

DHANDHO

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To: All Limited Partners & Investors of Dhandho Holdings
From: Mohnish Pabrai, Managing Partner
Date: October 17, 2024
Re: **Q3 2024 Letter to Partners**

Dear Partners:

Hope all is well. The estimated NAV at 9/30 was \$1.65 per unit for Dhandho Holdings LP and \$1.70 per unit for Dhandho Holdings Qualified Purchaser LP. DHLP is down 9.5% from its final 6/30 NAV of \$1.82 per unit and DHQP is down 9.9% from its 6/30 NAV of \$1.89 per unit. The 9/30 estimates hold our interest in Tandem (46% of the NAV) at the latest valuation available to us, which is the value at 6/30. The remainder of the NAV is almost entirely in our public securities portfolio, which drives most of the quarterly fluctuations.

The Pabrai Wagons Fund:

Our attention at Dhandho Holdings is primarily focused on building and scaling the Pabrai Wagons Fund (Retail ticker: WAGNX; Institutional ticker: WGNIX). The Fund is managed by Dhandho Funds LLC, which is 100% owned by Dhandho Holdings investors. You can learn more about the Wagons Fund and its portfolio at WagonsFund.com.

Wagons Portfolio Update:

The Wagons Fund marked its one-year anniversary on 9/29/24. Since inception on 9/29/23 through 9/30/24, WAGNX is up 25.84% and WGNIX is up 26.26%. These are great numbers out of the gate, but they are below the S&P 500's very impressive 36.35% in the same period. The Fund was meaningfully ahead of the S&P 500 until 7/31/24 but fell behind in August due to price action in key holdings which we believe is temporary. WAGNX was up 3.54% and WGNIX up 3.62% in September vs. the S&P 500, which was up 2.14%. Our mission is to beat the S&P 500 over the long run. We are very bullish on the Fund's prospects from here.

The Fund successfully opened its brokerage accounts in India this quarter and was able to add Edelweiss Financial Services to its portfolio. Edelweiss is an early mover in a variety of nascent but high-growth industries in India, including alternative asset management, wealth management, asset reconstruction and insurance. It is led by an exceptional owner-operator who is supported by a deep bench of high-quality managers. We have studied the business closely over the past few years and believe it is deeply undervalued and has a long runway of compounding ahead of it. We are thrilled that the Wagons Fund now has meaningful exposure to Edelweiss.

Assets, Distribution and Marketing:

The Wagons Fund ended Q3 2024 with \$41.2 million in assets under management as of 9/30/24, up from \$32.3 million as of 6/30/24, \$16.7 million on 3/31/24 and \$2.8 million on 12/31/23. We continue to receive net inflows daily.

We are excited to share that Schwab has advised that it has received sufficient demand from its RIA clients to add the Fund to its platform and has initiated the onboarding process. We have been told that it can take several months for the Fund to be live at Schwab, but it is great that the ball is now rolling.

Fidelity initially indicated their intention to proceed with our approval a few weeks ago but has since put us on hold as they would like to see more RIA demand (most of our interest has come from individual account holders). We are working to connect Fidelity to the Fidelity-based RIAs who have reached out to us to invest in the Fund, and we hope to get back on track with Fidelity's approval soon.

The Fund held its second live Shareholder Call in mid-September. The call was well attended by investors who asked thoughtful pre-submitted and live questions. The recording and transcript have been added to our website and have received a lot of interest.

Profitability:

At an AUM of \$45 million, the Wagons Fund can cover all of Dhandho Funds' fund-level expenses, excluding allocated overhead expenses. We are within 10% of that important milestone.

When allocated overhead expenses are considered, the Fund will be comfortably profitable to Dhandho Funds once its AUM crosses \$150 million. We are confident that as we deliver performance and open more accessible platforms like Schwab and Fidelity, the Fund will continue to scale and achieve this second important milestone.

Mechanism to Exit:

Although I do not recommend that anyone sell their Dhandho units, we do have a mechanism to get you liquidity by helping you sell units if you want to move on. Several

folks have expressed an interest in buying Dhandho units and insiders (excluding me) will have a preference to further align interests. Please email Fahad Missmar (fm@dhandhofunds.com) if this is of interest.

Alignment of Interests

My investment in Dhandho Holdings was worth about \$4.8 million at the 9/30/24 estimated NAV and The Dakshana Foundation's interest is worth \$0.5 million. My family, Fahad Missmar, Jaya Velicherla and The Dakshana Foundation own about 28% of Dhandho Holdings. It is important to note that Dhandho has never issued stock options or given units to management below fair value, etc.

Estimated 2024 Taxes (for US Vehicles)

Estimating DHLP and DHQP's K1s is difficult because we do not receive a K1 estimate from Tandem, a pass thru tax vehicle that accounts for 46% of our NAV. However, we can estimate taxes within our public securities portfolio. Excluding the impact of Tandem, DHLP and DHQP investors had approx. \$0.21 per unit in allocated taxable gains from that public securities portfolio through 9/30/24 (mostly long-term gains). That is equivalent to \$21,000 for a partner with 100,000 units in either DHLP or DHQP.

Please note, this is an internally generated estimate through 9/30/24. It has not been reviewed by our fund administrator or tax preparer, and it is subject to change. It is also an incomplete picture as it excludes Tandem, a material investment. Your final K-1's will be issued in late March.

Firm Brochure, Brochure Supplement, and Privacy Notice

The latest versions of Part 2A of our Form ADV (i.e., our Firm Brochure), Part 2B of our Form ADV (i.e., our Brochure Supplement), and our Privacy Notice can be found in the legal documents tab of our website: [Legal](#).

