Quarterly Letter – 2026 Q2

We devote most of our Q2 letter to our recurring *What We Sold* feature, where we present the dozen positions we exited over the past 12 months, July 2025 through June 2026. Before that section, we discuss Performance, Review and Outlook, and Recent Publication Topics. We conclude with Management Company News of a new hire and the Statistical Appendix.

Performance

Q2 and YTD. Our reference investor made 9.90% net of fees in Q2.[1] By month, we were up 4.55% in April, 1.39% in May, and 3.67% in June. Unless stated otherwise, returns in this letter are for our reference investor, net of fees. YTD, we are up 19.05%, to an all-time high. This is our third best first half of the year, behind 2009 (up 26%) and 2021 (up 22%). Historically, due to seasonality, on average our first half returns exceed second half returns.

Indices. Total return gains in Q2 for the indices we cite were MSCI Emerging Markets (EM) 24%, S&P 500 15%, MSCI Frontier Markets (FM) and MSCI EAFE 11% each, and MSCI FM Small Cap (FM SC) 7%. Gains in AI stocks boosted the EM and the S&P 500 indices in Q2.

YTD, index total returns are EM 24%, S&P 500 and FM 10% each, EAFE 9%, and FM SC 5%.

Valuation. Our trailing portfolio PE using as-reported results without excluding any expenses was 7.7 at the end of June, with a portfolio price/book of 1.56. The weighted average dividend yield of our companies was 6.1% and they have a weighted average return on ending equity of 29.8%.

Review and Outlook

The major investment event of the first half was the Iran War. As of this writing, the US and Iran signed a framework June 17 for a 60-day ceasefire extension, during which the parties will negotiate sanctions and nuclear enrichment. The Strait of Hormuz is theoretically open to shipping, but Iran has asserted that it has the right to control the Strait and impose tolls, while the US and Gulf states insist on the right of free passage for all countries. Iran has launched sporadic missile attacks over this issue and the US has responded in kind or with air strikes. Strait traffic is greater than it was March through mid-June but not back to pre-war levels.

All indices we cite bottomed in March, one month after the war began, and have risen steadily with S&P 500, EAFE, and EM hitting all-time highs in June. The near-month Brent crude

[1] For the quarter, our reference investor, which is in Series B, earned 9.90%, while a typical Series A investor earned 8.91%, and a typical Legacy Series investor earned 7.92%. Most Frontaura investors, by count and by dollars, are in Series B and we encourage other investors to convert to Series B to maximize their return. We discuss our returns and different series here. Depending on their pattern of investments and redemptions, investors in other series could earn returns different than a typical investor for their series. Please see your statement for your account balance. Our stated Frontaura return is net of all fees for a reference investor joining the fund at inception, making no further contributions, making no withdrawals, and converting to Series B in 2021 Q2. Investors joining on other dates, making additional contributions, making withdrawals, or not converting to Series B in 2021 Q2 may have different results. Our auditor has audited results through 2025.

futures price has erased its war premium. It was $72 before the war, peaked at $118 at the end of March, then fell to $73 ending June. Markets have priced in an optimistic scenario where the challenges of sea mines, higher prices, shipping delays, and shortages resolve themselves in the coming months.

We view this as plausible, yet the situation remains tenuous with a wide range of outcomes still possible. A mild pessimistic case is that the market is ahead of itself. If these challenges persist, a grinding period of flattish or somewhat negative returns could ensue. A more pessimistic scenario is that the June 17 agreement is so thin and open to interpretation by each party that the situation regresses back to full-blown conflict. We doubt the Trump administration wants this, and we think it will concede whatever it takes to avoid this, unless that becomes so unpalatable politically or militarily that it views resuming hostilities as the lesser of two evils.

We see the first two scenarios as more likely than the third, but as usual we keep an open and flexible mind, not assuming that we have special insight as to what will happen. We'll respond to events as they occur.

The drivers of how we invest remain:

- Company earnings and their effect on our estimates of free cash flow and intrinsic value per share.
- Stock prices and how these compare to our intrinsic value estimates.
- Mitigation of risks, the most important to us being to avoid currency crises. For countries, we focus on the level and trend of macroeconomic indicators such as international reserves, inflation, real policy interest rates, budget deficit and debt levels, current account balances, and vulnerability to imported food and energy costs.

As we discuss later in the What We Sold section, we exited four positions because the war increased risk to their investment theses, intrinsic values, or home currencies. This temporarily boosted cash from 6% of the portfolio at the end of February to 13% at the end of May, even as we added two new positions in March and one in May. At the end of June, cash fell to 3% after we added four more new positions.[2] Presently, we have more ideas than we have cash. The increase and later decline in cash was not us expressing a macro view on market direction. Rather, it was our normal process of exiting positions that no longer made sense and adding positions that now fit. The war selloff was brief, only one month for the global indices, but not all countries move at the same pace. A great feature of frontier markets, most present in 2008 and 2020, but also observable in some markets in 2022 and 2026, is that global selloffs can have long tails in some of our countries, giving us more runway to scoop up bargains the selloff creates.

When the Iran War broke out, we ratcheted up our country inflation estimates across the board. We thought we might see inflation spike like 2022, when the Ukraine War caused a supply shock to food and energy. We weren't certain if the 2026 inflation increase would be

[2] We end June with 35 positions in 22 countries. Pre-war, at the end of February, we had 33 positions in 21 countries. As mentioned, we exited four positions in March and April due to the war. We exited another position in March, unrelated to the war, to total five exits these past four months. We added seven positions the past four months, for a net gain of two positions.

as severe because COVID government largesse that stimulated demand in 2022 was absent this time. Fortunately, inflation so far has spiked less than we projected, and our inflation estimates now are somewhat below the level we raised them to in March. On a year-over-year basis, inflation should keep rising through February 2027, but month-over-month disinflation is already present in some countries.[3] The question is whether year-over-year disinflation occurs next year as we now project or whether this happens more slowly than our estimates assume. The supply shock is lessening, but it won't be fully over until some months after Strait of Hormuz shipping traffic normalizes.

Recent Publication Topics

Our April comment discussed Tim's research visit to Ghana and that country's dramatic recovery from its December 2022 debt default. Our May comment examined the composition of the EM index and how it has become as top heavy and as tech laden as the S&P 500. We also reviewed performance three months into the Iran War. Our June comment highlighted Tim's trip to Indonesia, our first research trip to the country. Indonesia fell into our universe for the first time in April, as its weight dropped below 10 basis points in the MSCI All-Country World Index.

What We Sold

Background. As is our practice, typically in our Q2 letters,[4] we list and discuss all stocks we exited in the past 12 months. See Figure 1 on a following page for our exits July 2025 through June 2026. We include all exits, whether the outcome was good or bad, whether the position was large or small, and whether the holding period was short or long. Over time, a complete record of our investing activities builds up and we think this has a valuable purpose, as we explain in this footnote.[5] After an overview of the data and a summary of the reasons for these exits, we discuss each position that we sold.

Note that we state our stock and country returns before fees and expenses, including dollar profit or loss figures, percentage gains or losses, and IRRs. As we explain here, we subtract fees and expenses only at the fund level. Text such as "made money" also refers to before

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[3] Disinflation is a lowering of the inflation rate, not to be confused with deflation, an actual drop in the price level. Prices are still rising, but at a slower pace. We are seeing month-over-month inflation rates decline from what they were earlier during the war.

[4] Here's the list of past What We Sold letters: 2025 Q2 (covering July 2024 – June 2025 sales), 2024 Q2 (covering July 2023 – June 2024 sales), 2023 Q2 (July 2022 – June 2023), 2022 Q2 (July 2021 – June 2022), 2021 Q2 (July 2020 – June 2021), 2020 Q4 (1H 2020), 2020 Q3 (2H 2019), 2019 Q2 (1H 2019), 2019 Q1 (2H 2018), 2018 Q2 (July 2017 – June 2018), 2017 Q2 (July 2016 – June 2017), 2016 Q2 (1H 2016), 2015 Q4 (2H 2015), 2015 Q2 (July 2014 – June 2015), 2014 Q2 (July 2013 – June 2014), and 2013 Q2 (July 2012 – June 2013).

[5] With occasional exceptions, we don't name companies currently in our portfolio because our comments and letters circulate widely and we don't want to give away our ideas to other frontier investors who might compete with us in the market on stocks we are buying, especially since positions we hold can be illiquid and hard to trade. Nevertheless, our investors and prospects want to read about what we bought and why, so the compromise we made many years ago was to write about a position after we sold it, assuming we were not likely to buy it again soon. We believe that writing about position sales is more insightful than discussing buys because you can evaluate whether you were right or wrong and how the position performed. All positions are going to make money in your mind when you first buy them; writing after the sale provides a more balanced assessment.

fees and expenses. Figure 2 on a subsequent page compares the before-fee return of each stock we sold to the Frontaura's overall before-fee return during its holding period. We also show Frontaura's after-fee return, and the FM SC and FM index return for this holding period.

