WhiteHorse Finance, Inc.

Earnings Presentation

Quarter Ended September 30, 2023

WHITEHORSE FINANCE

NASDAQ: WHF (Common Stock)
NASDAQ: WHFCL (7.875% Notes due 2028)

Important Information and Forward Looking Statements

References in this presentation to "WHF", "WhiteHorse Finance", "we", "us", "our" and "the Company" refer to WhiteHorse Finance, Inc.

This presentation and the information and views included herein do not constitute investment advice, or a recommendation or an offer to enter into any transaction with the Company or any of its affiliates. Investors are advised to consider carefully the Company's investment objectives, risks, charges and expenses before investing in the Company's securities. Our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, which have been filed with the Securities and Exchange Commission ("SEC"), contain this and other information about the Company and should be read carefully before investing in the Company's securities. The information in this presentation is not complete and may be changed. This presentation is not an offer to sell the Company's securities and is not soliciting an offer to buy the Company's securities in any jurisdiction where such offer or sale is not permitted.

A shelf registration statement relating to the Company's securities is on file with the SEC. A public offering of the Company's securities may be made only by means of a prospectus and a related prospectus supplement, copies of which may be obtained by writing the Company at 1450 Brickell Avenue, 31st Floor, Miami, FL 33131, Attention: Investor Relations, or by calling (305) 381-6999; copies may also be obtained by visiting EDGAR on the SEC's website at http://www.sec.gov.

Forward-Looking Statements

Some of the statements in this presentation constitute forward-looking statements, which relate to future events or the Company's future performance or financial condition. The forward-looking statements contained in this presentation involve risks and uncertainties, including statements as to: the Company's future operating results; changes in political, economic or industry conditions, the interest rate environment or conditions affecting the financial and capital markets, which could result in changes to the value of the Company's assets; the impact of the COVID-19 pandemic and its effects on the Company's and its portfolio companies' results of operations and financial condition; the Company's business prospects and the prospects of its prospective portfolio companies; the impact of investments that the Company expects to make; the impact of increased competition; the Company's contractual arrangements and relationships with third parties; the dependence of the Company's future success on the general economy and its impact on the industries in which the Company invests; the ability of the Company's prospective portfolio companies to achieve their objectives; the relative and absolute performance of the Company's investment adviser; the Company's expected financings and investments; the adequacy of the Company's cash resources and working capital; the timing of cash flows, if any, from the operations of the Company's prospective portfolio companies; and the impact of future acquisitions and divestitures.

Such forward-looking statements may include statements preceded by, followed by or that otherwise include the words "may," "might," "will," "intend," "should," "could," "can," "would," "expect," "believe," "estimate," "anticipate," "predict," "potential," "plan" or similar words.

The Company has based the forward-looking statements included in this presentation on information available to us on the date of this presentation, and the Company assumes no obligation to update any such forward-looking statements. Actual results could differ materially from those implied or expressed in the Company's forward-looking statements for any reason, and future results could differ materially from historical performance. Although the Company undertakes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise, you are advised to consult any additional disclosures that are made directly to you or through reports that the Company in the future may file with the SEC, including annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. For a further discussion of factors that could cause the Company's future results to differ materially from any forward-looking statements, see the section entitled "Risk Factors" in the annual reports on Form 10-K and quarterly reports on Form 10-Q we file with the SEC.

WhiteHorse Finance Snapshot

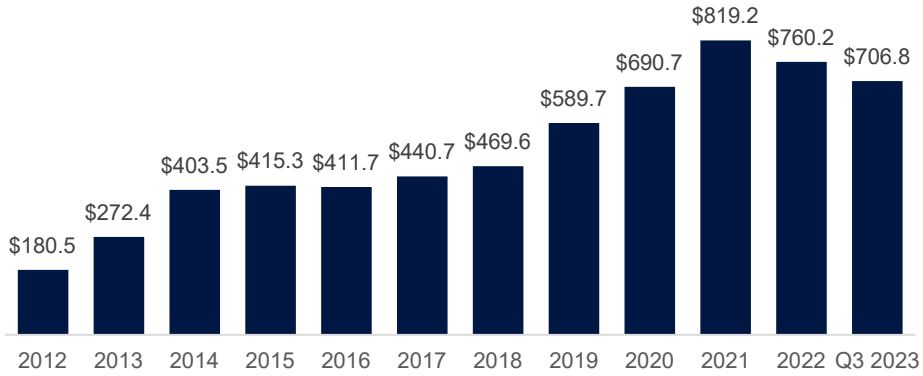
Company:	WhiteHorse Finance, Inc.
Equity Ticker:	NASDAQ: WHF
Market Cap:	$284.5MM(1)
NAV / Share:	$13.87(2)
Portfolio Fair Value:	$706.8MM
Current Dividend Yield:	11.8%(1)(3); consistent quarterly dividends at or above $0.355 per share since 2012 IPO
External Manager:	Affiliate of H.I.G. Capital, LLC (“H.I.G. Capital” or “H.I.G.”)

(1) Based on November 8, 2023 share price of $12.24
(2) As of September 30, 2023
(3) Based on LTM dividend rate, excluding special dividends, relative to closing share price

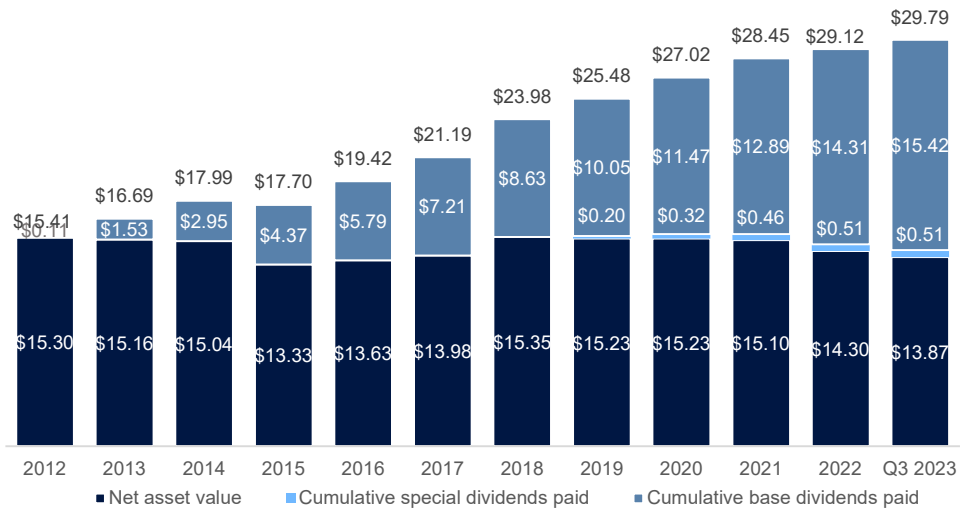
Overview of WhiteHorse Finance, Inc.

