



**H.I.G. WhiteHorse Principal Lending Offshore Feeder Fund, L.P.**

**Statement of Changes in Partner's Capital**

**For the Nine Months Ended September 30, 2021**

**(Unaudited)**

**Edmond De Rothschild (Suisse) S.A.**

**Fund Commitment: \$391,207,182**

**Investor Commitment: \$15,300,000**

Partner's capital, January 1, 2021	\$ 5,239,460
Capital contributions	4,853,244
Capital distributions	(880,080)
Declared distributions payable	(658,660)
<b>Net increase in partner's capital from operations allocated from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.</b>	
Dividend income	34,335
Interest and fee income	1,287,637
Management fees	(163,089)
Incentive fees	(149,567)
Professional fees and other expenses	(26,281)
Interest expense	(230,793)
Net realized gain on investments and foreign currency transactions	7,925
Net realized loss on derivative instruments	(1,490)
Net change in unrealized value of investments and foreign currency transactions	79,981
Net change in unrealized value of derivative instruments	9,084
<b><i>Total net increase in partner's capital from operations allocated from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.</i></b>	<b>847,742</b>
Professional fees and other expenses	166
Partner's capital, September 30, 2021	<b>\$ 9,401,872</b>

**Summary of Partner's Remaining Capital Commitment**

Remaining capital commitment, January 1, 2021	\$ 9,764,957
Capital contributions	(4,853,244)
Capital distributions recallable - expenses	189,205
Remaining capital commitment, September 30, 2021	<b>\$ 5,100,918</b>



**H.I.G. WhiteHorse Principal Lending Offshore Feeder Fund, L.P.**  
**Consolidated Statement of Assets, Liabilities and Partners' Capital**  
**September 30, 2021**  
**(Unaudited)**

**Assets**

Investment in H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	\$ 241,947,954
Due from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	16,841,344
<b>Total assets</b>	<b>\$ 258,789,298</b>

**Liabilities and Partners' Capital**

**Liabilities**

Distributions payable	\$ 16,841,344
Deferred tax liability	801,138
Due to H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	439,368
Accounts payable and accrued expenses	310,093
<b>Total liabilities</b>	<b>18,391,943</b>

**Partners' capital**

	240,397,355
<b>Total liabilities and partners' capital</b>	<b>\$ 258,789,298</b>



**H.I.G. WhiteHorse Principal Lending Offshore Feeder Fund, L.P.**  
**Consolidated Statement of Operations**  
**Nine Months Ended September 30, 2021**  
**(Unaudited)**

**Net realized and unrealized gain/(loss) on investments, derivative instruments, and foreign currency transactions allocated from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**

Net realized gain on investments	\$ 208,513
Net realized loss on derivative instruments	(38,109)
Net realized loss from foreign currency transactions	(5,820)
Net change in unrealized value of investments	1,987,741
Net change in unrealized value of derivative instruments	232,282
Net change in unrealized value from translation of assets and liabilities in foreign currencies	57,293

**Net gain on investments, derivative instruments, and foreign currency transactions allocated from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**

2,441,900

**Net investment income allocated from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**

Investment income	
Interest income	31,608,497
Fee income	1,315,175
Dividend income	877,907
Total investment income	33,801,579

Expenses

Interest expenses	5,901,179
Management fees	4,170,037
Accrued incentive fees	3,824,288
Professional fees and other expenses	671,991
Total expenses	14,567,495

**Net investment income allocated from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**

19,234,084

**Partnership income and expenses**

Professional fees and other expenses	128,600
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**Net investment income before income taxes**

19,105,484

Income tax expense (benefit)	(132,833)
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**Net investment income after income taxes**

19,238,317

**Net increase in partners' capital from operations**

**\$ 21,680,217**



**H.I.G. WhiteHorse Principal Lending Offshore Feeder Fund, L.P.**  
**Consolidated Statement of Cash Flows**  
**Nine Months Ended September 30, 2021**  
**(Unaudited)**

**Cash flows from operating activities**

Net increase in partners' capital from operations	\$ 21,680,217
Adjustments to reconcile net increase in partners' capital from operations to net cash used in operating activities	
Purchases of investments in H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	(123,178,037)
Proceeds from disposition of investments in H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	39,344,183
Net income allocated from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	(21,675,984)
Changes in operating assets and liabilities:	
Due from H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	(12,081,535)
Deferred tax liability	(590,794)
Due to H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.	(9,896,971)
Accounts payable and accrued expenses	91,192
Net cash used in operating activities	<u>(106,307,729)</u>

**Cash flows from financing activities**

Capital contributions	132,254,876
Capital distributions	<u>(27,262,648)</u>
Net cash provided by financing activities	<u>104,992,228</u>

**Net change in cash and cash equivalents** (1,315,501)

Cash and cash equivalents, beginning of period 1,315,501

**Cash and cash equivalents, end of period** \$ -



**H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**  
**Consolidated Statement of Assets, Liabilities and Partners' Capital**  
**September 30, 2021**  
**(Unaudited)**