Data overview. In absolute terms, this dozen did well, with a median IRR of 21%. Nine of 12 were profitable. Our initial buys all occurred after the COVID low, which explains much of the good performance as this has been a favorable time for us. Market and fund performance in the years preceding the What We Sold issue influence the level of returns of the holdings we sell, for better or for worse.

Considering the favorable environment, then, these holdings were unspectacular. Only two of the 12 did better than Frontaura's before-fee return over the dates we owned the holding. What we continue to own did better than what we sold. Said another way, we sold these holdings because something changed for the worse, affecting their return. Unusually, none of these exits occurred because the stocks became overvalued. The harmonic mean PE of this group dropped while we held them from 12.5 to 7.4, reflecting high earnings per share growth often due to a cyclical or country crisis recovery, or a company turnaround. A stylized composite example explaining this group might be, "We bought the stock after a crisis, (such as COVID or the events of 2022, for example),[6] profit recovered, the stock worked, but then something negative happened (either company or country specific or the 2026 Iran War). With the investment thesis in doubt, we sold, losing a portion of our profit on the way out."

While this group underperformed our entire portfolio, it did okay versus frontier indices. Seven of 12 outperformed FM SC; five of 12 did better than FM.

Our holding period ranged from less than a week (a spinoff we sold immediately once our custodian credited the shares to our account) to over five years. The average holding period of around two years (even if we exclude the spinoff) is shorter than normal for us, which we trace to the "then something negative happened" event of our composite example.

Exit reasons. Ignoring the spinoff, over half of our exits were for country reasons. Four of these were due to the Iran War, when we exited the UAE and Egypt and reduced Turkey. The other two occurred earlier due to country fiscal (Senegal) or political challenges (Argentina).

In four other cases, we sold because of company-specific fundamentals. Two of these occurred as companies we owned in the Philippines and Pakistan moved from the positive to the negative part of their business cycles. The other two were online businesses in the Philippines and the Turkey disrupted by new regulations. We sold a third online business once we lost confidence in its turnaround due to governance issues.

Individual Positions

Iran War exits. The Iran War has been the biggest global event of the past year and, as we mentioned above, we sold four positions because of this. The first was **Emaar Development**, the UAE's largest residential real estate developer, which we sold as soon as we could in

[6] In 2022, globally there was an inflation spike due to COVID demand stimulus and Ukraine War supply shortages, interest rate hikes to combat this, and debt distress from these higher rates in countries with high debt levels.

March.[7] The case for <u>not</u> selling was that 1) Dubai real estate previously recovered from every crisis, usually stronger than before, and 2) the company's huge backlog of contracted sales, with revenue recognized only upon delivery, meant that 2026 and 2027 revenue and profit should remain as expected before the war.

Figure 1
Frontaura Global Frontier Fund LLC
Positions Exits July 2025 – June 2026[8]
30 June 2026

Company	Country	Description	Exit Reason	First Buy	Last Sell	Cost ($000K)	Proceeds ($000K)	Profit ($000K)	Return Multiple	IRR	Holding Period (Years)	Price / IV First Buy	Price / IV Last Sell	PE Buy Date	PE Sell Date
Grupo Argos (non-voting shares)	Colombia	cement	trade	23-Jul-25	29-Jul-25	2,227	2,078	(149)	0.93	-6.7%	0.0	-23%	-26%	5.4	5.2
Sonatel	Senegal	mobile phone network	country	08-Apr-20	22-Aug-25	6,465	12,288	5,823	1.90	23.0%	5.4	-12%	-14%	7.7	7.2
SSI Group	Philippines	global retail brands franchisee	fundamentals	28-Mar-22	12-Sep-25	2,639	5,211	2,572	1.97	32.0%	3.5	-43%	-42%	(6.2)	3.6
Argentina basket	Argentina	various	country	21-May-24	23-Oct-25	6,174	6,520	346	1.06	4.4%	1.4	na	na	21.0	10.5
Indus Motor	Pakistan	Toyota vehicle assembly	fundamentals	15-Jul-24	10-Nov-25	3,163	4,149	985	1.31	27.7%	1.3	-37%	3%	9.7	6.4
Mackolik Internet	Turkey	sports website	fundamentals	10-Oct-25	09-Jan-26	2,730	1,666	(1,064)	0.61	-53.4%	0.3	-33%	25%	13.2	7.2
Frontier Digital Ventures	Uruguay	online classified ads	governance	20-Jan-25	23-Jan-26	1,918	2,181	263	1.14	13.8%	1.0	-42%	-12%	271.0	(12.4)
Emaar Development	United Arab	real estate development	country	02-May-21	10-Mar-26	7,448	18,856	11,408	2.53	37.7%	4.9	-43%	-9%	6.8	5.3
DigiPlus Interactive	Philippines	online casino	fundamentals	27-Nov-24	31-Mar-26	3,230	2,862	(368)	0.89	-11.2%	1.3	-31%	-29%	9.3	5.7
Tab Gida	Turkey	global fast food brands	country	24-Dec-24	01-Apr-26	3,987	4,982	995	1.25	21.1%	1.3	0%	20%	9.9	12.2
Commercial International Bank	Egypt	bank	country	04-Jul-24	14-Apr-26	8,362	13,540	5,179	1.62	37.5%	1.8	-31%	0%	6.9	5.8
Ibnsina Pharma	Egypt	pharmaceutical distribution	country	17-Mar-25	20-Apr-26	3,730	4,515	785	1.21	20.3%	1.1	-37%	-30%	13.5	12.1
Average (harmonic mean for PEs)				23-Jan-24	29-Dec-25	4,339	6,571	2,231	1.51	12.2%	1.9	-30%	-10%	12.5	7.4
Median				20-Sep-24	16-Jan-26	3,480	4,748	1,268	1.36	20.7%	1.3	-33%	-12%	9.5	6.1

The case for selling was 1) there had never been a crisis like this, with missile and drone attacks in Dubai itself; 2) the stock trades more on forward-looking new contracted sales, which war would diminish, than on backward-looking recognized revenue and EPS; 3) war may lead to cancellations, construction delays, and cost overruns, which could impact near-term EPS;[9] and 4) because of a large stock price runup in January and February, we could exit with a YTD gain in Emaar Development despite its outlook being materially worse than when 2026 began. The uncertainty presented by the first three points for selling, the opportunity to avoid a loss for the year, and the ability to lock in a large profit on the five-year holding made it a clear case to sell, in our opinion.

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[7] Authorities closed the stock market for two days and implemented a 5% limit-down restriction when it reopened. Emaar Development dropped this amount for several days before we could unload our position on March 10.

[8] Here are definitions for the Figure 1 columns. Exit Reason is a standardized reason we sold a stock. First Buy and Last Sell are the dates we first bought a stock and last sold a stock. Buys after the first date we show could continue for months or years; likewise, sells could precede the last date we show for months or years. Cost is the USD sum of all buys including commissions, trading fees, and foreign exchange costs (FX). Proceeds are the total USD sale and dividend proceeds, net of all commissions, trading fees, FX, and tax withholding. Profit is Proceeds minus Cost. Return Multiple is Proceeds / Cost. IRR is the internal rate of return on all USD cash inflows and outflows in the Profit calculation. Holding Period is the number of years between the First Buy and the Last Sale dates. We annualize the IRR, except for when the Holding Period is less than one year. Note that the Cost, Proceeds, Profit, Return Multiple, and IRR figures are before any management fees, fund expenses, or incentive compensation, as those deductions occur at the fund level and not at the individual stock level. Price / IV First Buy and Price / IV Last Sell show the discount or premium of the price we paid on the First Buy date and the price at which we sold on the Last Sell date to our estimate of intrinsic value on those dates. A negative percentage indicates a discount to intrinsic value; a positive percentage indicates a premium. PE Buy Date and PE Sell Date show the trailing reported PE using the price we paid or the price we received on the day of First Buy and Last Sell, or a nearby date if we do not have data on the trade date. In this table in letters prior to 2019, we used the stock's closing price for the day in the Price / IV and the PE columns. From 2019 onward, we use our actual transaction prices.

[9] Emaar Development's construction contracts are fixed price, but in a crisis, Emaar might need to share the burden of higher costs that the contractor incurs if the costs were to threaten the financial wherewithal of the contractor.

From May 2021 into March 2026, we made $11.4 million on Emaar Development, a 38% IRR. While we lost 22% in March 2026, our 24% gain the prior two months offset this, leaving us with a modest 1% profit for 2026.

This was our second time owning Emaar Development. Previously, we bought it on its 2017 IPO and sold in March and April 2020 when COVID broke out (discussed here, see pages 11-13). That wasn't a good sale, as COVID was an example of a crisis where Emaar Development quickly rebounded. Realizing this, we rebought the stock in 2021. Adding these two holdings together—one an unhappy loss, the other a solid gain—yields an acceptable outcome with a 13% IRR over more than seven years of owning this stock, with a profit of $8.6 million.

