May 2021 Monthly Comment as of 11 AM Chicago time May 28

Presently, we are up >5% in May. We publish early this month as Monday, May 31 is a US and UK holiday. Our final May results will change as most of our stocks trade May 31 and Egypt and the UAE also trade May 30. We have explained repeatedly how our markets lag, but eventually do catch up, and this is playing out. After a modest initial recovery pace from the March 2020 low, our time has come. We've gained 43% in the past nine months, which is 9-22 percentage points better than all the indices we show on page two, and about double the S&P 500's gain. We are up 49% in 12 months and 54% from the low 14 months ago. Notably, this last figure still puts us behind most of the indices we cite, so we believe that we have further to go, at least on a relative basis. We do see many frontier stocks even now well below past highs. We continue to run cash as close to zero as possible and we'd welcome more money to tackle our large buy list. In frontier markets, the COVID crash was the last leg of a 2018-2020 bear market. If we finish May at our current level, we will be just above our January 2018 all-time month-end high. Above a high water mark, returns begin to diverge between our various series. For clarity, stated Frontaura results are for a hypothetical investor who joined at inception, made no investment additions or subtractions, and converted to Series B, our most popular series and the largest by dollars after conversions. Contact us to discuss a series conversion or your returns.

We explained recently to Dan Keeler of *The Wall Street Journal* that while Western experts continue to predict COVID doom and gloom for frontier countries, context is important. Our countries have young populations and experience dealing with crises—manmade or natural, including recent pandemics such as Ebola, MERS, and swine flu. In contrast to low mortality developed countries, many frontier countries have a high mortality rate to begin with, lessening the incremental impact of COVID. The WHO estimates Africa has 386,000 malarial deaths annually (2019), while Our World in Data cites 552,162 deaths from diarrhea (2017) in Sub-Saharan Africa. Per Bloomberg, African COVID-19 deaths in 2020 totaled 65,143. Even allowing for significant undercounting, COVID is not an order-of-magnitude different mortality problem.

Low interest rates, a weak dollar, and continued multilateral backing have also supported our markets. In addition to the significant sums the IMF has already lent, its proposed $650 billion Special Drawing Rights (SDR) allocation should help our countries disproportionately. Renaissance Capital estimates this will boost FX reserves by a tenth or more in Kazakhstan, Ghana, Rwanda, Turkey, Sri Lanka, Pakistan, and Tanzania. Even more help may occur. French President Macron wants rich countries to forego their share of this allocation to fund another $100 billion for Africa.

Philippine GDP fell a brutal 9.6% in 2020 due to COVID. At its March 2020 low, stocks there were down 41% from where they ended 2019. But a crisis brings opportunity and we saw that even companies that ought to benefit from the pandemic had sold off. We were buyers on a bottoms-up basis and made the country our largest weight from June 2020 onward. We figured favorable demographics, strong macroeconomic buffers, and a credible central bank would outlast the virus. Q1 EPS of our Philippines holdings collectively increased 56% year-over-year in dollars, with notable sequential improvement also from Q4. We have a 63% IRR in the country before fees from April 2020 onward, yet our trailing as-reported Philippines PE is only 7.3. Recent government tax reform cut corporate and dividend taxes to be more in line with regional peers. Our base case (and that of the IMF and most economists) is that starting in 2022, GDP can return to the 6%+ growth rate it averaged in the decade through 2019.

Frontaura Global Frontier Fund

Fund Objective & Investment Strategy

Bloomberg Tickers: FRGLFRO US, FRGLFRC KY

Investing exclusively in publicly traded companies in frontier markets, provide investors with a net return series that over multiple years exceeds that of the major global developed and emerging equity indices.

We seek to exploit pricing inefficiencies in frontier equity markets. Our investment approach uses both top-down country factors and bottom-up company factors. At the country level, we examine sovereign risk and calculate country scores that measure currency vulnerability. At the company level, we model each company's discounted cash flow using our proprietary valuation tool that accounts for expected exchange rate changes and fading rates of return on invested capital and profit growth as time passes. Ultimately, we aim to own solid businesses at attractive prices in stable or improving countries.

Performance through May 2021[1, 2]

Period	Frontaura	MSCI Frontier Small Cap	MSCI Frontier	MSCI Emerging	MSCI EAFE	S&P 500
2016 Q1	- 1%	-1%	- 1%	6%	- 3%	1%
2016 Q2	4%	5%	0%	1%	- 1%	2%
2016 Q3	2%	4%	3%	9%	6%	4%
2016 Q4	1%	6%	0%	- 4%	- 1%	4%
2017 Q1	4%	12%	9%	11%	7%	6%
2017 Q2	7%	3%	6%	6%	6%	3%
2017 Q3	3%	3%	8%	8%	5%	4%
2017 Q4	3%	3%	6%	7%	4%	7%
2018 Q1	2%	-1%	5%	1%	- 2%	- 1%
2018 Q2	- 7%	-9%	- 15%	- 8%	- 1%	3%
2018 Q3	- 5%	-4%	- 2%	- 1%	1%	8%
2018 Q4	- 3%	-5%	- 4%	- 7%	- 13%	- 14%
2019 Q1	2%	-1%	7%	10%	10%	14%
2019 Q2	3%	0%	5%	1%	4%	4%
2019 Q3	- 5%	-3%	-1%	- 4%	- 1%	2%
2019 Q4	-1%	2%	7%	12%	8%	9%
2020 Q1	-22%	-24%	-27%	-24%	-23%	-20%
2020 Q2	6%	12%	15%	18%	15%	21%
2020 Q3	4%	8%	8%	10%	5%	9%
2020 Q4	20%	14%	11%	20%	16%	12%
2021 Q1	2%	5%	1%	2%	3%	6%
2021 Q2	15%	10%	10%	3%	6%	6%
2008	- 28%		- 54%	- 53%	- 43%	- 37%
2009	46%		12%	79%	32%	26%
2010	37%		24%	19%	8%	15%
2011	- 15%	-29%	- 19%	- 18%	- 12%	2%
2012	18%	6%	9%	18%	17%	16%
2013	26%	32%	26%	- 3%	23%	32%
2014	- 3%	6%	7%	- 2%	- 5%	14%
2015	- 5%	-8%	- 14%	- 15%	- 1%	1%
2016	7%	15%	3%	11%	1%	12%
2017	17%	23%	32%	37%	25%	22%
2018	- 13%	-17%	- 16%	- 15%	- 14%	- 4%
2019	-1%	-2%	18%	18%	22%	31%
2020	3%	5%	1%	18%	8%	18%
2021	17%	15%	11%	6%	10%	13%
LTM	49%	44%	36%	49%	38%	40%
ITD	121%		1%	39%	42%	260%