**Assets**

Investments, at fair value (cost \$606,824,267)	\$ 608,180,761
Cash and cash equivalents	2,630,637
Restricted cash	10,239,540
Interest receivable	3,551,958
Amounts receivable on unsettled investment transactions	3,144,085
Due from affiliates	457,500
Dividend receivable	235,936
Unrealized gain on derivative instruments	208,392
Other receivable	162,984
Escrow receivable	28,248
<b>Total assets</b>	<b>\$ 628,840,041</b>

**Liabilities and Partners' Capital**

**Liabilities**

Debt (net of unamortized debt issuance costs of \$4,076,095)	\$ 361,655,865
Distributions payable	16,862,869
Incentive fees payable	5,980,027
Amounts owed on unsettled investment transactions	1,764,014
Advances received from unfunded credit facilities	784,553
Interest payable	317,622
Accounts payable and accrued expenses	114,845
<b>Total liabilities</b>	<b>387,479,795</b>

<b>Partners' capital</b>	<b>241,360,246</b>
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<b>Total liabilities and partners' capital</b>	<b>\$ 628,840,041</b>
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**H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**  
**Consolidated Statement of Operations**  
**Nine Months Ended September 30, 2021**  
**(Unaudited)**

**Investment income**

Interest income	\$ 31,648,896
Fee income	1,316,856
Dividend income	879,029
Total investment income	<u>33,844,781</u>

**Expenses**

Interest expense	5,908,722
Management fees	4,170,037
Accrued incentive fees	3,824,288
Professional fees and other	672,850
Total expenses	<u>14,575,897</u>

**Net investment income** 19,268,884

**Net realized and unrealized gain/(loss) on investments,  
 derivative instruments, and foreign currency transactions**

Net realized gain on investments	208,779
Net realized loss on derivative instruments	(38,158)
Net realized loss from foreign currency transactions	(5,827)
Net change in unrealized value of investments	1,990,282
Net change in unrealized value of derivative instruments	232,579
Net change in unrealized value from translation of assets and liabilities in foreign currencies	57,366
Net realized and unrealized gain	<u>2,445,021</u>

**Net increase in partners' capital from operations** \$ 21,713,905



**H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**  
**Consolidated Statement of Cash Flows**  
**Nine Months Ended September 30, 2021**  
**(Unaudited)**

<b>Cash flows from operating activities</b>	
Net increase in partners' capital from operations	\$ 21,713,905
Adjustments to reconcile net increase in partners' capital	
from operations to net cash used in operating activities	
Net realized gain on investments	(208,779)
Net realized loss on derivative instruments	38,158
Net change in unrealized value of investments	(1,990,282)
Net change in unrealized value of derivative instruments	(232,579)
Amortization of deferred debt issuance costs	423,467
Paid-in-kind interest	(497,990)
Accretion of loan origination discount	(3,383,398)
Purchases of investments	(404,936,914)
Proceeds from the disposition of investments	172,297,607
Proceeds for derivative instruments	26,586
Payments for derivative instruments	(64,744)
Changes in operating assets and liabilities:	
Interest receivable	(1,704,469)
Amounts receivable on unsettled investment transactions	(2,623,545)
Due from affiliates	401,515
Dividend receivable	(106,354)
Other receivable	32,755
Escrow receivable	(28,248)
Incentive fees payable	3,824,288
Amounts owed on unsettled investment transactions	1,763,258
Advances received from unfunded credit facilities	249,443
Interest payable	(46,949)
Accounts payable and accrued expenses	(202,606)
Management fees payable	(27,980)
Net cash used in operating activities	<u>(215,283,855)</u>
<b>Cash flows from financing activities</b>	
Proceeds from revolving line of credit	344,159,171
Paydowns of revolving line of credit	(222,279,599)
Payments for debt issuance costs	(3,079,076)
Capital contributions	132,812,794
Capital distributions	(27,440,125)
Net cash provided by financing activities	<u>224,173,165</u>
<b>Net increase in cash, cash equivalents and restricted cash</b>	8,889,310
Cash, cash equivalents and restricted cash, beginning of the period	<u>3,980,867</u>
<b>Cash, cash equivalents and restricted cash, end of the period</b>	<u><u>\$ 12,870,177</u></u>
<b>Supplemental disclosures of cash flow information</b>	
Cash interest paid during the period	\$ 5,532,203

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated statement of assets, liabilities and partners' capital that sum to the total of the same amounts presented in the consolidated statement of cash flows:

	September 30, 2021
Cash and cash equivalents	\$ 2,630,637
Restricted cash	10,239,540
Total cash, cash equivalents and restricted cash presented in the consolidated statement of cash flows	<u><u>\$ 12,870,177</u></u>



**H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.**  
**Investor Report**  
**September 30, 2021**  
**(Unaudited)**

**Fund Commitment: \$391,707,181.73**

	<b>Total Employed Capital<sup>(1)</sup></b>	<b>Cumulative Capital Invested<sup>(2)</sup></b>	<b>Realized Proceeds<sup>(3) (4)</sup></b>	<b>Unrealized Value<sup>(4) (5)</sup></b>	<b>Total Value</b>	<b>Gross IRR<sup>(7)</sup></b>
<b>Investments</b>	<b>\$ 308,620,911</b>	<b>\$ 732,387,708</b>	<b>\$ 182,990,053</b>	<b>\$ 611,115,592</b>	<b>\$ 794,105,645</b>	<b>31.2%</b>
Additional Pending / Committed Investments <sup>(6)</sup>		<b>\$ 176,900,000</b>				
<b>Total Invested / Committed Investments</b>		<b>\$ 909,287,708</b>				

(1) Life to date capital called for investments (less amounts distributed back from those investments representing return of capital) plus current subscription line leverage outstanding, net of management fees, partnership expenses and return of unused capital (where applicable).

