PABRAI INVESTMENT FUNDS

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To: All Limited Partners and Investors of the Pabrai Investment Funds

From: Mohnish Pabrai, Managing Partner

Date: April 15, 2022

Re: **Q1 2022 Letter to Partners**

Dear Partners:

For the quarter ended March 31, 2022, a total of $6 million was added to the various funds by new and existing partners. The additions on a per fund basis are:

PIF2: $0.1 million PIF3: $2.5 million PIF4: $3.4 million

PIF2 is the oldest fund and has been closed to new investors for many years. SEC rules limit PIF2 to a total of 100 partners and the fund currently has three open slots. PIF2 is open to US-based investors who are Qualified Clients. The minimum investment to join PIF2 as a new partner is $4 million.

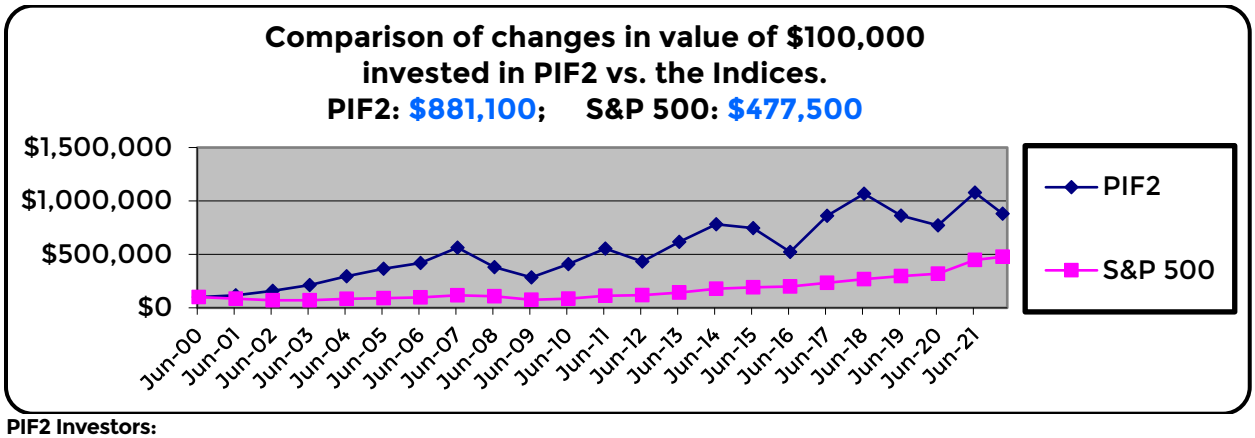
PIF3 is our offshore fund for non-US accredited offshore investors, and U.S. IRAs, foundations, and endowments. The minimum investment to join PIF3 as a new partner is $3.5 million. PIF4 is for US-based investors who are Qualified Purchasers. The minimum investment to join PIF4 as a new partner is $5 million.

For current investors in any of the funds, the minimum addition to their current investment is $25,000. For IRA investors the minimum is $5,000. Here are the deposit slips for PIF2, PIF3 and PIF4. If you are interested in or would like more information about the July 1, 2022 opening, please contact me at mp@pabraifunds.com or Kimberly Engleman at ke@pabraifunds.com.

The updated performance numbers on all the funds are:

THE PABRAI INVESTMENT FUND II, LP (US Qualified Investors) Performance Summary:

	S&P 500	PIF2 (net to investors)
10/1/00-6/30/01	-14.0%	17.4%
7/1/01-6/30/02	-18.0%	35.3%
7/1/02-6/30/03	0.3%	34.2%
7/1/03-6/30/04	19.1%	38.7%
7/1/04-6/30/05	6.3%	23.4%
7/1/05-6/30/06	8.6%	15.0%
7/1/06-6/30/07	20.6%	34.0%
7/1/07-6/30/08	-13.1%	-32.4%
7/1/08-6/30/09	-26.2%	-25.2%
7/1/09-6/30/10	14.4%	43.6%
7/1/10-6/30/11	30.7%	35.8%
7/1/11-6/30/12	3.9%	-21.8%
7/1/12-6/30/13	20.6%	42.2%
7/1/13-6/30/14	24.6%	26.7%
7/1/14-6/30/15	7.4%	-4.5%
7/1/15-6/30/16	4.0%	-30.0%
7/1/16-6/30/17	17.9%	64.9%
7/1/17-6/30/18	14.4%	23.9%
7/1/18-6/30/19	10.4%	-19.2%
7/1/19-6/30/20	7.5%	-10.6%
7/1/20-6/30/21	40.8%	39.7%
7/1/21-3/31/22	6.5%	-18.3%
1/1/22-3/31/22	-4.6%	-19.1%
Annualized	**7.5%**	**10.6%**
Cumulative	**377.5%**	**781.1%**

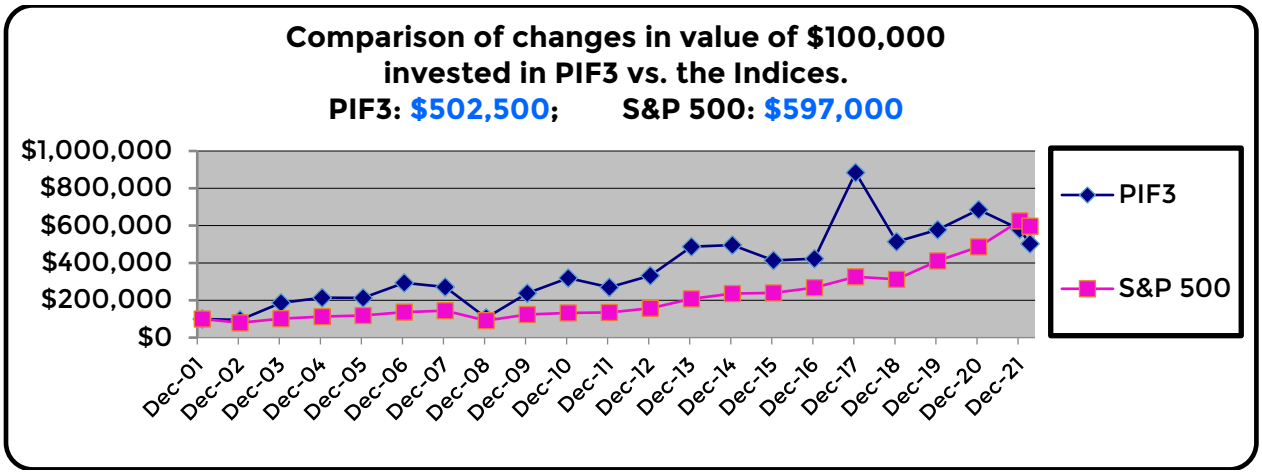


PIF2 Investors:

A $100,000 investment in PIFI at inception on July 1, 1999 and rolled over into PIF2 on 12/31/02 ($197,900) was worth $1,234,400 as of March 31, 2022 (net to investors). This equates to an annualized return of 11.7% since inception – after all fees and expenses. An investment of $100,000 in the S&P 500 on July 1, 1999 was worth $507,100 on March 31, 2022 – an annualized gain of 7.4%. The S&P 500 gains include reinvested dividends. In the graph above, the start date for PIF2 is shown as June 2000 for readability. The correct start date is October 2000.

PABRAI INVESTMENT FUND 3, LTD (Offshore/IRA Investors) Performance Summary:

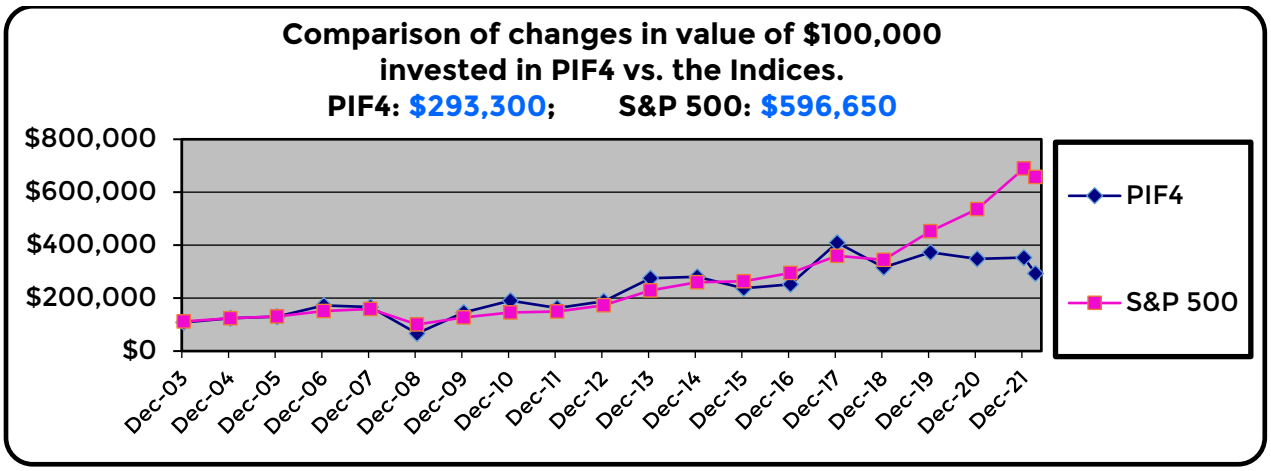
	S&P 500	PIF3 (net to investors)
2/1/02-12/31/02	-20.4%	-5.2%
1/1/03-12/31/03	28.7%	96.5%
1/1/04-12/31/04	10.9%	14.7%
1/1/05-12/31/05	4.9%	-0.2%
1/1/06-12/31/06	15.8%	37.8%
1/1/07-12/31/07	5.5%	-7.8%
1/1/08-12/31/08	-37.0%	-60.9%
1/1/09-12/31/09	26.5%	125.0%
1/1/10-12/31/10	15.1%	34.4%
1/1/11-12/31/11	2.1%	-15.7%
1/1/12-12/31/12	16.0%	23.4%
1/1/13-12/31/13	32.4%	46.6%
1/1/14-12/31/14	13.7%	1.9%
1/1/15-12/31/15	1.4%	-16.7%
1/1/16-12/31/16	11.9%	2.3%
1/1/17-12/31/17	21.8%	109.2%
1/1/18-12/31/18	-4.4%	-41.9%
1/1/19-12/31/19	31.5%	12.5%
1/1/20-12/31/20	18.4%	18.4%
1/1/21-12/31/21	28.7%	-15.2%
1/1/22-3/31/22	-4.6%	-13.5%
Annualized	**9.3%**	**8.3%**
Cumulative	**496.6%**	**402.5%**



PIF3 Investors:
A $100,000 investment in PIF3 at inception on February 1, 2002 was worth $502,500 as of March 31, 2022 (net to investors). This equates to an annualized return of 8.3% since inception. An investment of $100,000 in the S&P 500 on February 1, 2002 was worth $597,000 on March 31, 2022 – an annualized gain of 9.3%. The S&P 500 gains include reinvested dividends. In the graph above, the start date for PIF3 is shown as December 31, 2001 for readability. The correct start date is Feb. 1, 2002.

THE PABRAI INVESTMENT FUND IV, LP (US Qualified Investors) Performance Summary:

	S&P 500	PIF4 (net to investors)
10/1/03-12/31/03	12.2%	8.4%
1/1/04-12/31/04	10.9%	14.4%
1/1/05-12/31/05	4.9%	4.9%
1/1/06-12/31/06	15.8%	32.4%
1/1/07-12/31/07	5.5%	-3.4%
1/1/08-12/31/08	-37.0%	-60.0%
1/1/09-12/31/09	26.5%	118.8%
1/1/10-12/31/10	15.1%	30.7%
1/1/11-12/31/11	2.1%	-14.8%
1/1/12-12/31/12	16.0%	16.1%
1/1/13-12/31/13	32.4%	46.0%
1/1/14-12/31/14	13.7%	1.8%
1/1/15-12/31/15	1.4%	-15.4%
1/1/16-12/31/16	11.9%	6.3%
1/1/17-12/31/17	21.8%	62.4%
1/1/18-12/31/18	-4.4%	-22.8%
1/1/19-12/31/19	31.5%	18.0%
1/1/20-12/31/20	18.4%	-6.7%
1/1/21-12/31/21	28.7%	1.5%
1/1/22-3/31/22	-4.6%	-17.0%
Annualized	**10.7%**	**6.0%**
Cumulative	**558.0%**	**193.3%**