Online Portal for Investor Statements and Audited Financials

Your 12/31 investor statements and the latest audited financial statements are in your Liccar portal. If you have trouble accessing your investor portal or need to reset your password, please contact Kimberly Engleman at ke@dhandhofunds.com for assistance.

Suggestion Box

We are always interested in hearing how we can better serve you. Please feel free to email me any suggestions/feedback you may have at mp@dhandhofunds.com.

2025 Annual Meeting

There will be two annual meetings held sequentially in 2025: an in-person meeting in Austin, Texas and a virtual meeting. These meetings will cover Pabrai Funds, Dhandho Holdings and Dhandho Funds.

The **In-Person Austin** meeting is scheduled to be held on **Saturday, March 29th, 2025** at 4:00 PM Central Time at:

[St. Edwards University](#)

John Brooks Williams Science Center South
3001 South Congress, Austin, Texas 78704-6489

Tel: +1 512-448-8400

St. Edwards has a beautiful campus lined with 100-year-old Texas live oak trees and is only 10 minutes from downtown Austin. It is also a 10-minute drive from Austin-Bergstrom International Airport (AUS).

There are many hotels and Airbnbs in downtown Austin, and cheaper options 10-15 miles out.

Agenda for the Austin meeting:

4:00 – 4:30 PM: Meet and Greet
4:30 – 6:30 PM: Presentation and Q&A
6:30 – 7:15 PM: Cocktail Hour

The **Virtual** meeting is scheduled to be held via video conference on **Saturday, April 5, 2025**, at 1:00 PM Central Time. Confirmed guests will receive instructions via email on how to attend the virtual meeting.

Agenda for the virtual meeting:

1:00 – 3:00 PM Central Time: Presentation and Q&A

The invites will go out electronically via email in January. Look for it in your inbox! If you don't receive it, please contact invite@pabraifunds.com. Your significant other and young kids are welcome to attend. As we are a Registered Investment Advisor, the SEC requires that all guests must be "accredited investors," which includes your adult kids (22 years or older). The invitation is non-transferable. I look forward to seeing you in March.

Thanks for your continued interest, referrals and support. Feel free to call me at +1512.999.7110 or email me at mp@dhandhofunds.com with any queries or comments.

Warm regards,



Mohnish Pabrai

Note: Various indices are included throughout this letter for reference. Reference to an index or benchmark does not imply that the strategy will achieve returns, experience volatility, or have other results similar to the index.

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Appendix A

Dhandho Holdings LP Performance History (Net to Investors)

No. of Units	Date	NAV	Cumulative Capital Returned	NAV + Capital Returned
11,216,447	03/31/2014	\$10.00	\$0.00	\$10.00
11,216,447	12/31/2014	\$9.93	\$0.00	\$9.93
11,216,447	12/31/2015	\$8.36	\$0.00	\$8.36
11,146,447	12/31/2016	\$8.73	\$0.00	\$8.73
11,145,609	12/31/2017	\$4.92	\$5.00	\$9.92
11,143,443	12/31/2018	\$4.12	\$5.00	\$9.12
11,122,506	12/31/2019	\$3.73	\$6.00	\$9.73
11,100,968	12/31/2020	\$2.64	\$7.50	\$10.14
11,100,968	12/31/2021	\$2.68	\$7.50	\$10.18
11,100,968	12/31/2022	\$1.59	\$8.00	\$9.59
11,089,632	12/31/2023	\$2.06	\$8.00	\$10.06
11,086,204	03/31/2024	\$2.04	\$8.00	\$10.04
11,076,460	06/30/2024	\$1.82	\$8.40	\$10.22
11,076,460	09/30/2024	\$1.65* estimate	\$8.40	\$10.05

Dhandho Holdings Qualified Purchaser LP Performance History (Net to Investors)

No. of Units	Date	NAV	Cumulative Capital Returned	NAV + Capital Returned
3,621,240	03/31/2014	\$10.00	\$0.00	\$10.00
4,002,192	12/31/2014	\$9.93	\$0.00	\$9.93
4,072,192	12/31/2015	\$8.36	\$0.00	\$8.36
4,072,192	12/31/2016	\$8.73	\$0.00	\$8.73
4,072,192	12/31/2017	\$4.92	\$5.00	\$9.92
4,072,192	12/31/2018	\$4.11	\$5.00	\$9.11
4,071,304	12/31/2019	\$3.72	\$6.00	\$9.72
4,070,472	12/31/2020	\$2.59	\$7.50	\$10.09
4,070,472	12/31/2021	\$2.54	\$7.50	\$10.04
4,070,472	12/31/2022	\$1.50	\$8.00	\$9.50
4,070,472	12/31/2023	\$1.88	\$8.00	\$9.88
4,070,472	03/31/2024	\$1.92	\$8.00	\$9.92
4,070,472	06/30/2024	\$1.89	\$8.25	\$10.14
4,070,472	09/30/2024	\$1.70* estimate	\$8.25	\$9.95

Important Disclosures:

Past performance is not indicative of future results. Returns are presented net of all fees and expenses, include the reinvestment of income and are calculated using a simple rate of return. The securities discussed do not represent all securities recommended for the Funds. It is also not a recommendation to buy or sell and one should not presume they will be profitable.

Due to the high concentration in a small number of holdings, each Fund's performance may be hurt disproportionately by the poor performance of one or only a few stocks.

Before making any investment decision, consider whether it is suitable for you and consider seeking advice from your own financial or investment adviser.

Please be aware that our current and past newsletters may discuss specific securities that have performed well without necessarily addressing those that have underperformed within our Fund(s). Readers should not infer that all investment decisions within the Funds were profitable.