(2) Total amount invested on trade date basis, including recycled capital.

(3) Reflects all net realized proceeds received including from interest, fees, gains, and returns of capital.

(4) Gross of management fees, subscription line leverage, partnership expenses, income earned on short-term investments and performance fees (whether structured as carried interest or as an incentive fee).

(5) Unrealized valuations are based on management's reasonable estimates. Actual results may vary substantially from estimates shown above.

(6) Represents investments committed to, but not yet closed or funded, between the reporting date and the issuance of this report. Also includes estimated amounts for follow-on investments and projected closings. Final investment amounts may differ.

(7) Gross IRRs are based on aggregate, monthly cash flows and estimated valuations as of the report date. Gross returns reflect performance before effects of management fees, partnership expenses, income earned on short-term investments, and performance fees. The Fund-level gross IRR is inclusive of the effects of leverage.





# H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.

## Investor Report September 30, 2021 (Unaudited)

Fund Commitment: \$391,707,181.73

Company	Business Description	Industry	Cumulative Capital Invested <sup>(1)</sup>	Realized Proceeds <sup>(2) (3)</sup>	Unrealized Value <sup>(3) (4)</sup>	Total Value	Gross IRR <sup>(5)(6)(7)</sup>
Quest Events, LLC	Event drapery and furnishings provider	Diversified Support Services	\$ 4,466,026	\$ 668,626	\$ 3,896,728	\$ 4,565,354	0.8%
Crown Brands, LLC	Food preparation equipment and service products	Distributors	3,470,017	1,973,737	2,076,655	4,050,392	6.8%
Pluto Acquisition Topco, LLC	Background check and employment screening provider	Human Resource & Employment Services	5,807,823	1,668,526	5,324,991	6,993,517	8.8%
Access USA Shipping, LLC	Domestic to international shipping services	Air Freight & Logistics	3,540,834	1,362,358	3,081,594	4,443,952	10.2%
JVMC Holdings Corp.	Independent Futures Commission Merchant	Investment Banking & Brokerage	3,532,921	1,559,503	2,675,912	4,235,415	8.7%
Planet Fit Indy 10 LLC	Gym owner and operator	Leisure Facilities	2,561,278	2,717,916	-	2,717,916	20.5%
arcserve (USA) LLC	Provider of data backup and recovery services	Systems Software	21,877,721	6,644,745	17,129,000	23,773,745	9.7%
FR Flow Control CB LLC	Designs, manufactures, and services specialized pumps and valves	Industrial Machinery	5,375,346	2,728,075	3,641,260	6,369,335	8.3%
Akumin Corp.	Outpatient diagnostic imaging services	Health Care Services	3,866,688	4,552,022	-	4,552,022	9.8%
Newsycle Solutions, Inc.	Global news media software provider	Application Software	1,377,959	749,305	899,281	1,648,586	9.8%
Poultry Holdings LLC	Owner and operator of poultry processing facilities	Packaged Foods & Meats	2,974,373	623,332	2,738,412	3,361,744	5.3%
Marlin DTC-LS Midco 2, LLC*	Subscription e-commerce marketplaces	Internet & Direct Marketing Retail	15,979,817	1,736,310	15,478,789	17,215,099	9.8%
SFP Holding, Inc.	Commercial and industrial fire protection, installation, and services	Construction & Engineering	18,247,122	19,645,526	-	19,645,526	10.1%
Sunless, Inc.	Manufacturers of branded tanning and related beauty products	Personal Products	3,769,055	1,192,987	3,344,718	4,537,705	8.8%
Vessco Holdings, LLC	Manufacturing and distribution of water treatment equipment	Trading Companies & Distributors	15,355,498	18,240,250	28,249	18,268,499	16.4%
Honors Holdings, LLC	Franchisee of a studio fitness concept focused on high-intensity training	Leisure Facilities	8,051,451	1,499,523	8,097,902	9,597,425	9.6%
SmartSign Holdings LLC	Online provider of business signs, labels, and tags	Advertising	12,968,173	1,735,525	13,148,567	14,884,092	9.6%
Lab Logistics, LLC	Transporter of medical specimens for hospitals and labs	Health Care Services	4,676,808	531,137	5,020,319	5,551,456	10.7%
True Blue Car Wash, LLC	Consolidator and operator of “tunnel” and “flex” car washes	Specialized Consumer Services	9,481,402	837,597	9,412,689	10,250,286	11.2%
Flexitallic Group SAS	Provider of industrial sealing solutions	Commodity Chemicals	7,907,951	1,077,365	7,934,779	9,012,144	9.7%
SelectQuote, Inc.	Direct-to-consumer insurance distribution platform	Insurance Brokers	6,435,912	7,195,113	-	7,195,113	10.2%
Vero Parent, Inc.	Data management software provider	Systems Software	9,234,239	10,846,455	-	10,846,455	29.3%
BW Gas & Convenience Holdings, LLC	Gas station & convenience store operator	Automotive Retail	5,673,720	6,196,418	-	6,196,418	12.4%
ALM Media, LLC	Provides proprietary data, analysis and events primarily to the legal community	Research & Consulting Services	11,045,264	2,826,429	10,025,819	12,852,248	8.9%
Bad Boy Mowers Acquisition, LLC	Manufacturer of residential and commercial lawn mowers	Agricultural & Farm Machinery	10,639,229	11,923,167	-	11,923,167	9.1%
Geo Logic Systems Ltd.	Technology company providing comprehensive oil & gas datasets	Data Processing & Outsourced Services	23,845,630	4,420,242	23,240,983	27,661,225	8.0%
Waste Harmonics, LLC	Provider of waste management solutions to commercial businesses	Environmental & Facilities Services	11,529,795	1,447,999	11,583,206	13,031,205	8.8%
Mikawaya Holdings, LLC	Manufacturer of mochi ice cream	Packaged Foods & Meats	5,310,864	769,129	5,316,475	6,085,604	8.4%
Westrock Coffee Co.	Roaster, producer and exporter of coffees, teas and related equipment	Packaged Foods & Meats	10,183,054	1,745,338	10,023,361	11,768,699	10.2%
Pearl Holding Group, Inc.	Originators and underwriters of automotive insurance policies	Property & Casualty Insurance	6,649,817	1,227,342	5,998,889	7,226,231	6.2%
Connexity, Inc.	Online performance marketer	Application Software	9,753,617	11,668,062	-	11,668,062	15.3%
Atlas Technical Consultants, Inc.	Professional testing and inspection services	Research & Consulting Services	12,673,363	14,184,953	-	14,184,953	19.4%
H.I.G. Realty Credit Fund, L.P.	Residential and commercial real estate lending	Specialized Finance	28,579,686	805,817	29,474,268	30,280,085	16.8%
LHS Borrower, LLC	Direct-to-consumer provider of gutter protection solutions and services	Building Products	16,914,990	1,864,659	16,877,473	18,742,132	10.3%
Maxitransfers Blocker Corp.	Money services, specializing in remittances from the US to Latin America	Consumer Finance	3,817,982	553,849	3,821,098	4,374,947	14.5%
Commiscent Technologies LLC	Provides real time, consumer switching info and analytics in the telecom sector	Research & Consulting Services	5,982,774	6,584,456	-	6,584,456	15.8%
Telestream Holdings Corp.	Provides hardware, software, and workflow solutions for video streaming	Technology Hardware, Storage & Peripherals	13,002,812	1,140,206	13,542,584	14,682,790	14.4%



