meeting; (v) participating in a solicitation of proxies relating to a stockholder proposal; or (vi) participating in a "withhold" campaign at a stockholder meeting. Further, the Adviser agreed, during the term of Mr. Doyle's appointment to the Board of Directors of TPL, not to make any proposals outside of the boardroom that (i) seek to change the number or term of directors or fill any vacancies on the board of directors; (ii) seek to change the capitalization, dividend or share repurchase policy of TPL; (iii) seek to change TPL's business, operations, strategy, management, governance, corporate structure, or other affairs of TPL; (iv) are related to an "extraordinary transaction" as such term is defined in the Board Representations Agreement; (v) seek to cause a class of securities to be delisted on a securities exchange; (vi) seek to cause a class of equity securities to become eligible for termination of registration. Nothing in the Board Representation Agreement prohibits Mr. Doyle from suggesting or proposing any action whatsoever in any meeting of TPL's board of directors. The Adviser is also not a party to any voting agreement relating to TPL, such that the Adviser may vote proxies relating to TPL in the manner it determines best regardless of whether such voting is consistent or inconsistent with proposals being recommended by TPL's board of directors.

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.