



H.I.G. Growth Buyouts & Equity Fund II, L.P.

Investor Report September 30, 2021

(Unaudited)

Commonwealth of Pennsylvania State Employees' Retirement System

Investor Commitment: \$15,000,000

Company	Acquisition Date	Invested Amount (1)	Cash Realized (2)	Unrealized Value (2)	Total Value	Multiple on Invested Capital (2)
Esquire Deposition Solutions, LLC	January 2012	\$ 74,850	\$ -	\$ -	\$ -	- x
Community Intervention Services, Inc.	April 2012	268,471	-	-	-	- x
Infogix, Inc.	June 2012	97,342	1,358,289	-	1,358,289	14.0x
Telescope Inc.	June 2012	135,307	350,350	9,094	359,444	2.7x
Cel-Lep Ensino de Idiomas S.A.	September 2012	451,159	-	277,427	277,427	0.6x
Escalate Media Holdings, Inc.	October 2012	288,477	-	-	-	- x
Cocona, Inc.	November 2012	371,693	-	298,369	298,369	0.8x
Sorveteria Creme Mel S.A.	July 2013	1,186,505	-	-	-	- x
LG Informática S.A.	July 2013	551,824	-	1,250,364	1,250,364	2.3x
Trox	October 2013	547,712	-	2,180,771	2,180,771	4.0x
Capstone Nutrition	December 2013	303,678	-	-	-	- x
Brainworks Software, LLC	July 2014	104,019	-	-	-	- x
Lulu's Fashion Lounge, Inc.	July 2014	361,990	3,220,126	5,768,613	8,988,739	24.8x
Tax Defense Network, LLC	August 2014	252,315	-	-	-	- x
NZN Networks	September 2014	505,625	-	243,935	243,935	0.5x
Boostability, Inc.	September 2014	372,821	-	962,100	962,100	2.6x
Go2mobi	August 2015	206,705	-	-	-	- x
Centerfield Media Holdings, LLC	September 2015	756,014	4,125,069	134,900	4,259,969	5.6x
AVI-SPL, Inc.	April 2016	283,694	1,644,489	271,807	1,916,296	6.8x
SCUF Gaming	December 2016	444,708	1,291,603	56,832	1,348,435	3.0x
AdTheorent, Inc.	December 2016	678,350	-	6,407,995	6,407,995	9.4x
Just Home Healthcare	January 2017	236,252	-	1,287,351	1,287,351	5.4x
Fidelity Payment Services Ltd.	June 2017	268,121	536,243	1,055,633	1,591,876	5.9x
Carlton One Engagement	September 2017	409,037	-	1,863,207	1,863,207	4.6x
Velocity Solutions	December 2017	218,515	218,515	1,055,331	1,273,846	5.8x
Digital Room LLC	December 2017	434,782	313,747	999,047	1,312,794	3.0x
Forte Veterinary Partners	January 2018	25,731	-	-	-	- x
Parachute Home, Inc.	June 2018	659,933	-	2,162,552	2,162,552	3.3x
Sage Hospice	July 2018	608,521	-	1,338,809	1,338,809	2.2x
Eruptr LLC	September 2018	248,867	-	464,745	464,745	1.9x
Cuyana, Inc.	December 2018	884,780	-	1,043,142	1,043,142	1.2x
Total Investments		<u>\$ 12,237,798</u>	<u>\$ 13,058,431</u>	<u>\$ 29,132,024</u>	<u>\$ 42,190,455</u>	<u>3.4x</u>
Cash and Other Net Assets (3), (4)					(7,102,522)	
Account Total					<u>\$ 35,087,933</u>	
Unfunded Commitment (5)					\$ -	

(1) Financed by capital calls from investors and / or borrowings from the Fund's credit facility.

(2) Gross of fees, expenses, and carried interest and includes gain / loss on foreign exchange derivatives, if applicable.

(3) Net of fees, expenses, and carried interest. (4) Excludes undistributed cash, if any, shown in the cash realized column above.

(5) Amount may not include certain distributions of capital that are callable in accordance with the Fund's Limited Partnership Agreement.

NOTE: Unrealized valuations are based on General Partner's reasonable estimates. Actual results may vary substantially from estimates shown above.