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September 30, 2021  
(Unaudited)

Fund Commitment: \$391,707,181.73

Company	Business Description	Industry	Cumulative Capital Invested <sup>(1)</sup>	Realized Proceeds <sup>(2) (3)</sup>	Unrealized Value <sup>(3) (4)</sup>	Total Value	Gross IRR <sup>(5)(6)(7)</sup>
Drew Foam Companies Inc.	Provider of custom Expanded Polystyrene (“EPS”) solutions	Building Products	27,236,411	10,224,744	18,803,338	29,028,082	10.5%
Capstone Logistics, LLC	Provider of warehouse services, freight brokerage and last mile solutions for customer DCs and logistics operations	Diversified Support Services	5,474,334	600,861	5,594,370	6,195,231	17.2%
Tensar Corp.	Provides engineered solutions for stabilizing soil and reinforcing foundations	Construction & Engineering	11,939,830	984,718	12,175,237	13,159,955	11.9%
PG Dental New Jersey Parent LLC	Regional dental support organization providing dental and specialty services	Health Care Services	13,841,367	1,802,595	13,097,988	14,900,583	8.8%
Ivy Rehab Holdings LLC	Regional provider of outpatient rehabilitation services	Health Care Services	17,378,558	699,980	17,490,626	18,190,606	13.8%
Epiphany Dermatology, PA	Regional dermatology platform operating over 50 clinics	Health Care Facilities	3,911,219	279,075	4,033,759	4,312,834	16.2%
Luxury Brand Holdings, Inc.	A direct to consumer ecommerce retailer of jewelry	Internet & Direct Marketing Retail	5,459,763	397,318	5,736,385	6,133,703	16.1%
Stella and Chewy's LLC	Manufacturer and provider of all-natural premium pet food and kibble	Packaged Foods & Meats	9,472,221	614,919	9,245,738	9,860,657	5.8%
Claridge Products and Equipment LLC	A leading manufacturer of visual display surfaces and accessories	Construction Materials	10,087,512	1,118,902	9,680,057	10,798,959	8.7%
KSM Consulting LLC	Provider of technology, data analytics, and project management consulting services	IT Consulting & Other Services	16,620,170	1,164,362	16,973,753	18,138,115	11.1%
TaxSlayer, LLC	Provider of tax return preparation software	Application Software	12,737,531	1,751,414	11,869,649	13,621,063	8.7%
Continental Acquisition Holdings, Inc.	Distributor of aftermarket batteries	Distributors	6,251,267	400,260	6,235,660	6,635,920	8.5%
Core BTS, Inc.	A regional value-added reseller of IT hardware/software and services	IT Consulting & Other Services	4,306,765	260,044	4,309,267	4,569,311	12.1%
IDIQ	Develops identity theft, credit monitoring, and data breach management solutions	Systems Software	13,378,000	506,914	13,661,970	14,168,884	10.1%
LINC Systems, LLC	Distributor of industrial fasteners/packaging	Trading Companies & Distributors	13,322,728	607,296	13,504,918	14,112,214	12.0%
Dental Care Alliance, LLC	Dental practice management platform	Health Care Services	11,318,971	532,041	11,309,130	11,841,171	8.6%
Road Safety Services, Inc.	Pavement marking installation	Construction & Engineering	3,741,582	142,913	3,747,831	3,890,744	8.6%
Outward Hound	Designer and seller of pet products	Household Products	10,613,422	375,981	10,890,127	11,266,108	NM
LMG Holdings, Inc.	Develops and leases ignition interlock devices for restricted driving programs	Electronic Equipment & Instruments	11,733,649	480,927	11,749,103	12,230,030	NM
Aspect Software	Contact center software and workforce optimization solutions provider	Application Software	15,356,846	368,693	15,755,280	16,123,973	NM
Cennox	A leading global provider of managed services for ATMs	IT Consulting & Other Services	19,697,160	468,114	19,773,952	20,242,066	NM
Hibu Group (USA), Inc.	Digital Marketing services provider	Advertising	6,437,700	183,200	6,491,110	6,674,310	NM
PlayMonster LLC	Designer, manufacturer and marketer of games and toys	Leisure Products	8,973,953	219,905	8,279,408	8,499,313	NM
GDT Acquisitions, LLC	Cisco-centric hardware and software reseller	IT Consulting & Other Services	20,555,387	772,269	20,440,814	21,213,083	NM
Integreon, Inc.	Leading provider of legal and business process outsourcing	Research & Consulting Services	10,764,327	229,594	10,743,653	10,973,247	NM
Power Plant Services	Leading provider of AM and OEM turbine components	Heavy Electrical Equipment	11,679,050	274,628	11,665,611	11,940,239	NM
Motivational Fulfillment	Provider of ecommerce and retail distribution fulfillment services	Air Freight & Logistics	16,851,380	6,835	17,112,121	17,118,956	NM
Trimlite LLC	Manufacturer and distributor of residential doors and related products	Building Products	19,004,681	256,902	18,848,274	19,105,176	NM
Source Code Corporation	Provider of customized hardware solutions and outsourced IT services	Technology Hardware, Storage & Peripherals	15,823,379	226,227	15,831,140	16,057,367	NM
Turnberry Solutions, Inc.	IT consulting and services provider	IT Consulting & Other Services	9,141,669	1,693	9,259,186	9,260,879	NM



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(Unaudited)

Fund Commitment: \$391,707,181.73

Company	Business Description	Industry	Cumulative Capital Invested <sup>(1)</sup>	Realized Proceeds <sup>(2) (3)</sup>	Unrealized Value <sup>(3) (4)</sup>	Total Value	Gross IRR <sup>(5)(6)(7)</sup>
EducationDynamics, LLC	Provides student recruiting services to colleges & universities	Education Services	13,837,775	9,317	13,881,405	13,890,722	NM
Buck	Provider of HR benefits consulting and admin services	Human Resource & Employment Services	8,878,090	-	8,882,339	8,882,339	NM
Currency Hedges			-	(116,587)	208,392	91,805	NM
Total Gross Investments			\$ 732,387,708	\$ 182,990,053	\$ 611,115,592	\$ 794,105,645	
Leverage <sup>(9)</sup>			(303,428,743)	(5,214,875)	(303,698,907)	(308,913,782)	
Total Net Investments			\$ 428,958,965	\$ 177,775,178	\$ 307,416,685	\$ 485,191,863	

(1) Total amounts invested on trade date basis, including recycled capital.

(2) Reflects all net realized proceeds received including from interest, fees, gains, and returns of capital.

(3) Gross of performance fees.

(4) Unrealized valuations are based on management's reasonable estimates. Actual results may vary substantially from estimates shown above.

(5) Fund-level gross cash flows are based on aggregate, monthly cash flows and estimated valuations for investments as of the report date. Gross returns reflect performance before effects of management fees, subscription line leverage (where applicable), partnership expenses, income earned on short-term investments, and performance fees.

(6) Individual investment gross IRRs are based on aggregate, monthly cash flows and estimated valuations as of the report date. For investments denominated in a foreign currency, individual gross IRRs are calculated based upon the local currency.

(7) The term “NM” or “Not Meaningful” is used to refer to IRR calculations that return a result that is unreliable or non-representative due to factors such as a short time frame.

(8) Amounts designated as "Other" relate to investments that, in management's discretion, represent amounts not individually material to the portfolio.

(9) Presented in functional currency, inclusive of currency gains/(losses) and interest expense. Leverage represents asset based leverage only.

\*Company is affiliated with Clarus Commerce, LLC.



