

DHANDHO

**4407 Bee Cave Road, Suite 513
West Lake Hills, Texas 78746-6496
USA**

**Tel: +1.512.999.7110
mp@dhandhofunds.com**

To: All Limited Partners & Investors of Dhandho Holdings
From: Mohnish Pabrai, Managing Partner
Date: April 17, 2025
Re: Q1 2025 Letter to Partners

Dear Partners:

Hope all is well. The estimated NAV at 3/31 was \$1.46 per unit for Dhandho Holdings LP and \$1.47 per unit for Dhandho Holdings Qualified Purchaser LP. DHLP is down 9.6% from its final 12/31 NAV of \$1.62 per unit and DHQP is down 11.5% from its 12/31 NAV of \$1.66 per unit. The 3/31 estimates hold our interest in Tandem (51% of the NAV) at the latest valuation available to us, which is the value at 12/31. The remainder of the NAV is almost entirely in our public securities portfolio, which drives most of the quarterly fluctuations.

What Remains at Dhandho Holdings

Dhandho Holdings began operations in earnest in 2014 when we raised \$152 million in capital. Shortly after launching, we realized the venture was a mistake and started to put the toothpaste back in the tube. Since then, we have returned \$127 million, or 82.5-84% of the initial capital. The remainder is presently held in 3 buckets that are collectively valued at \$22 million. They include:

1. Our illiquid investment in a venture capital fund, Tandem, which accounts for approx. 50% of the NAV. Tandem expects one of its portfolio companies to IPO in 2025 and several others to experience liquidity events over the next 2 years. We should receive distributions from Tandem as they get liquidity.
2. Our liquid public securities portfolio, which accounts for approx. 40% of the NAV. This includes a concentrated, high-conviction portfolio of TAV Airports (Turkiye), Warrior Met Coal (US), Reysas Logistics (Turkiye), and an undisclosed bet (US).

3. The book value of Dhandho Funds, which is approx. 10% of the NAV. Dhandho Funds manages the Pabrai Wagons Fund (more on this below), but we have ascribed virtually no value to that franchise in the DH NAV.

In an ideal world, through a combination of meaningful appreciation in our stock portfolio, as well as a few solid distributions from Tandem, we would be able to return the final \$25 million of the initial capital that most of you contributed in the next couple of years. Our stock portfolio has a lot of octane – it is very concentrated and deeply undervalued (in our opinion) – so it is primed to deliver if we are right on the bets (we could be wrong). In addition, earlier this year, Tandem’s management alluded to potential liquidity events for some of its portfolio companies coming down the pike. I am still hopeful we can get you the remainder of your money back in the not-too-distant future.

The Pabrai Wagons Fund (Retail Ticker: WAGNX; Institutional: WGNIX):

Once 100% of your initial capital is returned, you will continue to own a share of Dhandho Funds’ potentially valuable investment advisory business. Dhandho Funds has one client today: The Pabrai Wagons Fund mutual fund. The fund launched on September 29, 2023 and is now available on major platforms like Schwab, Fidelity and Vanguard. Since inception 19 months ago, the Fund has had net inflows of \$72 million. Inflows continue to arrive daily.

Although the Fund had good performance through most of last year, it hit an air pocket this quarter that erased all gains. It is now meaningfully behind the S&P 500 since inception. The drop this quarter was primarily due to a fall in the Fund’s largest holdings: Edelweiss Financial fell 27%, TAV Airports fell 18%, Alpha Met Resources fell 37%, and Reysas Logistics fell 28%. While Alpha’s price drop is justified based on weak met coal index prices, the others dropped on no company news. Price action in these 4 names collectively contributed to 11% of the Fund’s fall in the quarter.

	Q1 2025	Since Inception*
WAGNX	-17.95%	-1.87%
WGNIX	-17.89%	-1.46%
S&P 500	-4.27%	33.67%

*9/29/2023

The good news is that while performance has waned, Wagons’ investors have continued to add fresh \$\$ to the Fund. This has given us plenty of dry powder to add to our high conviction positions at meaningfully lower prices. We believe the gap between the NAV and underlying intrinsic value has widened as a result. I have been very impressed with the Wagons Fund investor base. Despite the offer of daily liquidity, most of them have remained steadfast and patient despite very choppy waters.