In April 2026, as prices recovered from the March war selloff, we sold three other holdings due to the war. The first was **Tab Gida**, which franchises global fast-food brands like Burger King, Popeyes, Sbarro, Arby's, Subway, along with a couple of domestic brands that it developed. We note that Burger King and Popeye's are category leaders in Turkey (bigger than McDonald's and KFC, respectively), and that these brands remain in their growth phase in Turkey—they are not mature like in the US. Nevertheless, Turkey is an oil importer hurt by the war and the conflict derails for now the disinflation and rate-cutting cycle that began in Turkey in 2024 and which we had expected would carry through at least 2027.

The war made us wary that we had slightly too much exposure to Turkey, so we sold our smaller position there—Tab Gida—reducing our target country weight by one-third from 6% to 4%. With Turkey's year-over-year inflation percentage stuck in the low 30s since Q3 2025, consumer wallets have become crimped and Tab Gida's operating profit growth, while still high in nominal terms, began to lag the rate of inflation in Q4. Overall, we made $1.0 million in the 15 months we held Tab Gida, for a 21% IRR.

Our two other April sales were both in Egypt. In addition to recurring country crises, Egypt is vulnerable also to global crises, as these tend to reduce tourist revenue, expat remittances, and Suez Canal receipts (Egypt's primary sources of foreign exchange) and raise the cost of food and fuel, both of which Egypt imports. Learning the hard way through painful firsthand experiences over the years, we concluded in 2022 after leaving the country during the Ukraine War (where, amongst various problems, it was hurt by rising food prices as it imported most of its wheat from Russia and Ukraine) that if we were to own Egypt again, we should sell it the day a global crisis erupted.

Our 2022 Egypt exit was a good one. Even though we realized a loss back then, things got worse for the country after we left due to high inflation, a significant currency devaluation, and punishingly high interest rates. By mid-2024, however, an Egyptian recovery was well underway. Our first buy of **Commercial International Bank** (CIB) that year in July was 37% below our last sale of the same stock in March 2022. Post-devaluation, we expected large dollar earnings gains from CIB. It delivered, with USD EPS up 73% from 2023 to 2025, per Bloomberg data.

The Iran War started around 1 AM Saturday morning, February 28 in the US and by 9 AM we had discussed selling Egypt. We decided to hold our Egyptian positions. Our reasoning was that Egypt entered this crisis in its best shape in at least 15 years and it was not repeating policy mistakes from its past. For example, the central bank allowed the Egyptian pound to float freely rather than pegging it to a level that became uncompetitive over time as inflation eroded its purchasing power. Further, while we did not know how long the conflict would last, there was a chance it would be like the 2025 Israel/US nuclear site bombing in Iran that lasted only 12 days and if so, it would be a mistake to sell in a panic.

Figure 2
Frontaura Global Frontier Fund LLC
Relative Performance of Position Exits July 2025 – June 2026[10]
30 June 2026

Company	IRR	Frontaura Return before Fees, Annualized	Frontaura Return after Fees, Annualized	MSCI FM Small Cap Net Return, Annualized	MSCI Frontier Markets Net Return, Annualized
Grupo Argos (non-voting shares)	-7%	2%	2%	0%	0%
Sonatel	23%	26%	23%	15%	14%
SSI Group	32%	22%	20%	4%	9%
Argentina basket	4%	39%	36%	21%	29%
Indus Motor	28%	37%	34%	18%	27%
Mackolik Internet	-53%	7%	7%	0%	9%
Frontier Digital Ventures	14%	49%	46%	26%	50%
Emaar Development	38%	24%	22%	8%	8%
DigiPlus Interactive	-11%	43%	40%	19%	33%
Tab Gida	21%	43%	40%	16%	36%
Commercial International Bank	38%	40%	37%	16%	30%
Ibnsina Pharma	20%	48%	45%	19%	46%
Average	12%	32%	29%	14%	24%
Median	21%	38%	35%	16%	28%

While our reasoning may have been solid, with the passage of time came the creeping realization that we may have overthought the situation on February 28. Upon reflection, we think it would have been better if we had implemented our simple sell-Egypt-the-first-day-of-a-global-crisis guideline. By the second half of March, we doubted that our hold decision was the right course in Egypt. Lacking a time machine to redo our decision, we decided to sell into any strength by setting above-market limits. If the market did rally, our exposure would decline. The April rally was strong enough for us to finish selling CIB April 14. We made $5.2 million in CIB over 21 months for a 38% IRR.[11] This included a 21% gain in 2026, despite the war.

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[10] Here are definitions for the Figure 2 columns. We repeat the IRR column from Figure 1. See the Figure 1 footnote for a definition of our internal rate of return (IRR) calculation. The next column, Frontaura Return before Fees, Annualized, puts the IRR in context by showing how Frontaura performed overall during the holding period for the Company before management fees and any incentive compensation. This column is the most comparable fund-level data series we have available to the IRR column, providing a comparison of individual stock performance to fund overall performance for the same period. One subtle difference between these two columns is that the Frontaura Return before Fees, Annualized is after fund expenses and the IRR column is before fund expenses. Both columns are before management fees and any incentive allocation. Fund expenses are smaller than management fees and incentive allocation, and we don't think this slight calculation difference hurts comparability of these two columns. Thus, we show the data we have rather than not showing the Frontaura before-fee return. Frontaura Return after Fees, Annualized shows the Frontaura's after-fee return during the holding period for the Company for a reference investor. The final two columns are the total net returns for the MSCI Frontier Markets Small Cap Index and the MSCI Frontier Markets Index during the holding period for the Company, allowing for a comparison of how this investment and our fund overall did against these indices.

[11] Beginning in 2018, this was the third instance where we owned CIB either through the Egyptian shares or the London shares. After early gains, the first two instances ended abruptly, one with a slight loss, the other with an immaterial gain. We sold our Egypt basket, which included CIB, due to COVID (see pages 15-17) and we sold an

We bought **Ibnsina Pharma**, the leading Egyptian pharmaceutical distributor in March 2025. It had high beta to the Egyptian recovery story as it was deleveraging its balance sheet. Lower interest expense from interest rate cuts and its debt paydown fattened its bottom line with 2025 EPS growing 40%. But like in Turkey, higher inflation from the Iran War pushed out further Egyptian disinflation and rate cuts, so the Ibnsina thesis was in question. Using above-market limits similar to CIB, we exited Ibnsina in April with the final sale on April 20. We made $0.8m in 13 months, for a 20% IRR.

Online Businesses

Overall, online businesses were not kind to us in the past year. All three initially gave us strong gains, yet each suffered a sudden reversal due to an idiosyncratic negative development, and we escaped with losses in two and an immaterial profit in the other. Collectively, though, these online business losses were only $1.2 million, against $27.9 million made by our other nine exits.

The first of the three online businesses we owned in the past year was **DigiPlus Interactive**, an online casino in the Philippines. We have history with it and its complex situations, so we'll discuss it in depth. We owned this company previously under a different name, ticker, and business model in 2016-2017, when it ran in-person bingo parlors as Leisure & Resorts World (LR). We discuss our sale of LR here (see page 11). Back then, we discovered the stock after bingo parlor regulatory issues caused a selloff. Our research concluded that these issues surrounding its long-established business would be transitory, so we bought the stock while it was down. We were correct as far as our thinking went—the bingo parlor issues went away, and we profited for a while from a seemingly good entry price.

We were wrong in 2016 to not anticipate that other regulatory issues would emerge, as they ultimately did, in LR's fledging server business that hosted third party e-gaming sites. Eventually, these new issues overwhelmed us, and we capitulated at a loss. As the years passed, LR shut down this B2B server hosting platform and built a new B2C business developing an online mobile casino app for smart phones. The online casino business took off, dwarfed the legacy bingo parlor business, and led to LR changing its name to DigiPlus in 2023. Before buying the stock in November 2024, we discussed future regulatory risk, so we were not blind to a new threat. DigiPlus was legal, licensed, and, with up to 50% market share, it was the largest mass-market digital gaming revenue payer to the gaming regulator. Six-and-a-half months after our first buy, DigiPlus's stock price had tripled, but its strong EPS growth meant it was not yet at our (until then ever-rising) sell point. It gave up all those gains and then some as new regulatory issues emerged. At our exit after 16 months, we lost $0.4 million, or 11% of our capital invested. Our two adventures combined, the first in LR and the second in DigiPlus, cost us $1.2 million, with a -20% return.

What happened? In mid-2025, rumors circulated that some politicians wanted to ban online gambling. We thought this unlikely, as it would drive gambling to illegal sites often run outside of the Philippines. The eventual changes were a mix of regulatory rules by the central

outright position in CIB due to the Ukraine War (see page 13). Combining all three instances, we've made $5.1 million on CIB, all from this last episode, with a 22% IRR.

bank and the gaming regulator and voluntary industry restrictions that DigiPlus shepherded to stave off draconian legislation that Congress introduced but never passed. Most consequential was a central bank directive requiring online casinos to remove direct transaction links to the leading mobile wallets in the Philippines. Punters could still fund their DigiPlus account electronically, but not as easily as before. We thought the changes were sensible, reducing compulsive gambling and the use of unlicensed illegal casinos, and boosting the long-term prospects of leading incumbents like DigiPlus, as regulation tends to do. The process was pretty much as we expected.