H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.  
Investor Report  
September 30, 2021  
(Unaudited)

Fund Commitment: \$391,707,181.73

Company	Security Type	Lien Type	Security Description <sup>(1)</sup>										Leverage Ratio at Acquisition <sup>(2)</sup>
			Fixed/ Floating	Cash Spread	Index Floor	Cash Rate	PIK Rate	All-in Rate	Date of Initial Investment	Date Realized / Maturity Date	Realized / Unrealized	Yield to Maturity <sup>(2)</sup>	
Quest Events, LLC	Senior bank debt/ Revolver	First lien/Equity	Floating	L+2.50%	1.00%	3.50%	3.50%	7.00%	Dec-18	Dec-24	Unrealized	9.1%	4.7 x
Crown Brands, LLC	Senior bank debt	Second lien	Floating	L+10.50%	1.50%	12.00%	NA	12.00%	Jan-19	Jan-26	Unrealized	12.0%	3.8 x
Pluto Acquisition Topco, LLC	Senior bank debt	First lien	Floating	L+6.31%	1.50%	7.81%	NA	7.81%	Jan-19	Jan-24	Unrealized	10.4%	4.5 x
Access USA Shipping, LLC	Senior bank debt	First lien	Floating	L+8.00%	1.50%	9.50%	NA	9.50%	Feb-19	Feb-24	Unrealized	11.7%	5.3 x
JVMC Holdings Corp.	Senior bank debt	First lien	Floating	L+6.75%	1.00%	7.75%	NA	7.75%	Feb-19	Feb-24	Unrealized	9.3%	2.3 x
Planet Fit Indy 10 LLC	Senior bank debt	First lien	Floating	L+7.25%	1.00%	9.73%	NA	9.73%	Mar-19	Jul-19	Realized	11.5%	4.6 x
arcservice (USA) LLC	Senior bank debt/ Revolver	First lien	Floating	L+7.00%	1.00%	8.00%	NA	8.00%	May-19	Mar-27	Unrealized	8.8%	5.4 x
FR Flow Control CB LLC	Senior bank debt	First lien	Floating	L+5.50%	1.00%	6.50%	NA	6.50%	May-19	Jun-26	Unrealized	9.4%	4.1 x
Akumin Corp.	Senior bank debt	First lien	Floating	L+6.00%	1.00%	7.00%	2.00%	9.00%	May-19	Nov-20	Realized	9.3%	3.9 x
Newsycle Solutions, Inc.	Senior bank debt/ Revolver	First lien	Floating	L+7.00%	1.00%	8.00%	NA	8.00%	Jun-19	Dec-22	Unrealized	10.6%	5.1 x
Poultry Holdings LLC	Senior bank debt	First lien	Floating	L+5.75%	1.00%	6.75%	1.50%	8.25%	Jun-19	Jun-25	Unrealized	10.1%	2.8 x
Marlin DTC-LS Midco 2, LLC*	Senior bank debt/ Revolver	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Jul-19	Jul-25	Unrealized	9.8%	4.8 x
SFP Holding, Inc.	Senior bank debt/ Revolver	First lien	Floating	L+6.25%	1.00%	7.48%	NA	7.48%	Jul-19	Sep-21	Realized	9.1%	4.0 x
Sunless, Inc.	Senior bank debt/ Revolver	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Aug-19	Aug-24	Unrealized	9.4%	2.3 x
Vesseco Holdings, LLC	Senior bank debt/ Equity	First lien/ Equity	Floating	L+7.25%	1.50%	8.75%	NA	8.75%	Aug-19	Nov-20	Realized	9.6%	3.8 x
Honors Holdings, LLC	Senior bank debt	First lien	Floating	L+7.22%	1.00%	8.22%	0.53%	8.74%	Sep-19	Sep-24	Unrealized	9.9%	4.1 x