PIF4 Investors:
A $100,000 investment in PIF4 at inception on October 1, 2003 was worth $293,300 as of March 31, 2022 (net to investors). This equates to an annualized gain of 6.0% since inception. An investment of $100,000 in the S&P 500 on October 1, 2003 was worth $658,000 on March 31, 2022 – an annualized gain of 10.7%. The S&P 500 gains include reinvested dividends. In the graph above, the start date for PIF4 is shown as Dec 31, 2003 for readability. The correct start date is Oct. 1, 2003.

General Comments

All three funds significantly underperformed the S&P 500's 4.6% drop in Q1 22. The S&P 500 is a market cap weighted index. The largest constituents (Apple, Microsoft, Alphabet etc.) mostly recovered quickly after the Russian invasion of Ukraine. The overwhelming majority of companies in the S&P 500 are sporting double digit losses for the quarter and have yet to fully recover. Their weight in the index is far lower and hence did not impact the index much.

For example, Micron is our largest position and comes in as the 99th largest business in the S&P 500 and has a 0.22% weightage in the index. It is down 19% for the quarter. Micron reported blow out earnings on March 29 and issued long-term and quarterly guidance well above analyst expectations. The stock still sank. Micron's business is doing better than I expected and I remain very bullish on its prospects. The stock has doubled since we bought it in 2018, but is still deeply undervalued. Their business is firing on all cylinders. Even at its depressed valuation, Micron has a roughly 25% weight across the three funds. When it is down 19%, it is no surprise that our results are worse than the S&P 500. I'd rather own Micron at present prices than anything else in the S&P.

The funds have very little in common with the S&P 500. Thus, it is unlikely that the funds will move in lockstep with the index. I do fully expect all three funds to continue beating the S&P over the long haul – after all fees and expenses.

For all three funds, the top 3 positions make up 50-60% of assets and the top 8 positions make up 90-95% of assets. We don't invest more than 10% of AUM into a single idea. The top 3 are larger than 30% mainly due to unrealized gains.

> *"In this business if you're good, you're right six times out of ten.*
> *You're never going to be right nine times out of ten"*
>
> - Peter Lynch

Sir John Templeton has a similar quote about the best analyst only being right two out of three times. So, what if we are proven right on only half our bets? Well, we'll make hundreds of millions of dollars and our AUM will be over a billion. If we are right on more than half the portfolio, depending on how many more than half of the bets work, barring redemptions, our assets will be anywhere between $1 and $2 billion. It is currently around $450 million.

We have just released our Annual Report for 2021. It has more color on our portfolio, prospects, and a few candid post-mortems. I encourage you to read it as long form commentary is now mostly in the annual reports.

While our recent results don't obviously reflect it, Pabrai Funds is in great shape. We own stakes in several great businesses run by fantastic managers – currently changing hands

at a fraction of their underlying value. In the long run, the stock market is a weighing machine, and these businesses will get appropriately valued.

Liccar has posted your updated Q1 22 statements on our portal. You can login here with your credentials. Please contact Kimberly Engleman (ke@pabraifunds.com) if you have any issues logging in.

Request for Approval of PIF2 and PIF4 Restated Limited Partnership Agreements

Over the past 21 years for PIF2, and 19 years for PIF4, we have made various amendments to each fund's respective Limited Partnership Agreement. To simplify and clean-up the legal docs, we have incorporated the amendments into restated drafts of both legal agreements. We also included other proposed changes and updates, such as updating Dalal Street LLC to its new domicile in Texas and extending PIF4's term to be indefinite. The drafts need partner approval, and we will be reaching out in the coming weeks via email to provide additional information on the drafts and seek your approval. Please look out for our email.