- WhiteHorse Finance, Inc. is a publicly listed Business Development Company ("BDC") that completed its IPO in December 2012
- WhiteHorse Finance's investment activities are managed by H.I.G. WhiteHorse Advisers, LLC (the "Investment Adviser"), an affiliate of H.I.G. Capital, a leading global alternative asset manager with over $59BN of capital under management(1)
- Principally focused on originating senior secured loans to performing lower middle market companies with individual enterprise values generally between $50MM and $350MM
- Diversified investment portfolio totaling $706.8MM as of September 30, 2023
- Investments across 109(2) positions in 69 portfolio companies as of September 30, 2023
  - Average Investment Size(3): $5.6MM (Average Debt Investment Size(3): $7.4MM)
  - Largest Portfolio Company Investment(3): $21.8MM
- Invested $2,514MM in 220 transactions since December 2012 IPO
- The Company and State Teachers Retirement System of Ohio ("STRS Ohio"), a public pension fund established under Ohio law, partnered to create WHF STRS Ohio Senior Loan Fund LLC ("STRS JV"), a joint venture formed to invest in directly originated, senior secured first and second lien term loans

Portfolio at Fair Value ($MM)



NAV + Cumulative Dividends per share



Note: As of December 31st, of each respective year presented, unless otherwise noted.

(1) Based on total capital raised by H.I.G. Capital and affiliates.

(2) Includes investments in STRS JV.

(3) Based on fair value. Does not include investments in STRS JV.

Source: Company filings

Overview of WhiteHorse Finance, Inc. (continued)

Investment Strategy

- Generate attractive risk-adjusted returns in all market conditions by originating and investing in senior secured loans to performing lower middle market companies and leveraging the knowledge of H.I.G. Capital
- Differentiated proprietary deal flow from over 65 dedicated deal professionals sourcing through direct coverage of financial sponsors and intermediaries
- Rigorous credit process focused on fundamental analysis with emphasis on downside protection and cash flow visibility
- 10-person investment committee with more than 250 years of industry experience
- Investment strategy focused on first lien and second lien senior secured investments in lower middle market companies with a target hold size of $5MM to $25MM

Summary Stats:

Invested Capital since IPO:	$2,514MM(1)
Number of Investments Made:	~220(1)
Average Investment Size:	~$5.6MM(2)
All-in Yield:	13.6%(3)
Net Debt / EBITDA of Current Portfolio Companies:	~4.1x(4)
Secured Debt as a % of Total Debt:	~100%(5)

Note: As of September 30, 2023, unless otherwise noted.

(1) Reflects life-to-date since IPO and may exclude follow-on transactions and investments in STRS JV made via asset transfers in-kind.

(2) Across 107 investments. Does not include investments in STRS JV.

(3) Reflects weighted average effective yield of income-producing debt investments. Weighted average effective yield for entire portfolio, including equities and investments in STRS JV, as of September 30, 2023, is 12.4%. Weighted average effective yield is computed by dividing (a) annualized interest income (including interest income resulting from the amortization of fees and discounts) by (b) the weighted average cost of investments.

(4) Measured at origination based on borrower reporting and WHF's target underwriting leverage. Does not include investments in STRS JV.

(5) Based on fair value. Does not include the Company's investments in STRS JV.

Summary of Quarterly Results

Fiscal Quarter Highlights

- Total investments at fair value decreased to $706.8 million in Q3 2023 as compared with $728.4 million in Q2 2023.
- The Company made investments in two new portfolio companies for gross deployments of $8.4 million and made add-on investments totaling $12.2 million.
- The Company received dispositions and principal repayments of $31.7 million, driven by Inspired Beauty Brands, Inc. and PFB Holdco, Inc. (d/b/a PFB Corporation) and received net repayments of $1.7 million on revolver commitments. The Company also transferred three investments, comprised of two new portfolio companies and one add-on investment, to the STRS JV totaling $8.8 million.
- The weighted average effective yield on income-producing investments at the end of Q3 2023 was approximately 13.6% as compared with approximately 13.4% at the end of the prior quarter.
- Q3 Net Investment Income ("NII") was $10.8 million, or $0.465 per share, which compares with Q2 NII of $10.6 million, or $0.456 per share.
- Q3 Core NII[(1)] was $10.8 million, or $0.465 per share, compared with the quarterly distribution of $0.37 per share. This compares with Q2 Core NII of $10.6 million, or $0.456 per share.
- Net realized and unrealized losses on investments and foreign currency transactions for Q3 2023 were $5.2 million primarily driven by unrealized losses from investments in Arcstor Midco, LLC (d/b/a Arcserve (USA), LLC, American Crafts, LC, Motivational Marketing, LLC and Playmonster LLC.
- NAV per share at the end of Q3 2023 was $13.87 per share compared with $14.00 per share from Q2 2023.
- Gross leverage levels decreased during the quarter to 1.25x from 1.32x at the end of Q2 2023. Cash on-hand at the end of Q3 2023 was $29.8 million resulting in net leverage of 1.16x as compared with 1.25x at the end of Q2 2023. In August 2023, the Company completed a public offering of 7.875% 2028 Notes in aggregate principal amount of $34.5 million.
- As of September 30, 2023, STRS JV had total assets of $329.7 million. The Company's return on its investment in STRS JV at the end of Q3 2023 was 15.7%[(2)].
- Subsequent to September 30, 2023, the Company's board of directors approved a decrease in the base management fee rate paid to the Investment Adviser. The base management fee rate decreases to 1.75%, from 2.00%, and is effective January 1, 2024.

(1) Core net investment income is a non-GAAP financial measure. Refer to next slide for components and discussion of core net investment income. Additional information on core net investment income and a reconciliation of core net investment income to its most directly comparable GAAP financial measure, net investment income, can also be found by accessing the earnings releases posted to the Company's website at http://www.whitehorsefinance.com.

(2) Computed as the annual stated rate of the subordinated notes, based on the subordinated notes outstanding as of the period, and dividends received over the last twelve-month period, based on average capital invested.