The Wagons Fund is circling the wagons around 7 key buckets, which made up approximately 88% of the portfolio as of 3/31/2025:

1. Edelweiss Financial (India): 22% of the portfolio
2. TAV Airports (Turkiye): 15%
3. Select Coal Businesses (Global): 16%
4. Offshore Oil Services (USA): 12%
5. Select Car Dealerships (USA): 9%
6. Select Homebuilders (USA): 8%
7. Reysas (Turkiye): 6%

The Fund's largest position is Edelweiss, which made up more than 1/5 of its assets at 3/31/25. As a registered mutual fund, the Wagons Fund is not subject to the FPI disclosure rules that private funds are required to follow in India. This allows the Wagons Fund to go long Edelweiss, which is very cheap today. By our estimation, it trades at less than 1/3 of its intrinsic value. Its current market cap is approx. \$1 billion. Over the next 5-6 years, it plans to spin off at least 4 different subsidiaries, each of which could have a market cap exceeding \$1 billion. These spin-offs should unlock tremendous value.

In addition, the Wagons Fund has 15% of its NAV in TAV Airports (Turkiye). TAV operates 15 airports in 8 countries and serves over 100 million passengers a year. In 2021, TAV purchased 85% of Almaty International Airport in Kazakhstan. They put \$120 million of equity into the deal, and in 2024, it generated \$116 million in EBITDA to TAV. This asset alone could be worth several billion dollars in a few years. The current market cap of TAV is just \$2.4 billion. Almaty is just one of several billion-dollar gems within TAV.

The other allocations in the Wagons Fund also sport valuations that make us scratch our heads. They should do very well in the fullness of time. We are very bullish on this portfolio. We are probably wrong on a few of our businesses (we wish we knew which ones!). But we believe we have several bets with multi-bagger possibilities. You can learn more about the Wagons Fund here: <https://www.wagonsfund.com/>.

Given the drawdown, the Wagons Fund's AUM is now at a little under \$60 million. At this AUM, the Fund is covering its fund-level expenses, but losing money once SG&A and overhead are factored in. We need to be above \$150 million for us to be comfortably profitable. I am confident we will get there in due time. If we can scale to \$1 billion AUM, pre-tax income may be around \$6-7 million, and the business would be worth \$60-100 million to Dhandho Holdings shareholders. The DH NAV today continues to ascribe virtually no value to the Wagons Fund, which is correct given the uncertainties involved.

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.

Dhandho Holdings 2025 Annual Meeting Presentation

We had two very successful annual meetings in March and April. One in-person meeting at St. Edwards University in Austin and a virtual meeting. It was a pleasure to meet old friends and partners and welcome new ones. I'm very grateful to Kimberly and Pauline for all their diligence in organizing the various facets of the meetings and dinners so flawlessly. The Annual Meeting presentation slides are posted on our website (the password to access the video is "Munger"):

[Pabrai Funds/Dhandho 2025 Annual Meeting Presentation on Vimeo](#)

The transcript will be available in the [Annual Reports/Media tab](#) of our website by the end of April.

Alignment of Interests

My investment in Dhandho Holdings was worth about \$4.2 million at the 3/31/25 estimated NAV and The Dakshana Foundation's interest is worth \$0.4 million. My family, Fahad Missmar, Jaya Velicherla and The Dakshana Foundation own about 30% of Dhandho Holdings. It is important to note that Dhandho has never issued stock options or given units to management below fair value, etc.

Final K-1's (for US Investors)

Your final K-1s were uploaded to the portal mid-March. If you (or your accountant) need assistance downloading the K-1, please nudge Kimberly Engleman at ke@dhandhofunds.com.

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 Audited Financials and Annual Investor Statements

The latest audited financial statements and your 12/31 annual investor 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.

2026 Annual Meeting

As we did this year, we intend to have two annual meetings sequentially in April 2026: an in-person meeting in Austin, Texas and a virtual meeting. These meetings will cover Pabrai Funds, Dhandho Holdings and Dhandho Funds. We will provide dates for both events in future letters.

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,

A handwritten signature in black ink, appearing to read 'Mohnish Pabrai', with a long horizontal flourish extending to the right.

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
11,072,520	12/31/2024	\$1.62	\$8.40	\$10.02
11,072,520	3/31/2025	\$1.46* estimate	\$8.40	\$9.86

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	12/31/2024	\$1.66	\$8.25	\$9.91
4,070,472	3/31/2025	\$1.47* estimate	\$8.25	\$9.72

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.