Nothing in the documents being sent for your approval change the basic agreement we've had between you and me for nearly the last quarter century. The changes make it easier for new investors to understand the agreement and terms between us.

We Have Moved to Texas!

Pabrai Funds, Dhandho Holdings, Dhandho Funds and Dakshana have all closed their Irvine, California office and operations, and the office and team have permanently relocated to Austin, Texas. We are excited for our next chapter in the Lone Star State!

Please note our new address and telephone number:

1250 S. Capital of Texas Highway
Suite 1-520
Austin, Texas 78746-6414
USA

Tel: +1.512.999.7110

The entire team is happy with the move and loves our Austin office with its great views of downtown.

Alignment of Interests

My immediate family has a stake of 175,859 units of PIF2 and 433,197 units of PIF4. The administrative team at Pabrai Funds and I own 54,157 units of PIF4 and 11,773 units of PIF3 in various retirement accounts. In addition, The Dakshana Foundation owns 92,070 units of PIF3. The aggregate stake of the Pabrai family, the Pabrai Funds team and The Dakshana Foundation in Pabrai Funds is worth approximately $35 million.

Pabrai Funds charges no management fee, just performance fees – which are ¼ of the returns over 6% annualized (subject to high-water marks). I only get paid when you make money. When you win, I win. I am very bullish on the long-term future of Pabrai Funds – as demonstrated by my being the second largest investor in the funds. No fees were earned in Q1 2022.

I have an approximately $6 million investment in Dhandho Holdings. Additionally, The Dakshana Foundation has an approximately $0.6 million investment in Dhandho Holdings. Besides this, I have no other meaningful interests in any other mutual funds, hedge funds or private equity funds. Our interests are completely aligned.

Online Portal for Investment Statements

Your 3/31 investor statement have been uploaded to your investor portal. If you have trouble accessing your investor portal or need to reset your password, please contact Kimberly Engleman at ke@pabraifunds.com for assistance.

Our fund administrator, Liccar, has migrated all investor portals to a new platform. You should have already received a link from Liccar Fund Services to set up your new portal. If you did not receive your email invitation, or you are experiencing issues, please contact Kimberly as soon as possible.

Final K-1's (for US Investors)

For PIF2 and PIF4 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@pabraifunds.com.

Annual Redemption Date Only for Retirement Account RMDs

We have an annual redemption date on September 30th only for retirement accounts invested in the PIFs in which the beneficial owner is 72 years or older. The purpose of this is to allow folks who are 72 years or older and who are invested in the PIFs with retirement assets to meet their annual RMDs. These investors can also still redeem whatever they wish on 12/31 with 60 days' advance notice.

We recommend that these folks make their first redemption request with the next 5 years in mind and redeem 20% of their balance. They can then keep those retirement funds in cash or a low-cost index fund with daily liquidity (e.g., an S&P 500 index fund with their broker/custodian) and tap that annually for RMDs as needed. Then, each year, they can redeem an additional 3.5% - 7% to make sure that they have sufficient funds for RMDs at all times.

We need to receive the redemption request with 60 days' advance notice (i.e., by August 1st). Please nudge Kimberly Engleman at ke@pabraifunds.com if this is of interest and she will provide you with a redemption request form.

Chai With Pabrai Blog

Please check out my blog www.ChaiWithPabrai.com which I try to keep updated. With zero travel due to Covid, I have reduced my decline rate on speaking to students. I try to do 1-2 Zoom sessions with students every month. This is about the max. of what I am interested in doing. Here are some recent additions to the blog:

Value Investing Masterclass with NUS MBA students at NUS Business School - January 2022

I very much enjoyed my Q&A session with the NUS MBA students at NUS Business School. I discussed some of my past investments, the power of compounding and value investing.