The high-flying stock dropped on the initial rumors of a complete ban, and, despite occasional rallies, it never fully recovered. Our view was to ride out the earnings disruption from the mobile wallet changes until DigiPlus returned to growth, albeit at a lower rate than before the changes occurred.

The company provided regular updates on its revenue recovery rate after the wallet delinking shock, and these were encouraging. Revenue immediately fell by half, but within a couple of months it was over 70% of its prior run rate. Margins were so lucrative that the company remained profitable even on this lower revenue base and DigiPlus's market share lead seemed intact. With the price already down, we continued to hold. We never bought more because we've observed in our career that this is often the wrong thing to do emotionally when uncertainty is high. A fluid situation may require your thinking match the fluidity of events, and doubling down can mentally lock you in to holding the position no matter what, even when the facts change unfavorably.

Just before the one-year anniversary of our initial buys in November, with some lots we owned trading at a loss, we sold over half our shares to realize short-term capital losses for our US taxpayers. We kept our remaining holding until March.

A February research trip to the Philippines and earnings DigiPlus released in March suggested to us that the company's revenue recovery percentage had stalled in the 70s. DigiPlus had dwindled to only 30 basis points of the portfolio, the pace of the revenue recovery was in doubt, and the Iran War was now on, increasing inflation in the oil-importing Philippines and pressuring consumer spending. We thought the case for holding was gone, so we cleared the decks and sold our small remaining position.

Post-mortem on DigiPlus. We've analyzed what we did wrong with DigiPlus, considering and rejecting many simple explanations. Should we have never bought the stock? We did correctly identify a fast-growing, market leading, high return on capital company trading significantly below our estimate of its intrinsic value. This is what we do. It would be hard not to act when we find what we are looking for, even though we know now this would have saved money for our investors. Should we have sold with the first negative rumor? We expected regulatory risk, and we deemed the initial rumor of a complete ban as unlikely to occur. Selling seemed an overreaction, even though again we now know this would have saved money. Did we just get unlucky? Bad luck did occur, but it seems a cop out to us to say luck was only determinant of this situation.

Eventually, we landed on two thoughts as to what we could have done better. First, while we identified regulation as a risk, we did not recognize that this risk escalated rapidly while we owned the stock, due to the company's fast growth, high profitability, and prominence in local culture. Second, we did not appreciate how successfully DigiPlus embedded itself (possibly to its regulatory detriment) within local mobile wallet apps like GCash and Maya. Mobile wallet links, and their removal, were more impactful than we expected.

It's impossible to say how our the DigiPlus outcome would have differed had we better understood escalating risk and the mobile wallet link importance. Would we have taken some profit in May and June 2025, at short-term capital gains tax rates, when the stock went parabolic on strong earnings? We don't know. Would we have sold the entire position in November when we made the tax loss sales?[12] It's possible, but not certain. Had we exited in November, our -11% return on this investment would have been +7% gain, turning a $0.4 million loss into a $0.2 million gain.

We held **Mackolik Internet** in Turkey for only three months, losing $1.1 million on it, or 39% of our investment. Mackolik operates the most popular sports website in Turkey—think of espn.com in the US. We liked its growth rate, high margins, and return on capital. Mackolik's business model relied on advertising revenue. Unfortunately, in December 2025, out-of-the-blue regulation targeted its largest advertisers—sports gambling sites. Mackolik itself did not have gambling operations, but it faced an abrupt profit decline when a gambling ad ban took hold. This invalidated the Mackolik investment thesis, and we sold the stock. After we sold, the company's reported profit fell 62% in Q4 and 39% in Q1 per Bloomberg data.

The third online business we exited in the past year was **Frontier Digital Ventures (FDV)**, a collection of online classified advertising businesses (e.g., home and used car sales) in South America, Africa, and Asia. We bought this beaten-up stock well, around all-time lows, having watched it for five years. Unlike DigiPlus and Mackolik, FDV had no direct or indirect ties to gambling, and it suffered no regulatory changes. FDV's problems included that it was subscale and undermanaged. During our brief ownership, the original private equity backers of the company, who still owned shares, asserted themselves to take management control of the company. We applauded this move, which the market received well initially. At one point we had a double in the stock, but we escaped with a modest one-year gain of only $0.3 million or 14%, which was not really worth the effort. It became clear, as new management dug into the operations, that the depth of the company's problems exceeded what we or they expected to find. While we think they were best suited to execute a turnaround, the timing and the certainty of success was unclear to us, and the compensation they expected for doing so was high. We thought it best that we focus on more straightforward investment ideas, so we sold.

2025 Exits

The five remaining exits, all of which occurred in the second half of 2025, have no common theme like the ones we've already discussed. We'll discuss four of these in order of profit made, from most to least, and then conclude with Argentina, our longest write-up.

We made $5.8 million on **Sonatel**, the largest telecom (fixed line and mobile) in French-speaking West Africa, earning a 23% IRR for 5.4 years through August 2025. Sonatel was the very first frontier company we ever met, in March 2007, before Frontaura's founding, and

[12] This would have created some short-term capital gains, which taxable investors don't like, but better this with higher performance than to realize a long-term capital loss, as we later did, with lower performance.

we have held it for most of our history. In our first foray, discussed here (see page 6), we bought it November 1, 2007, on our first day of trading. We made a 17% IRR over 6.2 years into January 2014, selling because of valuation. We bought again April 8, 2020, with the stock price in dollars 54% below our 2014 sale price. The COVID selloff put Sonatel back in our buy zone, but most of its decline the six years we did not own it occurred before COVID, as FM fell out of favor with investors. Its valuation deflated from a 14.6 PE when we sold January 2014 to a 7.7 PE when we bought April 2020. Altogether, in our history, we've made $8.6 million on Sonatel, with a 18% IRR.

Sonatel's home country of Senegal, became fiscally reckless in President Macky Sall's second and final term that ran from 2019-2024.[13] His successor, President Bassirou Diomaye Faye assumed office April 2024. In September 2024, the Faye government announced fiscal discrepancies; an audit report in 2025 detailed budgetary irregularities, hidden debt, and other unreported liabilities for the years 2019-2023. Let's compare the IMF numbers for 2023 as they were in May 2024 just after Sall left office, to what they became in April 2026, after proper accounting. As a percentage of GDP, the 2023 budget deficit jumped from 4.9% to 14.8%, while government debt ending 2023 rose from 73% to 118%. For 2026, the IMF estimates the deficit will be 6.7%, half the IMF figure for 2024. Spending restraint along with greater revenue from oil, taxes, and other levies all help, but the IMF still projects government debt at 132% of GDP, the same as in 2024, and downside risks remain for the deficit and debt figures.

If Senegal were not in the West African franc common currency zone, with France backstopping the peg to the euro, we would have sold Sonatel before we did, as we think most likely debt default and an accompanying currency crisis, devaluation, and high inflation would have already occurred or would be occurring now.

The currency zone provides extra cushion to profligate countries and in this case likely incentivized reckless behavior. Even within the protection of the zone, Senegal may default anyway. At the end of Q2, its five-year bonds traded with a 24% yield-to-maturity, 20 percentage points above US Treasuries with the same maturity. Traders consider a spread of 10 percentage points to signal debt distress. If default occurs, the zone should protect against a currency crisis and devaluation (unless France withdraws its support). Inflation won't rise to the degree it would absent the zone, but we may see banking stress and some supply shocks. While internal political bickering has delayed an IMF deal that we think is necessary to avoid default, we still expect the country to secure IMF funding because—grandstanding aside—they have little choice. A deal doesn't eliminate default risk completely and deal or no deal, default or no default, Senegal must continue to improve its fiscal picture. We foresee further higher taxes and levies and additional spending restrictions, crimping economic growth and business conditions. Sonatel is already the largest taxpayer in Senegal, but that doesn't mean the government can't seek more from them. We don't know how this will occur—for example, through higher corporate taxes, higher telecom or mobile money excise taxes, or higher spectrum or license fees—but we expect all could be on the table.

Sonatel is a good company that we could see owning again. There's some chance that Sonatel's strengths and market position, and the revenue and profit contribution from its

[13] Sall's first term from 2012-2019 was seven years, during which a constitutional referendum reduced subsequent presidential terms to their present five-year length.

presence in neighboring countries,[14] allow it to come through this fiscal crisis less affected than we fear. Regardless, though, for now we prefer to not own it to observe how this situation plays out.

SSI Group operates a who's who list of dozens of international retail brands in the Philippines such as Zara, Hermes, Calvin Klein, and Shake Shack. We bought the shares at a depressed level in March 2022 when the company was loss-making due to COVID. Over 3.5 years, we earned a 32% IRR, making $2.6 million as operations returned to normal. The June 2025 quarter, released in August, disappointed us with EPS down 77% and barely above results from the March 2022 quarter when we bought the stock. We thought SSI's retail recovery and our good run in this stock was over and we exited in a single trade in September that we negotiated with company. EPS have been down significantly year-over-year in the three quarters SSI reported since our sale.