Quarterly Operating Highlights

Unaudited Quarterly Financials *(USD in MM, except per share data)*	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Total Investment Income[1]	**$ 20.0**	**$ 21.6**	**$ 25.9**	**$ 26.2**	**$ 25.6**	**$ 25.9**
Expenses						
Interest Expense	4.9	5.6	6.6	7.5	7.3	7.6
Base Management Fees	3.9	3.9	3.9	3.7	3.7	3.7
Performance-based Incentive Fees	1.8	1.0	2.8	2.7	2.6	2.7
Other Expenses	1.5	1.3	1.5	1.6	1.4	1.1
Total Expenses	**12.1**	**11.8**	**14.8**	**15.5**	**15.0**	**15.1**
Net Investment Income	**$ 7.9**	**$ 9.8**	**$ 11.1**	**$ 10.7**	**$ 10.6**	**$ 10.8**
Net Realized and Unrealized Gain / (Loss)	(0.5)	(5.9)	(12.3)	(3.2)	(6.7)	(5.2)
Net Increase (Decrease) in Net Assets from Operations	**$ 7.4**	**$ 3.9**	**$ (1.2)**	**$ 7.5**	**$ 3.9**	**$ 5.6**
Per Share						
Net Investment Income (NII)	*$ 0.34*	*$ 0.42*	*$ 0.48*	*$ 0.46*	*$ 0.46*	*$ 0.47*
Core NII[2]	*$ 0.33*	*$ 0.37*	*$ 0.48*	*$ 0.46*	*$ 0.46*	*$ 0.47*
Net Realized and Unrealized Gain / (Loss)	*$ (0.02)*	*$ (0.25)*	*$ (0.53)*	*$ (0.14)*	*$ (0.29)*	*$ (0.23)*
Earnings	*$ 0.32*	*$ 0.17*	*$ (0.05)*	*$ 0.32*	*$ 0.17*	*$ 0.24*
Dividends Declared	*$ 0.355*	*$ 0.355*	*$ 0.355*	*$ 0.355*	*$ 0.370*	*$ 0.370*
Special Dividends Declared	*$ -*	*$ -*	*$ 0.050*	*$ 0.070*	*$ -*	*$ -*
Core NII Dividend Coverage	*94%*	*105%*	*134%*	*130%*	*123%*	*126%*

Note: Numbers may not foot due to rounding.

(1) Total investment income includes investment income (e.g., interest and dividends) from investments in STRS JV.

(2) Core net investment income is a non-GAAP financial measure. The Company believes that core net investment income provides useful information to investors and management because it reflects the Company's financial performance excluding (i) the net impact of costs associated with the refinancing of the Company's indebtedness, (ii) the accrual of the capital gains incentive fee attributable to realized and unrealized gains and losses, and (iii) certain excise or other income taxes (net of incentive fees). The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. Additional information on core net investment income and a reconciliation of core net investment income to its most directly comparable GAAP financial measure, net investment income, can be found by accessing the earnings releases posted to the Company's website at http://www.whitehorsefinance.com.

Source: Company filings

Quarterly Balance Sheet Highlights

Unaudited Quarterly Financials *(USD in MM, except per share data)*	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Assets						
Investments at Fair Value	$ 766.5	$ 764.6	$ 760.2	$ 749.2	$ 728.4	$ 706.8
Cash and Equivalents[1]	18.6	19.3	26.3	22.2	23.1	29.8
Other Assets	14.5	12.8	10.0	9.6	20.7	9.9
Total Assets	**$ 799.6**	**$ 796.7**	**$ 796.5**	**$ 781.0**	**$ 772.2**	**$ 746.5**
Liabilities						
Debt (net of issuance costs)	423.2	431.0	440.4	423.7	424.7	398.1
Other Liabilities	29.0	22.7	23.7	27.3	22.2	26.1
Total Liabilities	**$ 452.2**	**$ 453.7**	**$ 464.1**	**$ 451.0**	**$ 446.9**	**$ 424.2**
Total Net Assets	**$ 347.4**	**$ 343.0**	**$ 332.4**	**$ 330.0**	**$ 325.3**	**$ 322.3**
Total Liabilities and Net Assets	**$ 799.6**	**$ 796.7**	**$ 796.5**	**$ 781.0**	**$ 772.2**	**$ 746.5**
Net Asset Value per Share	***$ 14.95***	***$ 14.76***	***$ 14.30***	***$ 14.20***	***$ 14.00***	***$ 13.87***
Leverage Ratio[2]	***1.23x***	***1.27x***	***1.34x***	***1.30x***	***1.32x***	***1.25x***
Net Leverage Ratio[3]	***1.18x***	***1.22x***	***1.26x***	***1.23x***	***1.25x***	***1.16x***
Gross Fundings [4]	*66.9*	*53.3*	*56.3*	*37.3*	*28.0*	*21.3*
Exits and Repayments [4]	*(101.2)*	*(49.6)*	*(51.3)*	*(48.2)*	*(45.2)*	*(39.3)*
Net Fundings/(Repayments)	***$ (34.3)***	***$ 3.7***	***$ 5.0***	***$ (10.9)***	***$ (17.2)***	***$ (18.0)***

Note: Numbers may not foot due to rounding

(1) Includes Restricted Cash.
(2) Calculated as Total Gross Debt Outstanding divided by Total Net Assets.
(3) Net Leverage Ratio is defined as debt outstanding less cash, divided by total net assets.
(4) Fundings, exits and repayments may include cash flows on revolver investments as well as non-cash transactions (e.g., PIK, equity issuances).

Portfolio Highlights

($ in MM, except per share data)

Portfolio Investment	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Total Fair Value of Investments	$ 766.5	$ 764.6	$ 760.2	$ 749.2	$ 728.4	$ 706.8
Number of Portfolio Investments	105	107	115	116	116	109
Number of Portfolio Companies	68	68	72	70	70	69
Average Investment Size[1]	$ 6.4	$ 6.3	$ 5.8	$ 5.7	5.5	5.6
Average Borrower Size[1]	$ 9.9	$ 9.9	$ 9.3	$ 9.4	$ 9.1	$ 8.8
Average Debt Investment Size[1]	$ 7.9	$ 7.7	$ 7.0	$ 7.2	$ 7.1	$ 7.4
Fair Value as a Percentage of Principal[1][2]	97.6%	96.5%	95.6%	95.1%	94.5%	93.3%

Total Portfolio Effective Yield[3]	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Weighted average effective yield on income-producing debt investments[1]	9.9%	11.4%	12.6%	13.2%	13.4%	13.6%
Weighted average effective yield on total portfolio[4]	9.9%	11.0%	12.2%	12.6%	12.5%	12.4%

Portfolio Composition - Floating vs. Fixed Investments (Debt Investments at Fair Value)[1]	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Percentage of fixed rate investments	0.4%	0.4%	0.4%	0.4%	0.8%	0.9%
Percentage of floating rate investments	99.6%	99.6%	99.6%	99.6%	99.2%	99.1%

Portfolio Composition - Sponsor vs. Non-Sponsor (Fair Value)[1]	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Sponsor	59.8%	60.7%	62.3%	65.4%	64.8%	63.6%
Non-Sponsor	40.2%	39.3%	37.7%	34.6%	35.2%	36.4%

Total Portfolio Composition by Instrument Type (Fair Value)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
First lien secured loans	80.3%	80.6%	81.3%	81.2%	81.3%	80.3%
Second lien secured loans	2.9%	2.7%	2.7%	2.6%	2.4%	2.3%
Subordinated debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
STRS JV	13.3%	13.3%	13.2%	13.4%	14.1%	15.1%
Equity	3.5%	3.4%	2.8%	2.8%	2.2%	2.3%