Value Investing Masterclass with NUS MBA students at NUS Business School - January 2022

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@pabraifunds.com

2022 Annual Meetings – Tentative Dates

Covid-permitting, we are excited for the return of our in-person annual meeting in 2022! We intend to have two annual meetings held sequentially in 2022: 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 tentatively scheduled to be held on **Saturday, September 10th, 2022** at 4:00 PM Central Time. The location will be determined and announced in this section of a future letter. Similar to our annual meetings pre-Covid, the Austin meeting will be followed by a cocktail hour with refreshments and light food served. Stay tuned for more details!

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 tentatively scheduled to be held via video conference on **Saturday, September 24th, 2022** at 2:00 PM Central Time. Confirmed guests will receive instructions via email on how to attend the virtual meeting.

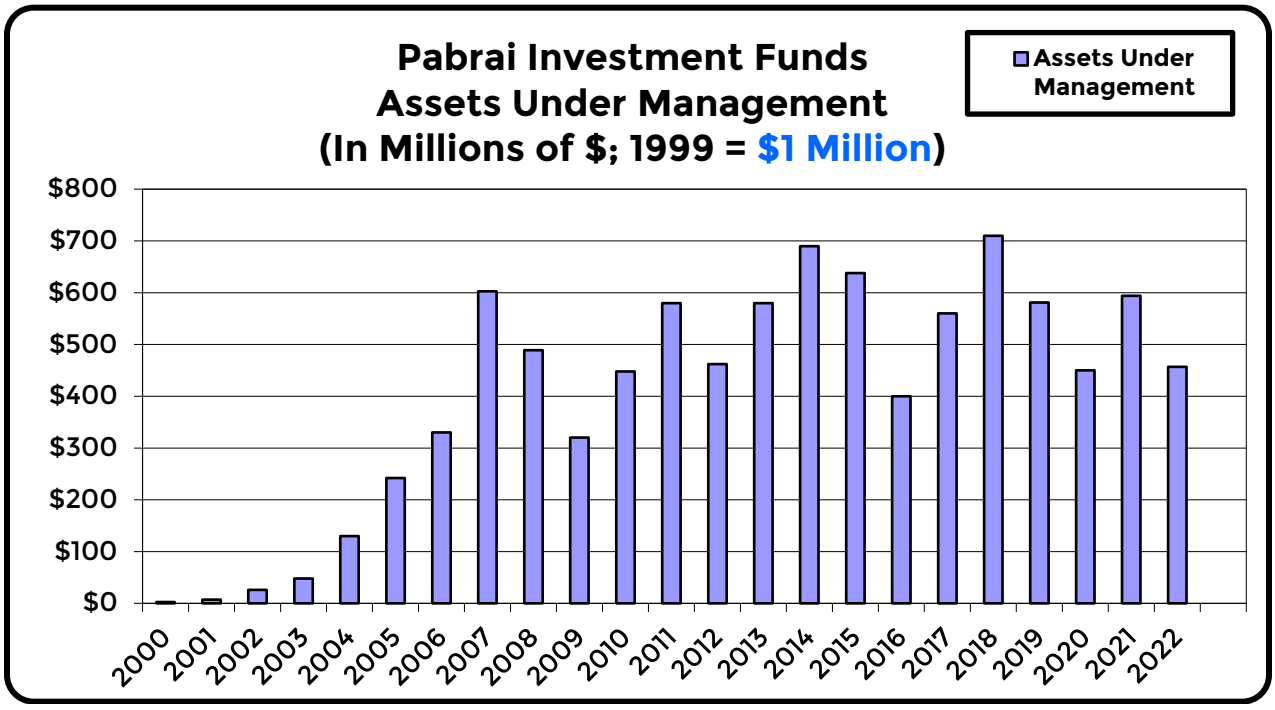
Agenda for the virtual meeting:

2:00 – 4:00 PM Central Time:	Presentation and Q&A

The invites will go out electronically via email in July 2022. 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 now 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 September.

Assets Under Management

There is $457 million in assets across all three funds as of March 31, 2022.