SmartSign Holdings LLC	Senior bank debt/ Revolver	First lien	Floating	L+6.59%	1.00%	7.59%	NA	7.59%	Oct-19	Oct-24	Unrealized	8.8%	4.4 x
Lab Logistics, LLC	Senior bank debt/ Preferred security	First lien/ Preferred	Floating	L+7.25%	1.00%	8.25%	NA	8.25%	Oct-19	Sep-23	Unrealized	9.2%	4.7 x
True Blue Car Wash, LLC	Senior bank debt	First lien	Floating	L+6.74%	1.00%	7.74%	NA	7.74%	Oct-19	Oct-24	Unrealized	10.8%	3.2 x
Flexitallic Group SAS	Senior bank debt	First lien	Floating	L+7.00%	1.00%	8.00%	0.50%	8.50%	Oct-19	Oct-26	Unrealized	9.4%	5.2 x
SelectQuote, Inc.	Senior bank debt	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Nov-19	Feb-21	Realized	8.8%	3.4 x
Vero Parent, Inc.	Senior bank debt	First lien	Floating	L+5.89%	0.24%	6.35%	NA	6.35%	Nov-19	Jan-21	Realized	11.1%	4.9 x
BW Gas & Convenience Holdings, LLC	Senior bank debt	First lien	Floating	L+6.25%	0.00%	6.41%	NA	6.41%	Nov-19	Nov-20	Realized	10.0%	4.5 x
ALM Media, LLC	Senior bank debt	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Nov-19	Nov-24	Unrealized	9.7%	4.7 x
Bad Boy Mowers Acquisition, LLC	Senior bank debt	First lien	Floating	L+5.75%	1.00%	6.75%	NA	6.75%	Dec-19	Mar-21	Realized	8.7%	3.5 x
Geo Logic Systems Ltd.	Senior bank debt/ Revolver	First lien	Floating	C+6.50%	1.00%	7.50%	NA	7.50%	Dec-19	Dec-24	Unrealized	9.1%	6.0 x
Waste Harmonics, LLC	Senior bank debt/ Revolver	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Dec-19	Dec-24	Unrealized	8.8%	4.7 x
Mikawayaya Holdings, LLC	Senior bank debt	First lien	Floating	L+5.50%	1.25%	6.75%	NA	6.75%	Jan-20	Jan-25	Unrealized	8.8%	4.7 x
Westrock Coffee Co.	Senior bank debt	First lien	Floating	L+8.25%	1.50%	9.75%	0.75%	10.50%	Feb-20	Feb-25	Unrealized	8.8%	4.5 x
Pearl Holding Group, Inc.	Senior bank debt	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Mar-20	May-24	Unrealized	8.7%	4.6 x
Connexity, Inc.	Senior bank debt	First lien	Floating	L+8.50%	1.50%	10.00%	NA	10.00%	May-20	Sep-21	Realized	11.2%	2.0 x
Atlas Technical Consultants, Inc.	Senior bank debt	First lien	Floating	L+6.25%	1.00%	7.25%	NA	7.25%	May-20	Feb-21	Realized	9.2%	3.2 x
H.I.G. Realty Credit Fund, L.P.	Equity	Equity	NA	NA	NA	NA	NA	NA	Sep-20	Nov-28	Unrealized	NA	NM
LHS Borrower, LLC	Senior bank debt/ Revolver	First lien	Floating	L+6.75%	1.00%	7.75%	NA	7.75%	Sep-20	Sep-25	Unrealized	8.6%	3.7 x
Maxitransfers Blocker Corp.	Senior bank debt/ Revolver	First lien	Floating	L+8.50%	1.00%	9.50%	NA	9.50%	Oct-20	Oct-25	Unrealized	11.0%	2.6 x
Commiscent Technologies LLC	Senior bank debt/ Revolver	First lien	Floating	L+7.50%	1.00%	8.50%	NA	8.50%	Oct-20	May-21	Realized	9.3%	5.3 x