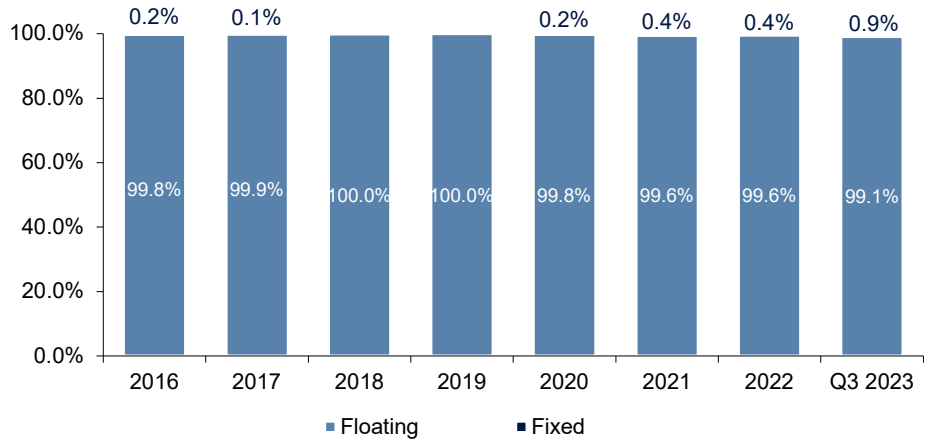
Investments on Non-Accrual Status (Debt Investments)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Fair Value of Investments on Non-accrual Status	$ -	$ -	$ -	$ 2.7	$ 19.0	$ 20.0
Cost of Investments on Non-accrual Status	$ -	$ -	$ -	$ 3.7	$ 28.3	$ 38.4
% of Investments on Non-accrual Status (Based on Fair Value of Debt Investments)[5]	0.0%	0.0%	0.0%	0.4%	2.7%	3.0%
% of Investments on Non-accrual Status (Based on Cost of Debt Investments)[5]	0.0%	0.0%	0.0%	0.5%	4.0%	5.5%

Note: Not a guarantee of future performance or investment pace.
(1) Does not include investments in STRS JV.
(2) Calculated based on funded principal amounts of debt investments.
(3) Weighted average effective yield is computed by dividing (a) annualized interest income (including interest income resulting from the amortization of fees and discounts) by (b) the weighted average cost of investments.
(4) Weighted average effective yield for entire portfolio, including equities and investments in STRS JV.
(5) Includes STRS JV Subordinated Note.
Source: Company filings

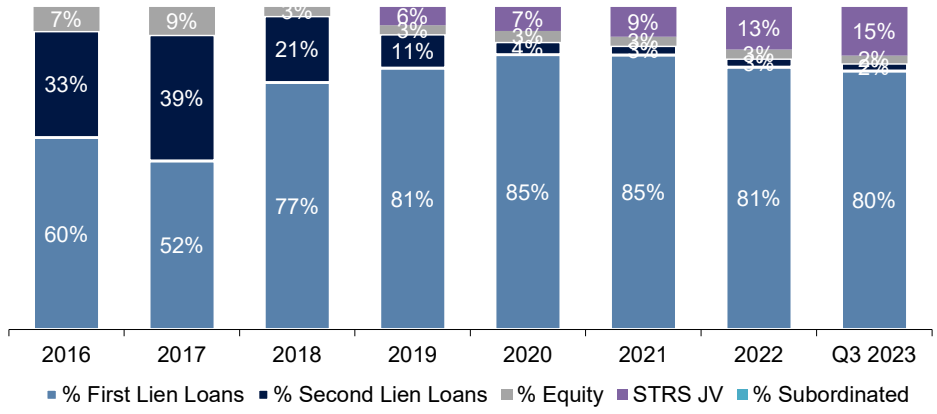
Portfolio Trends

Historical Portfolio Trends

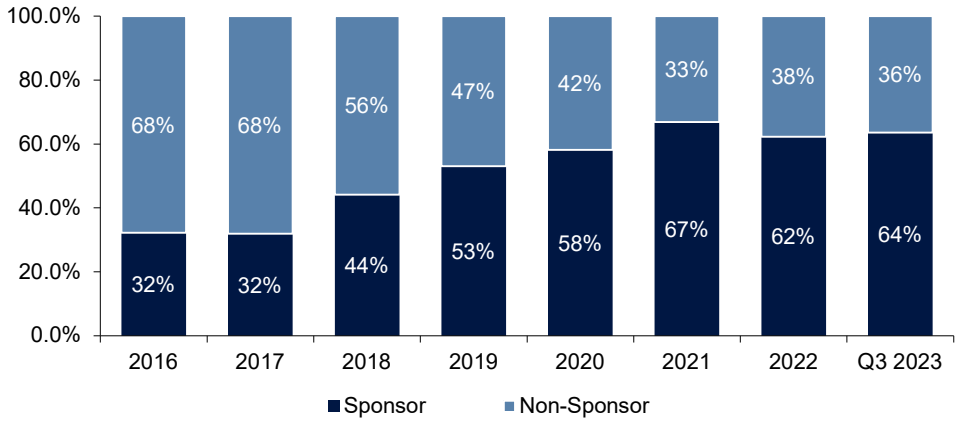
% Floating and % Fixed *(Based on Fair Value)*



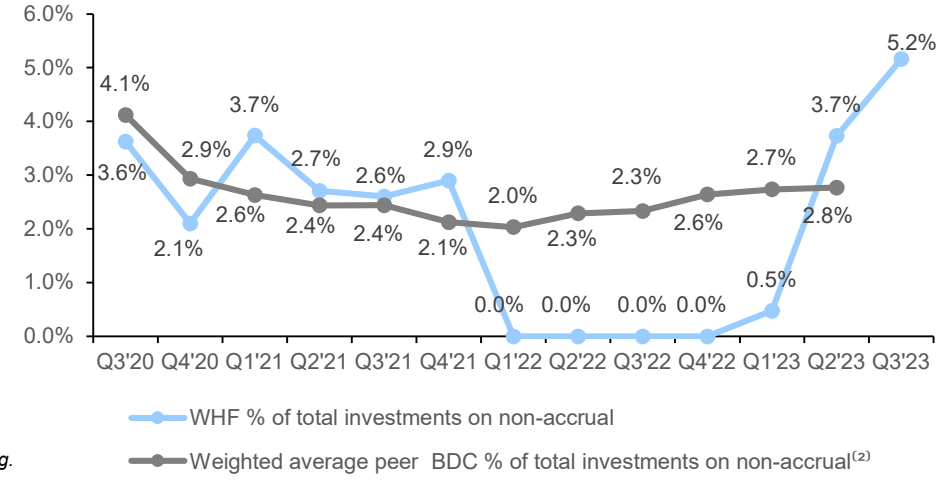
% Instrument Type *(Based on Fair Value)*



% Sponsored / Non-Sponsored *(Based on Fair Value)*



% Non Accruals *(Based on Cost of Investments)*[1]



Note: As of end of each year/quarter presented, unless otherwise noted; percentages may not add up to 100% due to rounding. Not a guarantee of future performance or investment pace.