H.I.G. Growth Buyouts & Equity Fund II, L.P.
and Alternative Investment Vehicles
Combined Statement of Changes in Partner's Capital
Nine Months Ended September 30, 2021
(Unaudited)
Commonwealth of Pennsylvania State Employees' Retirement System

Fund Commitment: \$501,000,000

Investor Commitment: \$15,000,000

Partner's capital, January 1, 2021	\$ 22,653,905
Interest income	3,384
Management fees	(156,833)
Professional fees and other expenses	(39,523)
Net realized gain on investments	403,598
Net change in unrealized value of investments	3,080,562
Carried interest reallocation	(867,597)
Partner's capital, September 30, 2021	<u><u>\$ 25,077,496</u></u>



H.I.G. Growth Buyouts & Equity Fund II, L.P.
and Alternative Investment Vehicles
Combined Statement of Assets, Liabilities and Partners' Capital
September 30, 2021
(Unaudited)

ASSETS

Investments, at fair value (cost \$285,233,061)	\$ 966,222,451
Cash and cash equivalents	40,697,233
Receivable from sale of investments	6,707,616
Due from related parties	2,394,732
Interest receivable	79,489
Total assets	\$ 1,016,101,521

LIABILITIES AND PARTNERS' CAPITAL

Partners' capital	\$ 1,016,101,521
Total liabilities and partners' capital	\$ 1,016,101,521



H.I.G. Growth Buyouts & Equity Fund II, L.P.
and Alternative Investment Vehicles
Combined Schedule of Investments
September 30, 2021
(Unaudited)

	<u>Cost</u>	<u>Fair Value</u>
<u>EQUITY INVESTMENTS</u>		
<u>North America</u>		
<u>Administrative and Support and Waste Management and Remediation Services</u> - 6.12%*		
Carlton One Engagement	\$ 13,661,844	\$ 62,231,117
<u>Construction</u> - 0.89%*		
AVI-SPL, Inc.	259,308	9,078,340
<u>Finance and Insurance</u> - 3.47%*		
Fidelity Payment Services Ltd.	-	35,258,138
<u>Health Care and Social Assistance</u> - 8.63%*		
Community Intervention Services, Inc.	7,466,947	-
Just Home Healthcare	7,890,830	42,997,521
Sage Hospice	20,324,591	44,716,232
	<hr/> 35,682,368	<hr/> 87,713,753
<u>Information</u> - 8.10%*		
Boostability, Inc.	12,452,231	32,134,137
Eruptr LLC	7,812,158	14,969,454
Velocity Solutions	-	35,248,070
	<hr/> 20,264,389	<hr/> 82,351,661
<u>Manufacturing</u> - 4.26%*		
Cocona, Inc.	12,414,548	9,965,527
Digital Room LLC	5,782,871	33,368,154
	<hr/> 18,197,419	<hr/> 43,333,681
<u>Professional, Scientific, and Technical Services</u> - 21.06%*		
AdTheorent, Inc.	22,656,874	214,027,016
Esquire Deposition Solutions, LLC	2,500,000	-
Tax Defense Network, LLC	8,427,325	-
	<hr/> 33,584,199	<hr/> 214,027,016
<u>Retail Trade</u> - 29.40%*		
Cuyana, Inc.	28,551,640	33,814,488
Lulu's Fashion Lounge, Inc.	1,447,959	192,671,683
Parachute Home, Inc.	22,041,763	72,229,223
	<hr/> 52,041,362	<hr/> 298,715,394

*Fair value as a percentage of partners' capital



**H.I.G. Growth Buyouts & Equity Fund II, L.P.
and Alternative Investment Vehicles
Combined Schedule of Investments (Continued)
September 30, 2021
(Unaudited)**

	<u>Cost</u>	<u>Fair Value</u>
<u>EQUITY INVESTMENTS (Continued)</u>		
<u>Wholesale Trade</u> - 7.17%*		
Trox	\$ 18,293,572	\$ 72,837,742
<u>South America</u>		
<u>Educational Services</u> - 0.91%*		
Cel-Lep Ensino de Idiomas S.A.	15,300,526	9,266,049
<u>Information</u> - 4.91%*		
LG Informática S.A.	18,430,928	41,762,142
NZN Networks	16,887,870	8,147,418
	<u>35,318,798</u>	<u>49,909,560</u>
<u>Manufacturing</u> - 0.00%*		
Sorveteria Creme Mel S.A.	39,629,276	-
TOTAL EQUITY INVESTMENTS - 94.94%*	<u>282,233,061</u>	<u>964,722,451</u>
<u>DEBT INVESTMENTS</u>		
<u>North America</u>		
<u>Health Care and Social Assistance</u> - 0.00%*		
Community Intervention Services, Inc.	1,500,000	-
<u>Information</u> - 0.05%*		
Eruptr LLC	500,000	500,000
<u>Retail Trade</u> - 0.10%*		
Cuyana, Inc.	1,000,000	1,000,000
TOTAL DEBT INVESTMENTS - 0.15%*	<u>3,000,000</u>	<u>1,500,000</u>
TOTAL INVESTMENTS - 95.09%*	<u>\$ 285,233,061</u>	<u>\$ 966,222,451</u>