Indus Motor assembles Toyota vehicles in Pakistan, earning around a 30% return on capital when we sold. We have owned Indus three times, making money each time, as we play Pakistan's and Indus's economic cycles. This iteration began in July 2024 and lasted 16 months, netting us a $1.0 million profit with a 31% gain and a 28% IRR. Combined, our three ownership periods have made us $5.2 million with a 31% IRR.[15]

Our July 2024 purchase occurred after Pakistan's inflation, devaluation, and debt default scare in 2022-2023 (we previously sold Indus in December 2021 anticipating this). While we missed the bottom, which occurred in 2023, our first buy in 2024 was 15% below our last sale in 2021 in dollar terms. Our earnings recovery thesis on Indus worked, and its PE fell from 9.7 in July 2024 to 6.4 in November 2024. Still, the recovery wasn't as strong as we hoped for. Also, we couldn't buy as much of Indus as we had wanted due to its illiquidity and the stock price moving beyond our intrinsic-value-based buy limit. Finally, we were increasingly worried about greater competition from multiple new entrants from Korea and China disrupting what historically had been a comfortable triopoly market of Japanese automakers Toyota, Suzuki, and Honda, in Pakistan. With these worries, and with an acceptable profit, we slowly liquidated our position once it became a long-term capital gain.

We own the non-voting shares of Grupo Sura in Colombia, a financial conglomerate. As part of a multi-year effort to simplify its corporate structure to improve return on capital and shareholder returns, Grupo Sura spun off **Grupo Argos**, a cement company it owned, to Sura shareholders, with the stock going ex this spinoff on July 23, 2025. We sold the Argos shares July 29, the day our custodian credited them to our account. The value we realized was 7% below the value we assigned to Argos, technically giving us a $0.1 million accounting loss on our 6-day holding. However, in practical terms, realizing $2.1 million of cash for Argos was a win for Frontaura. This unlocking of value, along with other similar corporate actions, have

[14] Sonatel's other countries also have challenges. The Senegalese fiscal and debt problems were the final straw for us. Mali and Guinea both had coups in 2021, while Guinea-Bissau followed in 2025. Coups aren't necessarily bad for telecoms as people continue to chat and text, but it's a volatile and unpredictable neighborhood.

[15] We owned Indus from October 2010 to October 2014, making $4.2 million, with a 31% IRR, earning 2.6 times our original investment, as discussed here (see page 3). We owned Indus for only nine months in 2021, selling because of possible debt distress in Pakistan, as discussed here (see pages 8-10). That investment made an immaterial profit with a 2% IRR.

contributed to the $11.1 million gain we have in Grupo Sura through June since we re-entered its non-voting shares April 2022,[16] a triple on our $5.4 million investment.

Argentina

We owned a basket of Argentina stocks from May 2024 through October 2025. This was after Javier Milei won the November 2023 second-round presidential election and immediately before the October 2025 mid-term congressional election.

The financial outcome from this basket was an immaterial gain. Nonetheless, we'll take a disproportionate amount of space to review this investment as it generated high interest from investors while it was on. It does bother us that with our knowledge and success in Argentina from the 2010s we did not fare better in 2025 and we repeated our mediocre outcome from 2023, as if we learned nothing from that episode. Upon reflection, our conclusion is that sometimes the correct process action doesn't work yet remains the right thing to do. In both 2023 and 2025, the situation deteriorated to where it was no better than a mere speculation, with significant downside in the negative scenario. No longer having any investment edge, we closed each investment. The positive scenario occurred both times, so we would have made more money staying invested.

Background. We had similar Argentine exposure twice before, 2014-2018 and 2023. The thesis each time was: political change from the left to the right and a return to orthodox economic policies from market unfriendly state interventionist socialist policies. Argentina's stock market had a history of moving from despair to euphoria when conditions change for the better with four-to-20-fold moves from trough to peak. The opposite could occur when conditions worsen.[17]

We can label our three episodes:

Macri: before and after election, 2014-2018, detailed here[18] and here[19]
Milei I: before election, 2023, detailed here
Milei II: after election and before mid-terms, 2024-2025, explained below

The Macri episode worked well, earning a $5.8 million profit with a 39% IRR. Each Milei episode had good returns at points in time but ended disappointingly, with neither worth the time we put into the idea. Milei II made $0.3 million, 6% on every dollar invested over 17

[16] Earlier we owned Grupo Sura from July 2020 to December 2021, making $0.4 million with a 29% IRR, as discussed here (see page 10).

[17] For the MSCI Argentina Index, which begins in 1988, four to 20-fold moves have occurred four times, trough to peak: 1988-1992, 2002-2008, 2012-2018, and 2020-present. As for the reversals, consider that at the 2020 COVID low, this index's price level was back where it stood in 1991.

[18] We discuss Argentina throughout our 2018 Q2 letter. See references to the country and its performance on pages 1-4, the What We Sold table on page 6, our sale of a specific Argentine position known as VALO, on pages 8-9, and the sale of our Argentine basket on pages 12-14.

[19] We discuss our final 2018 Argentine sale of a specific position known as BYMA (a VALO spinoff) on page 4 of the 2019 Q1 letter.

months, for a 4% IRR. This offset our $0.1 million loss during Milei I but left us with only a trifling $0.2 million profit from 2023-2025, combining these two Milei episodes. Altogether in our history we've made $6.1 million in the three episodes—Macri, Milei I, and Milei II, with a 37% IRR.[20]

Why did we sell Milei II? Heightened trading pressure on the Argentine peso in September 2025 after poor results for Milei in the Buenos Aires provincial election took on a life of its own to the point where we could no longer reliably forecast the October 2025 mid-term election outcome. Argentina then sought and obtained a US financial backstop, but President Trump's comments made the backstop seem contingent on a successful mid-term election outcome. The election outcome could heavily influence whether Milei's economic reforms would succeed or fail. We saw the elections as a coin flip, and we seek more of an investment edge than flipping coins. Further, fundamental results of Argentine banks (a significant portion of our basket) had deteriorated as 2025 progressed, with loan growth slowing, credit quality worsening, and earnings falling. With a 19% MTD profit in October, we decided to end our investment at the close of the next-to-last trading day before these elections.

What happened next? The election results were favorable for Milei, the US backstop held, and the market rallied strongly. It was a case of déjà vu. Two years earlier, the second-round presidential election between Milei and Peronist Sergio Massa also, to us, seemed a coin flip. Lacking any edge, we exited the Milei I episode in October 2023. While polls showed the race as a toss-up, Milei won handily in 2023 and there was a strong post-election rally.

Why didn't we profit under Milei like we did under Macri? We see three reasons why we did better with Macri than Milei. First, relative to the respective presidential change elections, our Macri episode began earlier than our Milei I episode (18 months versus five months), capturing more of the market run-up into the election. Why? In 2014, there was a shock devaluation in January that caught our eye, prompting visits to Argentina in February and April, with our investment beginning after our second trip. In 2022, global macro issues consumed us. The Ukraine War, inflation spikes from it and COVID, interest rate hikes, and falling equity markets crowded out thinking about a new undertaking in Argentina prior to the election year. Second, we didn't get scared out before the presidential election[21] or the

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[20] In 2024-2025 part of our Argentine basket was Geopark, a US listed Colombian company with expanding interests in Argentina oil and gas fields. By revenue, profit, and domicile it is a Colombian company and as such we included it in Colombia and not Argentina in past quarterly letter country attribution tables because that's how our country classification calculations work. As it was part of our Argentine basket, even though it is not an Argentine company, we include it in our Milei II performance, our combined Milei I and Milei II performance, and our combined Macri, Milei I, and Milei II performance. Figures for our 2024 and 2025 performance in our Argentine basket stock position and Argentina the country will not match exactly, the difference being Geopark, included in the former and excluded from the latter. We sold Geopark when it failed to close an acquisition of additional Argentina fields that it previously announced, diminishing our confidence in management's ability to execute. We lost $0.1 million while we owned Geopark. Thus, our Argentina country performance is a bit better than what appears in the text above on our Argentina basket, although that's just a technicality. We think the figures above are the best numbers for evaluation. If, at some point in the future, we say we made $6.2 million on positions on Argentina positions from 2014-2025, rather the $6.1 million sum above (or we give a figure $0.1 million higher than above for 2023-2025 or 2024-2025), it's that we absent mindedly forgot to subtract the Geopark loss from the Argentina country total that our internal system produces.

[21] In 2015, we didn't know which of three leading candidates, two of them Peronists, would prevail as president. Business leaders told us, however, that they would be happy with any outcome. In their opinion, all three would be an improvement over the term-limited incumbent Cristina Fernandez Kirchner (CFK). The incredible business

subsequent mid-term election in the Macri episode, so we didn't miss either post-election rally then. Finally, we also had individual positions that accounted for over half our Macri gain. This was an investment in VALO, a sleepy company with a nearly impossible-to-trade stock, which transformed itself by spinning out BYMA, the Argentine stock exchange, resulting in both BYMA and VALO (its remnants being a custody bank) having proper listings that performed strongly for us.

