

Notes on Holdings and Portfolio Statistics

Cash classification. We hold most, but not all cash, in the United States. We include in the US total any euros or other currencies we hold in countries outside of our investment universe. These other currency amounts are often immaterial. We include all other cash we hold outside the US in that country's total, regardless of currency. For example, we include all prefunding cash in Vietnam in the Vietnam total, even though typically we hold this cash in US dollars.

LTM = Last Twelve Months.

ITD = Inception to Date, meaning from 1 November 2007, the date Frontaura began investing.

PE, PB, Yield, and ROE. Portfolio price to LTM earnings (PE), portfolio price to book (PB), and return on ending equity (ROE) use the most recent 12 months of reported financial statements as of the publication date. Portfolio LTM dividend yield (yield) includes dividends going ex in the last 12 months. PE and PB are the harmonic means of all positions, weighted by position size. Yield and ROE are the means of all positions, weighted by position size. The yield on Frontaura Global Frontier Fund is less than our portfolio LTM dividend yield due to cash held, withholding taxes, management fees, and operating expenses. At present, we retain, rather than distribute, all income.

Positions and countries. We count each company in which we invest as one position, except for our Argentina and Iraq baskets, where we hold multiple stocks to achieve broad macro exposure to those countries, yet count each basket as only one position. When we own a company on two or more stock exchanges, we only count it as one position. We do not count positions we value at zero. We assign each company we own to a single frontier country we think most appropriate, considering the location of its revenue, profit, physical operations, headquarters, stock listing, and other factors. Our country count is the sum of these countries. If a country is not in our investment universe, but we hold cash there, we do not count the country. We also do not count countries in our investment universe if we own no companies there and the amount of cash we hold there is *de minimis* and kept in the country for administrative convenience, such as to keep an account open for possible future investment.

Market cap and turnover. Average market cap is the average equity market capitalization of stocks in our portfolio, weighted by position size. Median market cap is the equity market capitalization of the stock that separates the portfolio into two equal halves by dollars—the upper half consisting of stocks with larger market caps and the lower half consisting of stocks with smaller market caps. LTM portfolio turnover is the average of annualized monthly turnover for the last twelve months. ITD portfolio turnover is the average of annualized monthly turnover of all months from Frontaura's November 2007 inception to date. Annualized monthly turnover is 12 times the sale proceeds in a month in US dollars divided by the average of beginning and ending AUM for the month.

Standard deviation and beta. Standard deviation is the annualized standard deviation of all monthly net returns from inception to date. Beta measures Frontaura's volatility relative to the S&P 500 using monthly net returns of Frontaura and the S&P 500 since Frontaura's November 2007 inception.

AUM. Assets under management are the US dollar sum in millions of all equity market values, cash, and accruals. We include in cash and AUM any first-of-the-next-month cash inflows, but only to the extent they offset end-of-the-prior-month cash outflows. For example, assume we have 1) cash outflows of \$5 million on the last day of a month, reducing cash to \$10 million and AUM to \$160 million; and 2) cash inflows of \$6 million occurring on the first day of the next month, increasing cash to \$16 million and AUM to \$166 million. In this case, we calculate AUM for the month just ending as \$165 million, including cash of \$15 million. These amounts match the AUM and cash figures before the cash outflow occurred. Since first-of-the-next-month inflows replace the outflows immediately, we calculate AUM this way internally for portfolio management purposes.