*Fair value as a percentage of partners' capital



H.I.G. Growth Buyouts & Equity Fund II, L.P.
and Alternative Investment Vehicles
Combined Statement of Operations
Nine Months Ended September 30, 2021
(Unaudited)

INVESTMENT INCOME

Interest income	\$ 113,013
Total investment income	<u>113,013</u>

EXPENSES

Management fees	5,228,275
Professional fees and other expenses	1,320,052
Total expenses	<u>6,548,327</u>

Net investment loss (6,435,314)

Net realized gain on investments 13,480,161

Net change in unrealized value of investments 102,890,781

NET INCREASE IN PARTNERS' CAPITAL FROM OPERATIONS \$ 109,935,628



H.I.G. Growth Buyouts & Equity Fund II, L.P.
and Alternative Investment Vehicles
Combined Statement of Changes in Partners' Capital
Nine Months Ended September 30, 2021
(Unaudited)

	General Partner	Management Company	Limited Partners	Total
Investor Commitment:	\$ 950,000	\$ 50,000	\$ 500,000,000	\$ 501,000,000
Partners' capital, January 1, 2021	\$ 168,292,524	\$ 75,513	\$ 755,130,164	\$ 923,498,201
Capital distributions	(18,604,642)	-	1,272,334	(17,332,308)
Interest income	214	11	112,788	113,013
Management fees	-	(523)	(5,227,752)	(5,228,275)
Professional fees and other expenses	(2,503)	(132)	(1,317,417)	(1,320,052)
Net realized gain on investments	25,561	1,345	13,453,255	13,480,161
Net change in unrealized value of investments	195,102	10,269	102,685,410	102,890,781
Carried interest reallocation	28,922,804	(2,892)	(28,919,912)	-
Partners' capital, September 30, 2021	<u><u>\$ 178,829,060</u></u>	<u><u>\$ 83,591</u></u>	<u><u>\$ 837,188,870</u></u>	<u><u>\$ 1,016,101,521</u></u>



H.I.G. Growth Buyouts & Equity Fund II, L.P.
and Alternative Investment Vehicles
Combined Statement of Cash Flows
Nine Months Ended September 30, 2021
(Unaudited)

CASH FLOWS FROM OPERATING ACTIVITIES

Net increase in partners' capital from operations	\$ 109,935,628
Adjustments to reconcile net increase in partners' capital from operations to net cash provided by operating activities:	
Net realized gain on investments	(13,480,161)
Net change in unrealized value of investments	(102,890,781)
Purchase of investments	(2,619,539)
Proceeds from investments	21,473,635
Changes in assets and liabilities:	
Receivable from sale of investments	1,186,617
Due from related parties	175,864
Interest receivable	(40,067)
Due to related parties	(31,096)
Net cash provided by operating activities	<u>13,710,100</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Capital distributions, net of change in distributions payable	(17,332,308)
Net cash used in financing activities	<u>(17,332,308)</u>

NET DECREASE IN CASH AND CASH EQUIVALENTS (3,622,208)

CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD 44,319,441

CASH AND CASH EQUIVALENTS, END OF PERIOD \$ 40,697,233

SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS

Conversion of bridge financing to investments	\$ 500,000
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H.I.G. Growth Buyouts & Equity Fund II, L.P.

Investor Report

September 30, 2021

(Unaudited)