Do we always get Argentina election outcomes wrong? This is a fair question, since our 2023 and 2025 sales left money on the table given the election outcomes and market response. Nonetheless, a longer view tells a different story. We had a good run in the 2010s, correctly investing before the 2015 presidential change election, staying invested during the 2017 mid-term election, and (after we exited in 2018 because of inflation, currency, and economic issues), staying uninvested before the 2019 election that saw a return to leftist Peronism. In the last case, visiting Argentina in 2019, we thought it clear that investors were overestimating Macri's chances for re-election, but nonetheless Argentina's stock market was surprised, falling 48% in dollar terms the day after primary elections, the world's worst one-day USD fall since at least 1950. We avoided this.

In each of these three cases, we had a clear view on what may occur and whether to invest or not. In contrast, with the 2023 presidential election and the 2025 mid-term, the outcome was not clear to us on election day. It had been clear when we invested. Unfortunately, each race tightened to where we thought the difference between a favorable and an unfavorable outcome had become a toss-up. With no edge, and significant downside in the event of an unfavorable outcome, we took our chips off the table.[22]

Management Company News

Jeffrey Li joined us as a research analyst in April. He is a December 2025 graduate from New York University with a Bachelor of Science degree in Business with concentrations in finance and data science. He successfully passed Level II of the CFA Program in August 2025.

We now have five individuals: Will Kelley, Jeffrey Li, Nick Padgett, Tim Raschuk, and Kris Roberts. Nick and Tim are managing directors, running the business, and they, Will, and Jeffrey are on the investment side. Nick manages the portfolio and trading, Tim is director of research, and Will and Jeffrey are research analysts. Kris is Frontaura's Chief Operating

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optimism we encountered in Argentina in 2014, the opposite of what we expected and what markets suggested, made us think that our Argentina investment idea would work regardless of presidential outcome in 2015. The win by Macri—the most market-friendly candidate—gave us strong gains.

The third-place finisher in 2015—Sergio Massa—finished second in 2023. Why were we okay with Massa in 2015 but not in 2023? In 2023, Massa was finance minister in the Alberto Fernandez administration (no relation to CFK, but ideologically similar) and was the architect of many of the anti-market policies strangling Argentina. We did expect him to moderate as president in 2023, but less so than we expected from him in 2015. In the latter period, he would be undoing his own policies, and it is difficult for politicians to acknowledge their policies are failures.

[22] We had no interest investing around the 2021 mid-term as President Fernandez had two years remaining in his term and we expected his chaotic, market-unfriendly socialist economic policies to continue (which they did). Evidence of this is that annual inflation during his last two years in office rose from 51% at the end of 2021 to 211% at the end of 2023, peaking at 289% in April 2024. By the end of 2025, Milei had inflation down to 32%.

Officer and handles operations, compliance, and investor relations, including client onboarding and account and tax questions.

Statistical Appendix

Our Statistical Appendix follows this section. Figure A1 shows annual, cumulative, and compounded returns for us and the indices we typically cite. Figure A2 shows quarterly performance for Frontaura and these indices. Figure A3 shows our monthly returns since inception. Figure A4 shows Frontaura's returns in US dollars and seven foreign currencies that are the home currencies of our investors.

Please see Figure A5 for portfolio mix by country, region, and sector, along with our portfolio statistics. Figures A6-A7 show country attribution by dollar and percentage returns. Figure A8 shows quarterly attribution, including at the country level within each region. Figures A9-A10 show changes in country mix for the quarter and the last 12 months, and Figure A11 shows portfolio concentration and how it has changed in the last three and 12 months.

We thank you for being a Frontaura investor.

Best regards,

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Statistical Appendix

Figure A1
Frontaura Global Frontier Fund LLC
Annual Frontaura and Index Performance[23]
30 June 2026

Period	Frontaura	MSCI Frontier Small Cap	MSCI Frontier	MSCI Emerging	MSCI EAFE	S&P 500
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	34%	42%	20%	-3%	11%	29%
2022	-11%	-23%	-26%	-20%	-14%	-18%
2023	17%	19%	12%	10%	18%	26%
2024	33%	2%	9%	8%	4%	25%
2025	38%	20%	47%	34%	31%	18%
2026 YTD	19%	5%	10%	24%	9%	10%
1 Year	39%	18%	35%	44%	20%	22%
2 Year	87%	36%	67%	65%	42%	41%
3 Year	122%	41%	88%	86%	58%	75%
5 Year	151%	40%	52%	42%	54%	88%
7 Year	195%	74%	86%	93%	94%	184%
10 Year	230%	94%	137%	161%	151%	323%
15 Year	294%	124%	155%	115%	173%	648%
Inception to Date	480%		58%	101%	118%	592%
2 Year CAGR	36.7%	16.6%	29.3%	28.6%	19.0%	18.7%
3 Year CAGR	30.5%	12.1%	23.4%	23.0%	16.4%	20.6%
5 Year CAGR	20.2%	7.0%	8.7%	7.2%	9.0%	13.4%
7 Year CAGR	16.7%	8.2%	9.3%	9.8%	9.9%	16.1%
10 Year CAGR	12.7%	6.8%	9.0%	10.1%	9.7%	15.5%
15 Year CAGR	9.6%	5.5%	6.4%	5.2%	6.9%	14.4%
ITD CAGR	9.9%		2.5%	3.8%	4.3%	10.9%

[23] Frontaura returns are net of all fees for a reference investor joining the fund at inception, making no further contributions, making no withdrawals, and converting to Series B in 2021 Q2. Investors joining on other dates, making additional contributions, making withdrawals, or not converting to Series B in 2021 Q2 may have different results. Our auditor has audited results through 2025. Index returns are in USD on a total return basis, net of any withholding tax. We discuss our returns and different series and we explain the different indices we show series here.

Figure A2
Frontaura Global Frontier Fund LLC
Quarterly Frontaura and Index Performance[24]
30 June 2026

Period	Frontaura	MSCI Frontier Small Cap	MSCI Frontier	MSCI Emerging	MSCI EAFE	S&P 500	Period	Frontaura	MSCI Frontier Small Cap	MSCI Frontier	MSCI Emerging	MSCI EAFE	S&P 500
2007 Q4	2%		4%	-7%	-5%	-5%							
2008 Q1	1%		-2%	-11%	-9%	-9%	2018 Q1	2%	-1%	5%	1%	-2%	-1%
2008 Q2	6%		2%	-1%	-2%	-3%	2018 Q2	-7%	-9%	-15%	-8%	-1%	3%
2008 Q3	-11%		-23%	-27%	-21%	-8%	2018 Q3	-5%	-4%	-2%	-1%	1%	8%
2008 Q4	-25%		-41%	-28%	-20%	-22%	2018 Q4	-3%	-5%	-4%	-7%	-13%	-14%
2009 Q1	-2%		-17%	1%	-14%	-11%	2019 Q1	2%	-1%	7%	10%	10%	14%
2009 Q2	28%		35%	35%	25%	16%	2019 Q2	3%	0%	5%	1%	4%	4%
2009 Q3	17%		11%	21%	19%	16%	2019 Q3	-5%	-3%	-1%	-4%	-1%	2%
2009 Q4	-1%		-10%	9%	2%	6%	2019 Q4	-1%	2%	7%	12%	8%	9%
2010 Q1	10%		11%	2%	1%	5%	2020 Q1	-22%	-24%	-27%	-24%	-23%	-20%
2010 Q2	5%		-10%	-8%	-14%	-11%	2020 Q2	6%	12%	15%	18%	15%	21%
2010 Q3	9%		14%	18%	16%	11%	2020 Q3	4%	8%	8%	10%	5%	9%
2010 Q4	9%		8%	7%	7%	11%	2020 Q4	20%	14%	11%	20%	16%	12%
2011 Q1	2%	-12%	-5%	2%	3%	6%	2021 Q1	2%	5%	1%	2%	3%	6%
2011 Q2	-1%	-2%	0%	-1%	2%	0%	2021 Q2	20%	14%	14%	5%	5%	9%
2011 Q3	-10%	-12%	-12%	-23%	-19%	-14%	2021 Q3	4%	8%	3%	-8%	0%	1%
2011 Q4	-6%	-7%	-2%	4%	3%	12%	2021 Q4	5%	10%	1%	-1%	3%	11%
2012 Q1	6%	6%	6%	14%	11%	13%	2022 Q1	-5%	0%	-8%	-7%	-6%	-5%
2012 Q2	-3%	-6%	-7%	-9%	-7%	-3%	2022 Q2	-6%	-16%	-14%	-11%	-15%	-16%
2012 Q3	5%	6%	7%	8%	7%	6%	2022 Q3	-7%	-6%	-6%	-12%	-9%	-5%
2012 Q4	9%	1%	3%	6%	7%	0%	2022 Q4	8%	-2%	-1%	10%	17%	8%
2013 Q1	10%	7%	8%	-2%	5%	11%	2023 Q1	7%	3%	3%	4%	8%	7%
2013 Q2	5%	9%	3%	-8%	-1%	3%	2023 Q2	8%	6%	2%	1%	3%	9%
2013 Q3	1%	1%	6%	6%	12%	5%	2023 Q3	-1%	3%	2%	-3%	-4%	-3%
2013 Q4	7%	12%	7%	2%	6%	11%	2023 Q4	3%	6%	4%	8%	10%	12%
2014 Q1	-1%	6%	7%	0%	1%	2%	2024 Q1	8%	-5%	5%	2%	6%	11%
2014 Q2	4%	7%	12%	7%	4%	5%	2024 Q2	9%	-1%	1%	5%	0%	4%
2014 Q3	1%	4%	2%	-3%	-6%	1%	2024 Q3	5%	4%	5%	9%	7%	6%
2014 Q4	-7%	-11%	-12%	-5%	-4%	5%	2024 Q4	8%	4%	-1%	-8%	-8%	2%
2015 Q1	-3%	-4%	-3%	2%	5%	1%	2025 Q1	5%	2%	8%	3%	7%	-4%
2015 Q2	3%	2%	0%	1%	1%	0%	2025 Q2	12%	5%	11%	12%	12%	11%
2015 Q3	-6%	-6%	-11%	-18%	-10%	-6%	2025 Q3	11%	15%	15%	11%	5%	8%
2015 Q4	1%	-1%	-1%	1%	5%	7%	2025 Q4	5%	-2%	7%	5%	5%	3%
2016 Q1	-1%	-1%	-1%	6%	-3%	1%	2026 Q1	8%	-3%	-1%	0%	-1%	-4%
2016 Q2	4%	5%	0%	1%	-1%	2%	2026 Q2	10%	7%	11%	24%	11%	15%
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%							