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Company	Security Type	Lien Type	Fixed/ Floating	Cash Spread	Index Floor	Cash Rate	PIK Rate	All-in Rate	Date of Initial Investment	Date Realized / Maturity Date	Realized / Unrealized	Yield to Maturity <sup>(2)</sup>	Leverage Ratio at Acquisition <sup>(2)</sup>
Telestream Holdings Corp.	Senior bank debt	First lien	Floating	L+8.75%	1.00%	9.75%	NA	9.75%	Oct-20	Oct-25	Unrealized	10.7%	4.6 x
Drew Foam Companies Inc.	Senior bank debt	First lien	Floating	L+6.25%	1.00%	7.25%	NA	7.25%	Nov-20	Nov-25	Unrealized	8.2%	4.0 x
Capstone Logistics, LLC	Senior bank debt	Second lien	Floating	L+8.75%	1.00%	9.75%	NA	9.75%	Nov-20	Nov-28	Unrealized	11.2%	6.3 x
Tensar Corp.	Senior bank debt	First lien	Floating	L+6.75%	1.00%	7.75%	NA	7.75%	Nov-20	Aug-25	Unrealized	8.7%	3.7 x
PG Dental New Jersey Parent LLC	Senior bank debt/ Revolver	First lien	Floating	L+7.75%	1.00%	8.75%	1.25%	10.00%	Nov-20	Nov-25	Unrealized	9.7%	3.6 x
Ivy Rehab Holdings LLC	Senior bank debt/ Revolver	First lien	Floating	L+6.75%	1.00%	7.75%	NA	7.75%	Dec-20	Dec-24	Unrealized	8.5%	4.5 x
Epiphany Dermatology, PA	Senior bank debt	First lien	Floating	L+7.50%	1.00%	8.50%	NA	8.50%	Dec-20	Jun-23	Unrealized	9.4%	3.7 x
Luxury Brand Holdings, Inc.	Senior bank debt/ Preferred security	First lien/ Equity	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Dec-20	Jun-26	Unrealized	8.7%	3.9 x
Stella and Chewy's LLC	Senior bank debt	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Dec-20	Dec-25	Unrealized	8.2%	2.0 x
Claridge Products and Equipment LLC	Senior bank debt/ Revolver	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Dec-20	Dec-25	Unrealized	8.4%	4.5 x
KSM Consulting LLC	Senior bank debt/ Revolver/Equity	First lien/ Equity	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Dec-20	Dec-26	Unrealized	8.0%	4.0 x
TaxSlayer, LLC	Senior bank debt	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Dec-20	Dec-26	Unrealized	8.2%	4.2 x
Continental Acquisition Holdings, Inc.	Senior bank debt	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Jan-21	Jan-27	Unrealized	7.9%	5.9 x
Core BTS, Inc.	Senior bank debt	First lien	Floating	L+6.75%	1.50%	8.25%	NA	8.25%	Feb-21	Aug-25	Unrealized	9.2%	3.4 x
IDIQ	Senior bank debt	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Feb-21	Dec-26	Unrealized	8.0%	4.5 x
LINC Systems, LLC	Senior bank debt	First lien	Floating	L+6.25%	1.00%	7.25%	NA	7.25%	Feb-21	Feb-26	Unrealized	8.1%	4.3 x
Dental Care Alliance, LLC	Senior bank debt	First lien	Floating	L+6.25%	0.75%	7.00%	NA	7.00%	Mar-21	Mar-27	Unrealized	7.8%	6.2 x
Road Safety Services, Inc.	Senior bank debt/ Revolver	First lien	Floating	L/P+5.97%	1.00%	7.03%	NA	7.03%	Mar-21	Sep-23	Unrealized	9.3%	2.5 x
Outward Hound	Senior bank debt/ Revolver	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Apr-21	Apr-26	Unrealized	8.2%	4.7 x
LMG Holdings, Inc.	Senior bank debt/ Revolver	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Apr-21	Apr-26	Unrealized	8.2%	4.5 x
Aspect Software	Senior bank debt	Second lien	Floating	L+9.00%	0.75%	9.75%	NA	9.75%	May-21	May-29	Unrealized	10.9%	5.8 x
Cennox	Senior bank debt/ Revolver	First lien/ Equity	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	May-21	May-26	Unrealized	7.7%	3.8 x
Hibu Group (USA), Inc.	Senior bank debt	First lien	Floating	L+6.25%	1.00%	7.25%	NA	7.25%	May-21	May-27	Unrealized	8.1%	4.6 x
PlayMonster LLC	Senior bank debt	First lien	Floating	L+6.00%	1.00%	7.00%	NA	7.00%	Jun-21	Jun-26	Unrealized	7.8%	4.7 x
GDT Acquisitions, LLC	Senior bank debt	First lien	Floating	L+6.25%	1.00%	7.25%	NA	7.25%	Jun-21	Jun-27	Unrealized	8.0%	4.3 x
Integreon, Inc.	Senior bank debt	First lien	Floating	L+5.75%	1.00%	6.75%	NA	6.75%	Jun-21	Jun-27	Unrealized	7.4%	4.8 x
Power Plant Services	Senior bank debt/ Revolver	First lien	Floating	L+6.25%	1.00%	7.25%	NA	7.25%	Jun-21	Jun-26	Unrealized	8.0%	5.0 x
Motivational Fulfillment	Senior bank debt/ Equity	First lien/ Equity	Floating	L/P+6.22%	1.00%	7.28%	NA	7.28%	Jul-21	Jul-26	Unrealized	8.0%	4.4 x
Trimlite LLC	Senior bank debt/ Revolver	First lien	Floating	C+6.50%	1.00%	7.50%	NA	7.50%	Jul-21	Jul-26	Unrealized	8.2%	4.6 x