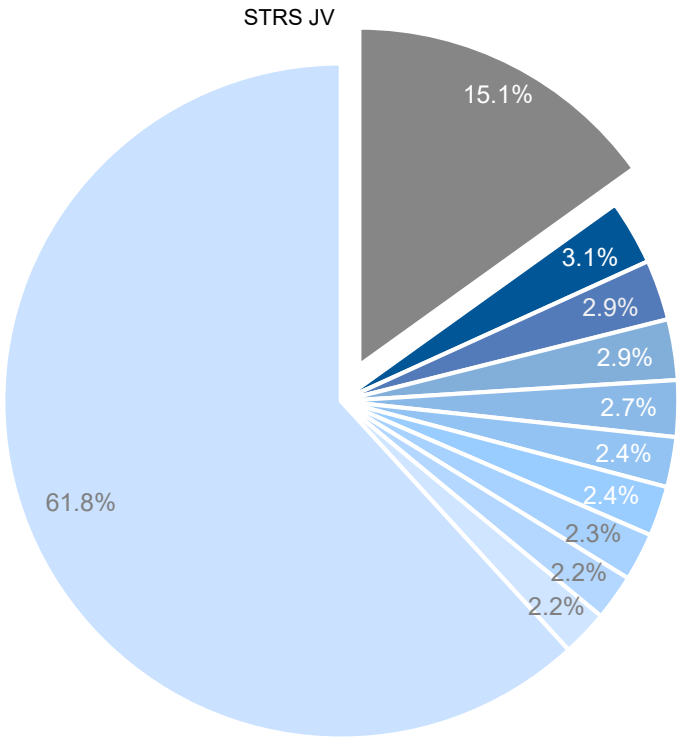
(1) Based on amortized cost of total investments, including STRS JV.

(2) Peer data from approximately 40 publicly traded BDCs, provided by Raymond James and Company filings as of June 30, 2023. Weighted average based on non-accruals as a percentage of amortized cost across total investments.

Borrower and Industry Diversity

Composition by Borrower *(Based on Fair Value)*

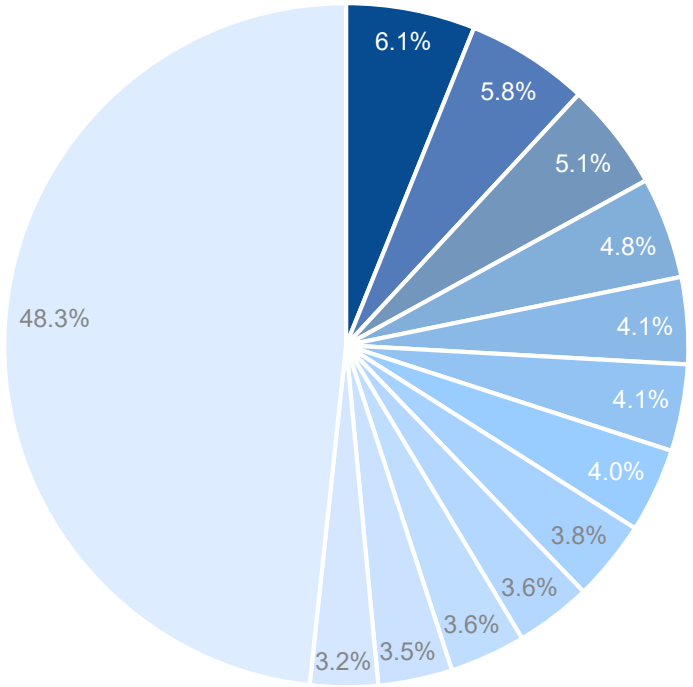
- STRS JV
- Bulk Midco, LLC
- ABB/Con-cise Optical Group LLC
- BBQ Buyer, LLC
- Empire Office, Inc.
- Other
- Future Payment Technologies, L.P.
- Sleep OpCo LLC
- Telestream Holdings Corporation
- FGI Acquisition Corp.
- CleanChoice Energy, Inc.



~100% of WHF loans are senior secured

Composition by Industry[1] *(Based on Fair Value)*

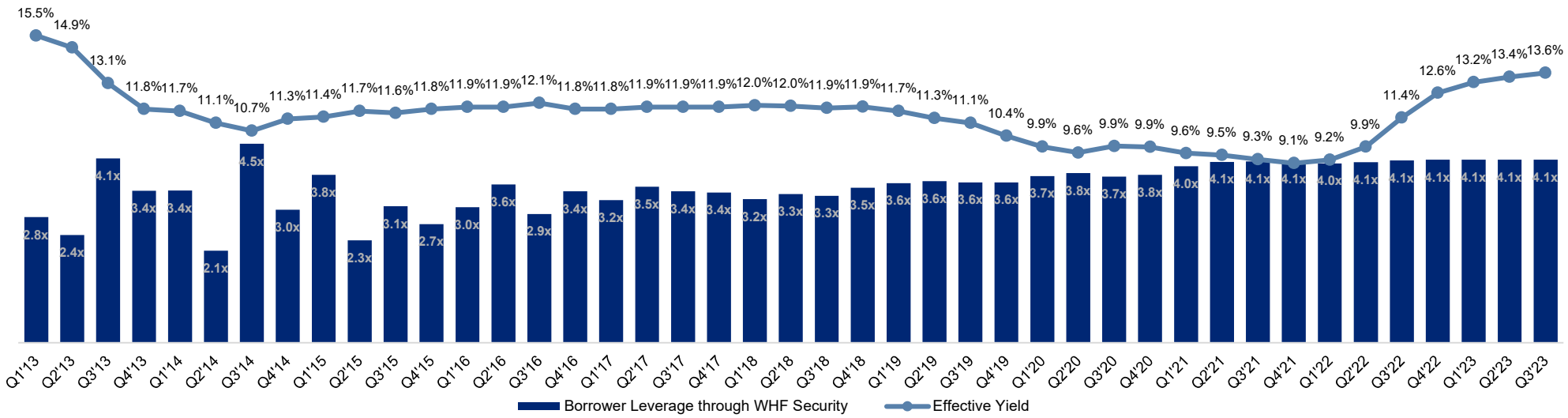
- Broadline Retail
- Commodity Chemicals
- Home Furnishings
- Specialized Consumer Services
- Data Processing & Outsourced Services
- Cable & Satellite
- Other
- Application Software
- Office Services & Supplies
- Air Freight & Logistics
- Leisure Facilities
- Research & Consulting Services
- Health Care Supplies