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

Warmly,



Mohnish Pabrai

Note: The assets under management in the above graph are as of June 30 for all annual periods. 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. As an example, the Funds may invest in foreign securities or fixed income instruments; however the indices presented only include U.S. securities. These indices are purely a basket of stocks, and the Funds may invest in securities other than stocks such as bonds, warrants and preferred stocks. The Funds typically hold fewer than 10 positions as compared to 500 in the S&P, 30 in the DJIA, and thousands in the NASDAQ. Therefore, the Funds are significantly more concentrated than the benchmark indices and may experience notably higher volatility and return characteristics from these indices.

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Appendix A

PIF2's Performance History (Net to Investors)

No. of Units	Date	PIF2 NAV
110,000	10/01/2000	$10.00
330,014	06/30/2001	$11.74
1,027,795	06/30/2002	$15.89
1,950,982	06/30/2003	$21.32
2,445,212	06/30/2004	$29.58
2,696,687	06/30/2005	$36.52
2,646,687	06/30/2006	$41.99
3,013,111	06/30/2007	$56.25
2,934,990	06/30/2008	$38.01
2,468,091	06/30/2009	$28.45
2,409,165	06/30/2010	$40.84
2,257,421	06/30/2011	$55.46
2,180,892	06/30/2012	$43.36
2,057,676	06/30/2013	$61.68
1,906,927	06/30/2014	$78.13
1,795,006	06/30/2015	$74.64
1,684,602	06/30/2016	$52.26
1,774,805	06/30/2017	$86.17
1,959,084	06/30/2018	$106.77
1,896,122	06/30/2019	$86.30
1,830,037	06/30/2020	$77.13
1,833,800	03/31/2021	$101.15
1,841,919	06/30/2021	$107.77
1,841,919	09/30/2021	$108.71
1,806,321	12/31/2021	$108.91
1,807,058	03/31/2022	$88.11

PIF3's Performance History (Net to Investors)

No. of Units	Date	PIF3 NAV
65,100	02/01/2002	$10.00
265,919	12/31/2002	$9.48
485,041	12/31/2003	$18.63
1,774,753	12/31/2004	$21.37
2,478,793	12/31/2005	$21.32
2,930,608	12/31/2006	$29.37
6,438,615	12/31/2007	$27.09
5,415,189	12/31/2008	$10.57
5,038,658	12/31/2009	$23.79
4,885,267	12/31/2010	$31.95
4,701,613	12/31/2011	$26.92
4,318,818	12/31/2012	$33.21
4,384,591	12/31/2013	$48.70
4,290,222	12/31/2014	$49.61
3,805,336	12/31/2015	$41.33
2,433,652	12/31/2016	$42.27
2,409,693	12/31/2017	$88.45
2,473,097	12/31/2018	$51.42
2,376,897	12/31/2019	$57.85
2,326,717	12/31/2020	$68.52
2,447,468	03/31/2021	$66.38
2,503,234	06/30/2021	$67.88
2,562,361	09/30/2021	$61.52
2,442,868	12/31/2021	$58.11
2,493,556	03/31/2022	$50.25

PIF4's Performance History (Net to Investors)

No. of Units	Date	PIF4 NAV
595,030	10/01/2003	$10.00
1,219,330	12/31/2003	$10.84
5,627,712	12/31/2004	$12.40
9,314,803	12/31/2005	$13.01
11,528,331	12/31/2006	$17.23
16,899,746	12/31/2007	$16.64
15,737,042	12/31/2008	$ 6.66
15,725,066	12/31/2009	$14.57
15,251,129	12/31/2010	$19.05
14,493,713	12/31/2011	$16.24
12,398,564	12/31/2012	$18.85
11,560,683	12/31/2013	$27.53
10,642,015	12/31/2014	$28.03
9,531,764	12/31/2015	$23.71
8,792,042	12/31/2016	$25.21
8,040,030	12/31/2017	$40.96
7,809,565	12/31/2018	$31.64
6,628,989	12/31/2019	$37.33
6,034,088	12/31/2020	$34.82
6,273,790	03/31/2021	$35.24
6,295,904	06/30/2021	$35.75
6,331,699	09/30/2021	$34.92
5,783,836	12/31/2021	$35.33
5,894,056	03/31/2022	$29.33

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.

Please be aware that our 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.