Holdings Summary[2]

Country	Holding
Philippines	15%
Kazakhstan	11%
Ghana	7%
Vietnam	7%
Rwanda	7%
Senegal	6%
Côte d'Ivoire	5%
Turkey	5%
Nigeria	5%
Sri Lanka	4%
Egypt	4%
Papua New Guinea	4%
Colombia	3%
Pakistan	3%
Bangladesh	2%
Botswana	2%
Chile	2%
Uganda	1%
United Arab Emirates	1%
Ecuador	1%
Niger	1%
Kenya	1%
Tanzania	1%

Region	Holding
Sub-Saharan Africa	37%
Southeast Asia	26%
Eurasia	11%
Middle East / North Africa	10%
South Asia	10%
Latin America & Caribbean	6%

Sector	Holding
Financials	43%
Consumer Staples	22%
Communication Services	12%
Consumer Discretionary	8%
Industrials	4%
Cash & accruals (all countries)	3%
Energy	3%
Health Care	2%
Real Estate	2%

Portfolio Statistics	
Portfolio Price to LTM Earnings	7.4
Portfolio Price to Book	1.13
Portfolio LTM Dividend Yield	5.7%
Weighted Median ROEE	21.1%
Positions	38
Countries	23
Weighted Average Market Cap	$2,439m
Weighted Median Market Cap	$606m
Portfolio Turnover (12 Months)	17%
Portfolio Turnover (ITD)	29%
Standard Deviation (36 Months)	17%
Standard Deviation (ITD)	14%
Beta to S&P 500 (36 Months)	0.50
Beta to S&P 500 (ITD)	0.49
Assets Under Management	$128m

Terms

Subscriptions	Monthly. New investor minimum $250,000. Additional subscriptions may be any amount.
Redemptions	Quarterly with three-month notice. No initial lock-up. Exit restrictions apply.[2]
New Investor Terms[2]	**Series A**: 2% mgt fee, 10% incentive, 4-qtr exit. **Series B**: 2% mgt fee, 0% incentive, 8-qtr exit. **Relative Performance Series**: 1.75% mgt fee, 20% incentive vs. FM ETF hurdle, 8-qtr exit. **Absolute Performance Series**: 1.50% mgt fee <u>or</u> 30% incentive vs. 5% hurdle, 8-qtr exit. For all series above, mgt fee cut 25bp at $200m real fee-paying AUM and another 25bp at $400m.

Service Providers

Attorney	Faegre Drinker Biddle & Reath LLP
Auditor	RSM US LLP
Fund Administrator	Michael J. Liccar & Co.
Global Custodian	Bank of New York Mellon

1 Frontaura returns are the actual returns, net of all fees, that a hypothetical investor would earn, using a subject-to-change estimate for the current month, as of intraday 28 May 2021. Index returns are total returns, net of any withholding tax for a US investor, through 27 May 2021. Final investor and index returns for all periods that include the current month may differ from the numbers here. Investors not matching the definition of a hypothetical investor may have different returns.

2 Click here for disclosures regarding performance, terms, series conversions, redemptions, index descriptions, our holdings and portfolio statistics calculations, and performance attribution.

Disclaimer

This document does not constitute an offer to sell, or a solicitation of an offer to buy, membership interests in Frontaura Global Frontier Fund LLC or shares in Frontaura Global Frontier Fund Offshore Limited. We will not make such offer or solicitation prior to the delivery of appropriate offering documents. Before making an investment decision, we advise potential investors to read these materials carefully and to consult with their tax, legal, and financial advisors. Frontaura accepts subscriptions from accredited investors only, and we require you to prove your accredited investor status. We have compiled this information from sources we believe to be reliable, but we cannot guarantee its accuracy. We present our opinions without warranty as of the publication date. We may change our opinions at any time. Due to market risk and uncertainties, actual events, results, or actual performance may differ materially from that reflected or contemplated in any forward-looking statements contained herein. Past results are no guarantee of future performance.

FRONTAURA

180 North Stetson Avenue, Suite 1935 Chicago, Illinois 60601 USA T +1 312 777 1500 F +1 312 268 5004 info@frontauracapital.com www.frontauracapital.com