[24] Frontaura returns are net of all fees for a reference investor joining the fund at inception, making no further contributions, making no withdrawals, and converting to Series B in 2021 Q2. Investors joining on other dates, making additional contributions, making withdrawals, or not converting to Series B in 2021 Q2 may have different results. Our auditor has audited results through 2025. Index returns are in USD on a total return basis, net of any withholding tax. We discuss our returns and different series and we explain the different indices we show series here.

Figure A3
Frontaura Global Frontier Fund LLC
Monthly Frontaura Performance[25]
30 June 2026

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2007											0.4%	1.6%	2.0%
2008	0.7%	0.6%	-0.1%	3.4%	3.9%	-1.0%	-0.8%	-2.2%	-7.9%	-17.5%	-10.7%	1.4%	-28.1%
2009	-2.0%	-0.4%	0.7%	7.7%	14.4%	4.1%	1.4%	4.7%	10.6%	-1.4%	-0.2%	0.2%	46.0%
2010	-0.9%	4.2%	6.6%	4.5%	-1.2%	1.9%	3.4%	0.7%	4.7%	3.5%	1.5%	3.3%	37.1%
2011	2.8%	-3.7%	2.7%	-0.4%	1.0%	-1.7%	-2.4%	-4.0%	-3.9%	-1.6%	-4.9%	0.7%	-14.8%
2012	-0.5%	3.9%	2.6%	2.4%	-4.4%	-1.3%	2.1%	1.4%	1.9%	2.6%	2.2%	4.3%	18.1%
2013	7.3%	1.9%	1.0%	1.8%	3.8%	-0.3%	2.6%	-2.1%	0.2%	3.1%	2.6%	1.6%	25.9%
2014	0.8%	-0.4%	-1.0%	1.6%	2.0%	0.1%	-0.3%	-0.8%	2.2%	0.9%	-4.5%	-3.3%	-2.9%
2015	-4.3%	1.0%	0.4%	3.9%	0.4%	-1.6%	-1.5%	-3.7%	-0.9%	3.3%	-2.4%	0.1%	-5.5%
2016	-4.8%	-0.6%	4.2%	1.8%	2.9%	-0.3%	1.6%	-0.4%	1.1%	-0.4%	0.7%	0.8%	6.6%
2017	2.9%	-0.1%	1.0%	0.4%	4.1%	2.1%	1.3%	1.0%	0.5%	2.3%	-0.2%	0.8%	17.2%
2018	2.3%	-1.1%	0.4%	0.4%	-6.8%	-0.7%	-0.8%	-1.9%	-2.2%	-3.2%	-0.9%	1.2%	-12.8%
2019	1.2%	0.8%	0.1%	0.3%	1.2%	1.9%	0.4%	-4.0%	-1.7%	-0.9%	-0.6%	0.5%	-0.9%
2020	1.3%	-4.9%	-19.3%	3.1%	0.6%	1.9%	1.7%	0.3%	1.8%	2.4%	9.5%	7.5%	2.8%
2021	0.9%	2.7%	-1.8%	8.5%	5.9%	4.3%	0.6%	4.0%	-0.1%	4.0%	0.1%	1.3%	34.4%
2022	-2.1%	-1.9%	-1.4%	0.9%	-0.3%	-7.1%	0.0%	-0.4%	-7.0%	-3.3%	4.5%	6.8%	-11.4%
2023	2.6%	-0.7%	4.5%	2.5%	0.2%	5.5%	4.0%	-3.3%	-1.5%	-2.5%	2.8%	2.4%	17.4%
2024	-0.5%	4.9%	3.3%	-0.7%	7.2%	2.1%	2.2%	1.1%	1.8%	1.1%	2.2%	4.4%	33.0%
2025	1.0%	2.9%	1.3%	2.5%	6.9%	2.2%	3.1%	5.1%	2.5%	2.7%	-0.2%	2.9%	38.1%
2026	7.9%	7.2%	-6.4%	4.6%	1.4%	3.7%							19.0%

[25] Frontaura returns are net of all fees for a reference investor joining the fund at inception, making no further contributions, making no withdrawals, and converting to Series B in 2021 Q2. Investors joining on other dates, making additional contributions, making withdrawals, or not converting to Series B in 2021 Q2 may have different results. Our auditor has audited results through 2025. Index returns are in USD on a total return basis, net of any withholding tax. We discuss our returns and different series and we explain the different indices we show series here.

Figure A4
Frontaura Global Frontier Fund LLC
Performance by Currency[26] [27]
30 June 2026

Period	USD	AUD	CAD	CHF	EUR	GBP	JPY	SGD
2008	-28%	-10%	-12%	-32%	-25%	-2%	-42%	-29%
2009	46%	14%	26%	41%	42%	32%	50%	43%
2010	37%	20%	30%	24%	47%	42%	20%	25%
2011	-15%	-15%	-13%	-15%	-12%	-14%	-19%	-14%
2012	18%	16%	15%	15%	16%	13%	33%	11%
2013	26%	47%	35%	23%	21%	24%	53%	30%
2014	-3%	6%	6%	8%	10%	3%	10%	2%
2015	-5%	6%	13%	-5%	5%	0%	-5%	1%
2016	7%	8%	4%	8%	10%	27%	4%	9%
2017	17%	8%	10%	12%	3%	7%	13%	8%
2018	-13%	-3%	-5%	-12%	-9%	-8%	-15%	-11%
2019	-1%	0%	-6%	-2%	1%	-5%	-2%	-2%
2020	3%	-6%	1%	-6%	-6%	0%	-2%	1%
2021	34%	42%	34%	39%	44%	36%	50%	37%
2022	-11%	-6%	-5%	-10%	-6%	-1%	1%	-12%
2023	17%	17%	15%	7%	14%	11%	26%	16%
2024	33%	46%	44%	43%	42%	35%	48%	38%
2025	38%	28%	32%	21%	22%	28%	38%	30%
2026 YTD	19%	15%	23%	21%	22%	21%	23%	20%
2026 Q1	8%	5%	10%	9%	10%	10%	10%	8%
2026 Q2	10%	10%	12%	11%	11%	10%	13%	11%
1 Year	39%	33%	45%	42%	44%	44%	57%	42%
2 Year	87%	80%	94%	68%	75%	78%	89%	78%
3 Year	122%	114%	138%	101%	112%	113%	151%	113%
5 Year	151%	172%	187%	119%	160%	162%	267%	141%
7 Year	195%	200%	220%	145%	194%	183%	345%	182%
10 Year	230%	255%	262%	173%	221%	231%	419%	217%
15 Year	294%	510%	480%	279%	400%	377%	695%	315%
ITD	480%	684%	774%	305%	636%	810%	717%	419%
2 Year CAGR	36.7%	34.2%	39.2%	29.6%	32.4%	33.4%	37.4%	33.5%
3 Year CAGR	30.5%	28.9%	33.6%	26.2%	28.6%	28.7%	35.8%	28.6%
5 Year CAGR	20.2%	22.1%	23.5%	17.0%	21.1%	21.2%	29.7%	19.3%
7 Year CAGR	16.7%	17.0%	18.1%	13.6%	16.7%	16.0%	23.8%	16.0%
10 Year CAGR	12.7%	13.5%	13.7%	10.6%	12.4%	12.7%	17.9%	12.2%
15 Year CAGR	9.6%	12.8%	12.4%	9.3%	11.3%	11.0%	14.8%	9.9%
ITD CAGR	9.9%	11.7%	12.3%	7.8%	11.3%	12.6%	11.9%	9.2%

[26] USD = US dollar, AUD = Australian dollar, CAD = Canadian dollar, CHF = Swiss franc, EUR = euro, GBP = British pound, JPY = Japanese yen, SGD = Singapore dollar.