Investor Commitment: \$501,000,000

Company	Acquisition Date	Invested Amount (1)	Cash Realized (2)	Unrealized Value (2)	Total Value	Multiple on Invested Capital (2)	IRR (2)
Esquire Deposition Solutions, LLC	January 2012	\$ 2,500,000	\$ -	\$ -	\$ -	- x	NM
Community Intervention Services, Inc.	April 2012	8,966,947	-	-	-	- x	NM
Infogix, Inc.	June 2012	3,251,232	45,366,847	-	45,366,847	14.0x	136%
Telescope Inc.	June 2012	4,519,243	11,701,702	303,748	12,005,450	2.7x	11%
Cel-Lep Ensino de Idiomas S.A.	September 2012	15,068,696	-	9,266,049	9,266,049	0.6x	-7%
Escalate Media Holdings, Inc.	October 2012	9,635,140	-	-	-	- x	NM
Cocona, Inc.	November 2012	12,414,548	-	9,965,527	9,965,527	0.8x	-2%
Sorveteria Creme Mel S.A.	July 2013	39,629,276	-	-	-	- x	NM
LG Informática S.A.	July 2013	18,430,928	-	41,762,142	41,762,142	2.3x	10%
Trox	October 2013	18,293,572	-	72,837,742	72,837,742	4.0x	28%
Capstone Nutrition	December 2013	10,142,836	10	-	10	- x	NM
Brainworks Software, LLC	July 2014	3,474,229	-	-	-	- x	NM
Lulu's Fashion Lounge, Inc.	July 2014	12,090,459	107,552,207	192,671,683	300,223,890	24.8x	142%
Tax Defense Network, LLC	August 2014	8,427,325	-	-	-	- x	NM
NZN Networks	September 2014	16,887,870	-	8,147,418	8,147,418	0.5x	-10%
Boostability, Inc.	September 2014	12,452,231	-	32,134,137	32,134,137	2.6x	16%
Go2mobi	August 2015	6,903,934	-	-	-	- x	NM
Centerfield Media Holdings, LLC	September 2015	25,250,854	137,777,305	4,505,664	142,282,969	5.6x	58%
AVI-SPL, Inc.	April 2016	9,475,367	54,925,932	9,078,340	64,004,272	6.8x	68%
SCUF Gaming	December 2016	14,853,239	43,139,549	1,898,205	45,037,754	3.0x	43%
AdTheorent, Inc.	December 2016	22,656,874	-	214,027,016	214,027,016	9.4x	60%
Just Home Healthcare	January 2017	7,890,830	-	42,997,521	42,997,521	5.4x	44%
Fidelity Payment Services Ltd.	June 2017	8,955,255	17,910,509	35,258,138	53,168,647	5.9x	72%
Carlton One Engagement	September 2017	13,661,844	-	62,231,117	62,231,117	4.6x	46%
Velocity Solutions	December 2017	7,298,398	7,298,398	35,248,070	42,546,468	5.8x	64%
Digital Room LLC	December 2017	14,521,716	10,479,161	33,368,154	43,847,315	3.0x	44%
Forte Veterinary Partners	January 2018	859,410	-	-	-	- x	NM
Parachute Home, Inc.	June 2018	22,041,763	-	72,229,223	72,229,223	3.3x	44%
Sage Hospice	July 2018	20,324,591	-	44,716,232	44,716,232	2.2x	38%
Eruptr LLC	September 2018	8,312,158	-	15,522,498	15,522,498	1.9x	24%
Cuyana, Inc.	December 2018	29,551,640	-	34,840,932	34,840,932	1.2x	7%
Total Investments		<u>\$ 408,742,405</u>	<u>\$ 436,151,620</u>	<u>\$ 973,009,556</u>	<u>\$ 1,409,161,176</u>	<u>3.4x</u>	<u>29%</u>
Cash and Other Net Assets	(3), (4)				(5,767,865)		
Account Total					<u>\$ 1,403,393,311</u>		
Unfunded Commitment	(5)				\$ -		

(1) Financed by capital calls from investors and / or borrowings from the Fund's credit facility.

(2) Gross of fees, expenses, and carried interest and includes gain / loss on foreign exchange derivatives, if applicable. The internal rate of return (the "IRR"), since inception, is calculated based on the Fund's monthly cash outflows and cash inflows related to investments (beginning of the month convention is used) and the value of investment assets and any related liabilities at the end of the period. The IRR is calculated for the Fund as a whole and is not specific to Limited Partners. The IRR is presented as "NM" (not meaningful) if it is equal to or exceeds 1,000/(1,000)%, or if it cannot be calculated.

(3) Net of fees, expenses, and carried interest. (4) Excludes undistributed cash, if any, shown in the cash realized column above.

(5) Amount may not include certain distributions of capital that are callable in accordance with the Fund's Limited Partnership Agreement.

NOTE: Unrealized valuations are based on General Partner's reasonable estimates. Actual results may vary substantially from estimates shown above.



H.I.G. Growth Buyouts & Equity Fund II, L.P.

Net LP IRR

September 30, 2021

(Unaudited)

LP Net Contributions/Distributions	\$	(197,531,245)
LP Net Assets		837,188,870
Net LP IRR⁽¹⁾		19.3%

(1) The Limited Partners' internal rate of return (the "LP IRR") is calculated for all Limited Partners taken as a whole. The LP IRR, since inception, is calculated based on the Limited Partners' cash outflows and cash inflows (contributions and distributions) utilizing the actual dates and amounts when capital calls were due and distributions were declared, and the value of the Limited Partners' capital accounts at the end of the period. The LP IRR is presented as "NM" (not meaningful) during the first year of the Fund's operations, or in cases when the percentage is equal to or exceeds 1,000/(1,000)%, or cannot be calculated. The LP IRR is net of fees, expenses and carried interest.