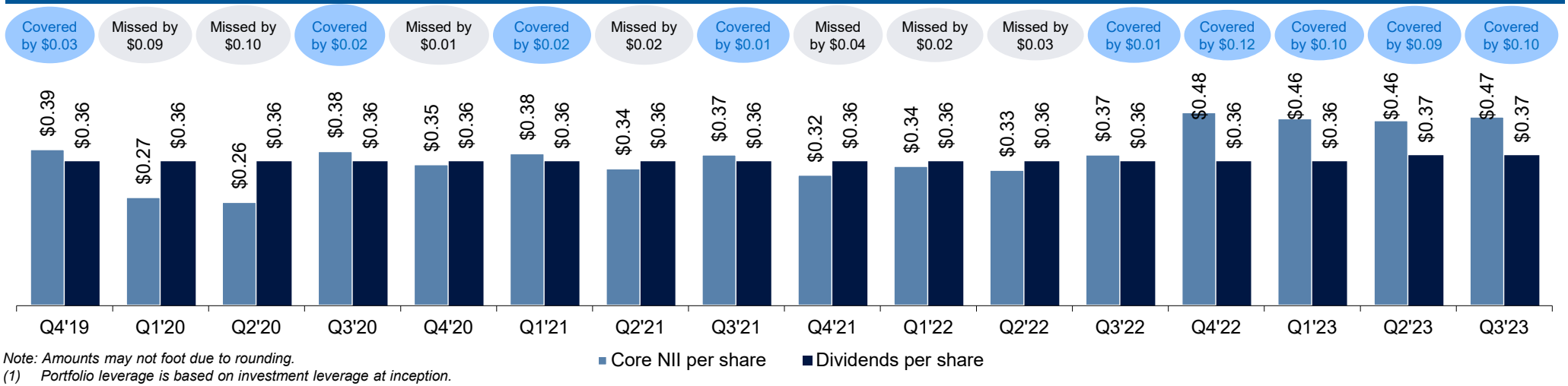
Note: As of September 30, 2023, unless otherwise noted; percentages may not add up to 100% due to rounding.
(1) Does not include investments in STRS JV. Industry classifications based on GICS.

Effective Yield & Dividend Coverage

Debt Portfolio Effective Yield and Borrower Leverage(1) From IPO to September 30, 2023



Core NII(2) to Dividend Coverage(3)



Note: Amounts may not foot due to rounding.

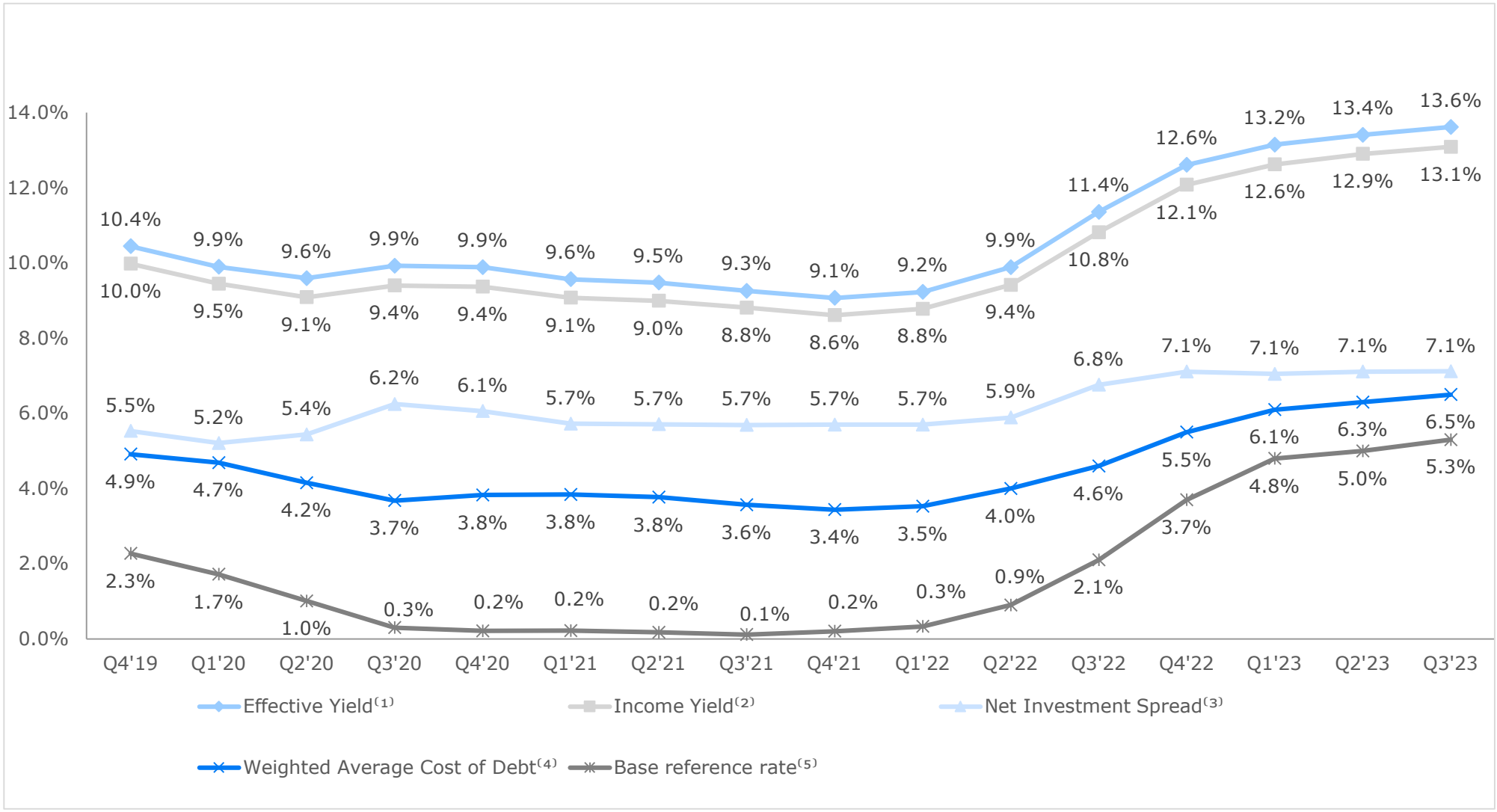
(1) *Portfolio leverage is based on investment leverage at inception.*

(2) *Core net investment income is a non-GAAP financial measure. The Company believes that core net investment income provides useful information to investors and management because it reflects the Company's financial performance excluding (i) the net impact of costs associated with the refinancing of the Company's indebtedness, (ii) the accrual of the capital gains incentive fee attributable to realized and unrealized gains and losses, and (iii) certain excise or other income taxes (net of incentive fees). The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. Additional information on core net investment income and a reconciliation of core net investment income to its most directly comparable GAAP financial measure, net investment income, can be found by accessing the earnings releases posted to the Company's website at http://www.whitehorsefinance.com*