[27] Frontaura returns are net of all fees for a reference investor joining the fund at inception, making no further contributions, making no withdrawals, and converting to Series B in 2021 Q2. Investors joining on other dates, making additional contributions, making withdrawals, or not converting to Series B in 2021 Q2 may have different results. Our auditor has audited results through 2025. Index returns are in USD on a total return basis, net of any withholding tax. We discuss our returns and different series and we explain the different indices we show series here.

Figure A5
Frontaura Global Frontier Fund LLC
Portfolio Mix and Statistics[28]
30 June 2026

Country	Holding
Philippines	10%
Peru	9%
Vietnam	8%
Ghana	8%
Tanzania	7%
Colombia	5%
Rwanda	5%
Nigeria	5%
Kazakhstan	4%
Kenya	4%
Uganda	4%
Côte d'Ivoire	4%
Turkey	4%
Indonesia	3%
Cambodia	3%
Chile	3%
Sri Lanka	2%
USA (cash & accruals)	2%
Cyprus	2%
Namibia	2%
Georgia	2%
Slovenia	2%
Bangladesh	2%

Region	Holding
Sub-Saharan Africa	38%
Southeast Asia	24%
Latin America & Caribbean	17%
Eurasia	6%
Eastern Europe	4%
South Asia	4%
Middle East / North Africa	4%
USA (cash & accruals)	2%

Sector	Holding
Financials	46%
Consumer Staples	17%
Consumer Discretionary	16%
Communication Services	10%
Health Care	3%
Industrials	3%
Cash & accruals (all countries)	3%
Utilities	1%

Portfolio Statistics	
Portfolio Price to LTM Earnings	7.7
Portfolio Price to Book	1.56
Portfolio LTM Dividend Yield	6.1%
Weighted Average ROEE	29.8%
Weighted Median ROEE	23.0%
Positions	35
Countries	22
Weighted Average Market Cap	$3,382m
Weighted Median Market Cap	$2,448m
Portfolio Turnover (12 Months)	34%
Portfolio Turnover (ITD)	30%
Standard Deviation (36 Months)	13%
Standard Deviation (ITD)	14%
Beta to S&P 500 (36 Months)	0.38
Beta to S&P 500 (ITD)	0.46
Assets Under Management	$310m

[28] Click here for an explanation of our holdings and portfolio statistics.

Figure A6
Frontaura Global Frontier Fund LLC
5 Best and Worst Performing Countries (Dollar Return)
2026 Q2

5 Best Countries			5 Worst Countries		
Country	**Frontaura Return ($millions)**[29]	**Frontaura Return (%)**	**Country**	**Frontaura Return ($millions)**	**Frontaura Return (%)**
Nigeria	3.2	25%	Cambodia	(0.7)	-7%
Ghana	3.0	14%	Uganda	(0.3)	-2%
Tanzania	3.0	14%	Georgia	(0.0)	-1%
Rwanda	3.0	23%	Philippines	0.2	1%
Kenya	2.5	23%	Slovenia	0.4	5%

Figure A7
Frontaura Global Frontier Fund LLC
5 Best and Worst Performing Countries (Percentage Return)
2026 Q2

5 Best Countries			5 Worst Countries		
Country	**Frontaura Return ($millions)**	**Frontaura Return (%)**	**Country**	**Frontaura Return ($millions)**	**Frontaura Return (%)**
Bangladesh	2.3	81%	Cambodia	(0.7)	-7%
Nigeria	3.2	25%	Uganda	(0.3)	-2%
Chile	1.9	25%	Georgia	(0.0)	-1%
Kenya	2.5	23%	Philippines	0.2	1%
Rwanda	3.0	23%	Vietnam	0.4	2%

[29] This footnote applies to all columns labeled "Frontaura Return ($millions)" and "Frontaura Return (%)" on this page and any similar page. Frontaura individual stock, country, and regional returns are before management fees, fund expenses, and any incentive compensation, as those deductions occur at the fund level and not at the individual stock, country, or regional level. Click here for an explanation of how we calculate country returns.

Figure A8
Frontaura Global Frontier Fund LLC
Performance by Region and Country
2026 Q2

Region / Country	Frontaura Return ($millions)[30]	Frontaura Return (%)	MSCI Small Cap Return (%)[31]	MSCI Standard Return (%)
Sub-Saharan Africa	**16.1**	**15%**		
Nigeria	3.2	25%	9%	11%
Ghana	3.0	14%	--	--
Tanzania	3.0	14%	--	--
Rwanda	3.0	23%	--	--
Kenya	2.5	23%	6%	21%
Côte d'Ivoire	1.2	12%	--	13%
Namibia	0.5	8%	--	--
Uganda	(0.3)	-2%	--	--
Latin America & Caribbean	**4.7**	**9%**		
Chile	1.9	25%	5%	2%
Colombia	1.8	12%	9%	6%
Peru	1.1	4%	18%	9%
South Asia	**3.6**	**37%**		
Bangladesh	2.3	81%	14%	-14%
Sri Lanka	1.2	18%	0%	3%
Middle East / North Africa	**1.7**	**6%**		
Egypt	1.2	10%	28%	25%
Turkey	0.5	3%	4%	3%
Eurasia	**1.7**	**10%**		
Kazakhstan	1.8	15%	4%	3%
Georgia	(0.0)	-1%	--	--
Eastern Europe	**1.5**	**11%**		
Cyprus	1.1	19%	--	--
Slovenia	0.4	5%	10%	9%
Southeast Asia	**0.3**	**0%**		
Vietnam	0.4	2%	-5%	17%
Indonesia	0.4	4%	-25%	-26%
Philippines	0.2	1%	-3%	5%
Cambodia	(0.7)	-7%	--	--

[30] The Frontaura Return footnote on the first attribution table on a prior page applies to all Frontaura Return columns on this page.

[31] This footnote applies to all columns labeled "MSCI Small Cap Return" and "MSCI Standard Return" on this page and any page with a similar table. We state MSCI small cap and MSCI standard (large cap and mid-cap stocks) country indices on a total return basis with dividends net of any withholding tax. We show "--" if MSCI does not have a small cap or a standard index for a given country for the period we show.

Figure A9
Frontaura Global Frontier Fund LLC
Significant Quarterly Country Mix Changes[32]
2026 Q2

Country	Percentage Point Change	Explanation
Vietnam	+6	Added new position Q2 2026
Indonesia	+3	Entered country with buys in three new positions
Kazakhstan	+2	Increased size of existing position
Philippines	-2	Reduced size of existing position, relative underperformance
Egypt	-4	Exited country Q2 2026

Figure A10
Frontaura Global Frontier Fund LLC
Significant Annual Country Mix Changes
12 Months through 30 June 2026

Country	Percentage Point Change	Explanation
Vietnam	+5	Added new position Q2 2026
Nigeria	+5	Re-entered country Q4 2025, relative outperformance
Ghana	+5	Added to existing position in Q1 2026, relative outperformance
Kazakhstan	+4	Re-entered country Q1 2026, increasing size of position Q2 2026
Peru	+4	Added new positions Q3 2025 and Q1 2026
Indonesia	+3	Entered country with buys in three new positions
Tanzania	+3	Added new position Q3 2025, relative outperformance, offset partially by trims of largest position
Kenya	+2	Increased size of existing position Q3 2025-Q1 2026
Turkey	-2	Exited position Q1 2026, trimmed remaining position
Colombia	-3	Trimmed multiple positions Q1 2026
United Arab Emirates	-3	Exited country Q1 2026
Argentina	-3	Exited country Q4 2025
Egypt	-6	Exited country Q2 2026
Philippines	-7	Underperformance, position exits Q3 2025 and Q1 2026, offset partially by new position Q3 2025 and top-ups

[32] We show countries whose weighting has changed by two percentage points or more. Total may not add to zero due to rounding and exclusion of countries changing by less than two percentage points. Note that we do not show the United States as we only hold cash there. Click here for a discussion of how we classify cash by country.

Figure A11
Frontaura Global Frontier Fund LLC
Portfolio Concentration[33]
30 June 2026

	Companies	Countries	Change from Prior Quarter		Change from Prior Year	
			Companies	Countries	Companies	Countries
Positions	35	22	+2	+1	+1	-2
Top 5	27%	41%	+2	-2	+5	-1
Top 10	46%	65%	+2	-1	+6	+3
Top 20	73%	94%	+2	0	+3	+5
Top 20 + USA (Cash)	75%	96%	0	-3	0	+2

[33] We do not include the US in our country count and most of the percentage totals as we hold only cash there. Change from the prior quarter and the year ago quarter represent the change in the number of positions and the change in percentage points for the top 5, 10, and 20 positions. The Top 20 + USA row does include the US cash percentage in the percentage totals. Click here for a discussion of how we classify cash by country.