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Company	Security Description <sup>(1)</sup>												Leverage Ratio at Acquisition <sup>(2)</sup>
	Security Type	Lien Type	Fixed/ Floating	Cash Spread	Index Floor	Cash Rate	PIK Rate	All-in Rate	Date of Initial Investment	Date Realized / Maturity Date	Realized / Unrealized	Yield to Maturity <sup>(2)</sup>	
Source Code Corporation	Senior bank debt	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Jul-21	Jul-27	Unrealized	8.2%	5.2 x
Turnberry Solutions, Inc.	Senior bank debt/ Revolver	First lien	Floating	L/P+5.99%	1.00%	7.02%	NA	7.02%	Jul-21	Sep-26	Unrealized	7.6%	5.1 x
EducationDynamics, LLC	Senior bank debt/ Junior bank debt	First lien/Subordinated	Fixed/ Floating	L+6.47%	0.99%	7.46%	0.49%	7.95%	Sep-21	Mar-27	Unrealized	8.6%	2.8 x
Buck	Senior bank debt/ Revolver	First lien	Floating	L+6.50%	1.00%	7.50%	NA	7.50%	Sep-21	Sep-26	Unrealized	8.5%	3.7 x

(1) Based on current security holdings, or for realized investments, securities held at the time of exit. For positions with multiple securities, interest rates and yield to maturities represent the blended average outstanding of the underlying securities.  
(2) Yield to maturity and leverage ratio multiple is through the debt tranche purchased at time of initial investment. Yield to maturity calculated is based on purchase price and, in instances where prepayment is reasonably expected, based on estimated hold period. Leverage ratio multiple is based upon the lowest tranche held.  
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# H.I.G. WhiteHorse Principal Lending Offshore Fund, L.P.

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	LP Contributions	LP Distributions	Net LP Contributions / Distributions
LP Contributions/Distributions	\$ 297,059,476	\$ 88,998,339	\$ 208,061,137
LP Net Assets			\$ 241,947,954
Net LP IRR (Master Fund) <sup>(1)</sup>			16.4%
Net LP IRR (Feeder Fund) <sup>(2)</sup>			14.9%

(1) Net LP IRR (Master Fund) is calculated based on monthly cash flows (capital contributions and distributions) and the residual value of LPs' capital accounts at the end of the period, and is net of all fees and expenses (including any performance fees/allocations). An individual investor's results may vary based on a variety of factors, including the timing of capital transactions.

(2) Net LP IRR (Feeder Fund) is calculated for LPs as described above and includes feeder fund income and expenses.