(3) *Does not include special dividends.*

Source: Company filings

Yield & Interest Rate Economic Analysis



(1) *Weighted average effective yield is computed by dividing (a) annualized interest income (including interest income resulting from the amortization of fees and discounts) by (b) the weighted average cost of investments.*
(2) *Income yield is calculated as (a) the actual amount earned on earning investments, including interest and recurring fee income but excluding amortization of capitalized fees and discounts.*
(3) *Calculated as (a) effective yield less (b) weighted average cost of debt.*
(4) *The weighted average cost of debt is calculated as (a) the actual amount of expenses incurred on debt obligations divided by (b) the daily average of total debt obligations.*
(5) *The base reference rate represents the weighted average base rate for the quarter applied on the JPM Revolving Credit Facility borrowings.*

Investment Performance Ratings

Investment Performance Ratings

(% of Portfolio at Fair Value)

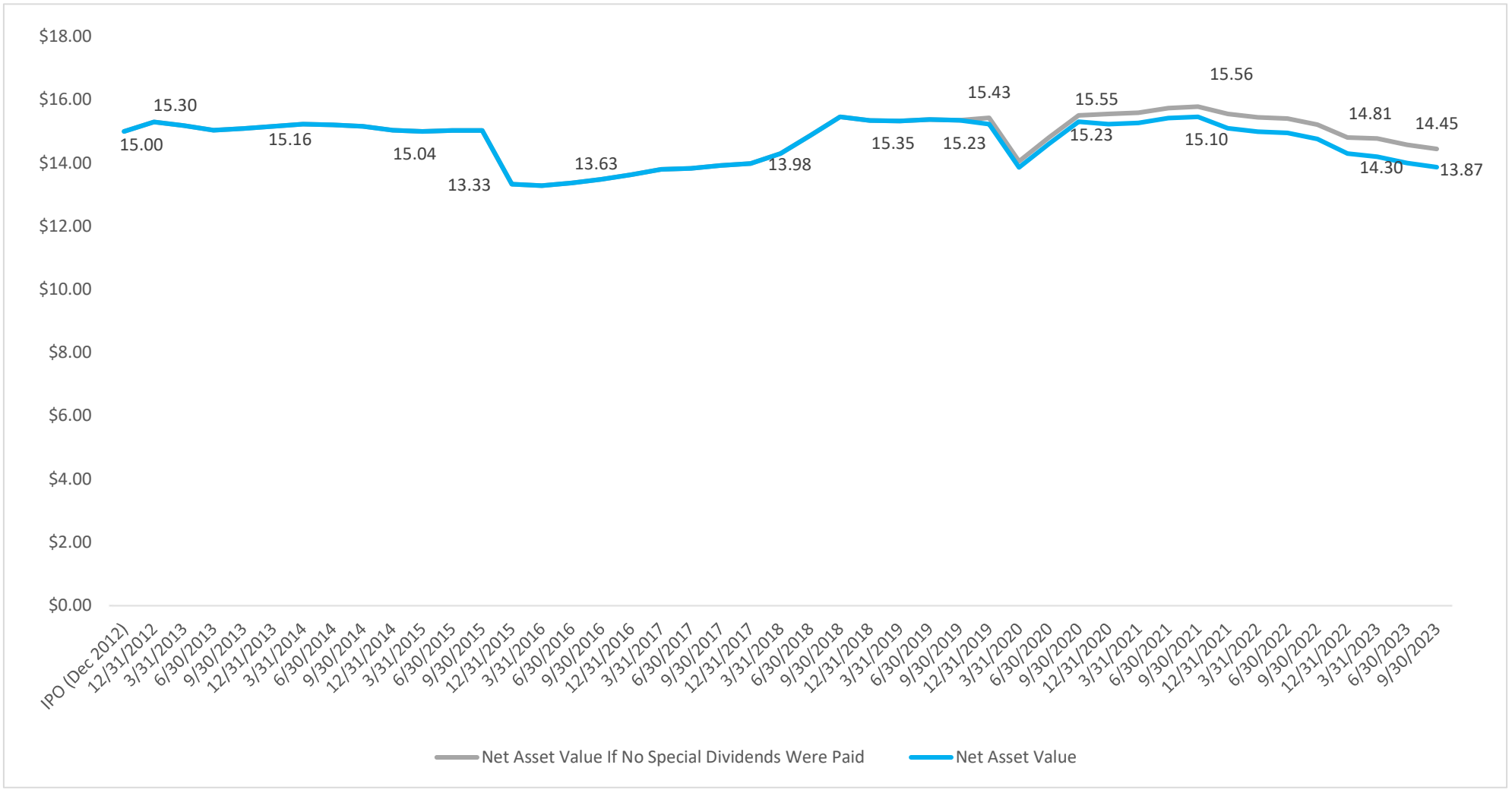
Rating	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Q1 2023	Q2 2023	Q3 2023
1							6.3%	2.3%	22.2%	15.4%	8.6%	12.3%	14.3%	19.5%
2	100.0%	92.4%	100.0%	90.3%	87.0%	83.9%	80.1%	83.3%	61.1%	74.7%	66.2%	60.9%	62.0%	58.7%
3		7.6%		7.9%	13.0%	16.1%	13.6%	13.1%	15.0%	8.9%	22.2%	25.0%	20.6%	18.4%
4				0.0%			0.0%	0.0%	0.6%	1.0%	3.0%	1.8%	3.1%	3.0%
5				1.8%			0.0%	1.3%	1.1%	-	-	-	-	0.4%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Investment Perfomance Rating Definitions

Rating	Definition
1	The portfolio company's risk of loss has been reduced relative to initial expectations.
2	The portfolio company is meeting initial expectations with regard to performance and outlook.
3	The investment's risk of loss has increased relative to initial expectation.
4	Investment principal is at a material risk of not being fully repaid.
5	Investment is in payment default and has significant risk of not receiving full repayment.

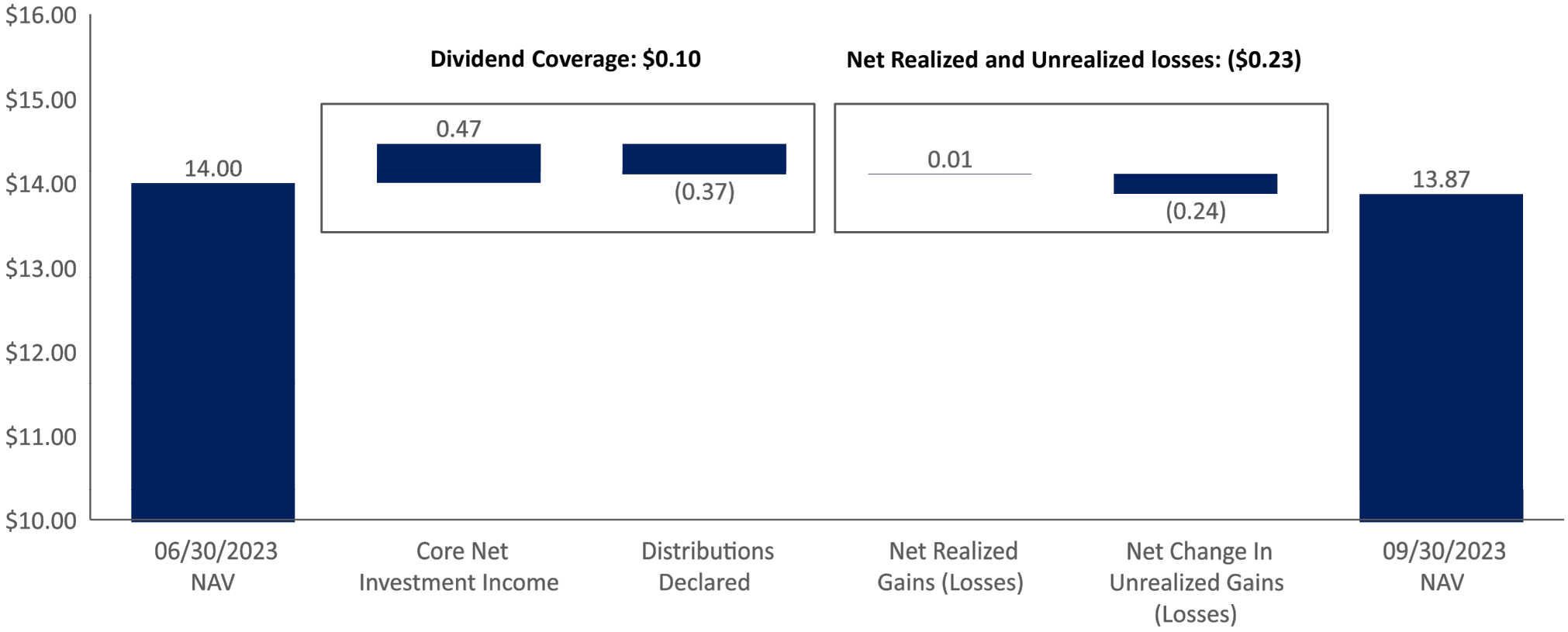
Net Asset Value Trends

Net Asset Value Per Share



**As a supplement to GAAP financial measures, the Company has provided this non-GAAP measure. The Company believes that this non-GAAP financial measure is useful as it highlights the changes in NAV per share of common stock for each quarter excluding the impact of special dividends that were paid and shows the pro forma to the Company's NAV per share after payment of regular distributions.*

NAV Per Share Bridge



Note: Numbers may not foot due to rounding.
Core net investment income is a non-GAAP financial measure. The Company believes that core net investment income provides useful information to investors and management because it reflects the Company's financial performance excluding (i) the net impact of costs associated with the refinancing of the Company's indebtedness, (ii) the accrual of the capital gains incentive fee attributable to realized and unrealized gains and losses, and (iii) certain excise or other income taxes (net of incentive fees). The presentation of this additional information is not meant to be considered in isolation or as a substitute for financial results prepared in accordance with GAAP. Additional information on core net investment income and a reconciliation of core net investment income to its most directly comparable GAAP financial measure, net investment income, can be found by accessing the earnings releases posted to the Company's website at http://www.whitehorsefinance.com.
Source: Company filings

Leverage Migration

($ in MM)

06/30/2023	Quarterly Change	09/30/2023
Outstanding Debt:		**Outstanding Debt:**
$428.6	**($25.5)** Driven by net paydowns and sales of portfolio investments	**$403.1**
NAV:		**NAV:**
$325.3	**($3.0)** Driven by net realized and unrealized losses	**$322.3**

Leverage Ratio: 1.32x

Sources		Uses	
Borrowings	$ 45.2	Debt Paydown	$ 76.6
Sales & Principal Payments	39.3	Acquisition of Investments	21.3
Net Investment Income	10.8	Dividend Payment, net of distributions	8.6
Unsettled investment transactions	10.7	Balance Sheet Cash	6.7
Other Balance Sheet Changes	7.2		
Total	**$113.2**	**Total**	**$113.2**

Leverage Ratio: 1.25x

Note: Numbers may not foot due to rounding.

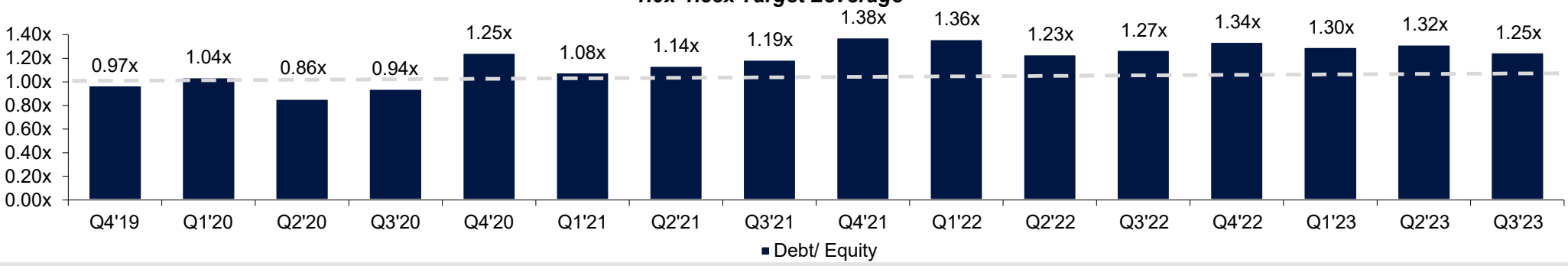
Funding Profile

Current Debt Outstanding (as of September 30, 2023)

($ in MM)	Commitment	Outstanding[1]	Weighted Average Interest Rate	Maturity
Revolving Credit Facility	$335.0 (Accordion Feature up to $375)	$208.6	S+2.500% payable quarterly	2025
5.375% 2025 Notes	$40.0	$40.0	5.375% payable semi-annually; Unsecured	2025
5.375% 2026 Notes	$10.0	$10.0	5.375% payable semi-annually; Unsecured	2026
4.000% 2026 Notes	$75.0	$75.0	4.000% payable semi-annually; Unsecured	2026
5.625% 2027 Notes	$10.0	$10.0	5.625% payable semi-annually; Unsecured	2027
4.250% 2028 Notes	$25.0	$25.0	4.250% payable semi-annually; Unsecured	2028
7.875% 2028 Notes (NASDAQ: WHFCL)	$34.5	$34.5	7.875% payable quarterly; Unsecured	2028
Total Debt	$529.5	$403.1	6.6% weighted average cost of debt	
Total Shareholders' Equity/Net Assets	$322.3		NA	

Gross Debt to Equity[2]

1.0x-1.35x Target Leverage



Note: As of end of each quarter presented, unless otherwise noted. Not a guarantee of future performance or investment pace.

(1) As of September 30, 2023, WHF had $5.0MM of deferred debt issuance costs.

(2) Gross leverage excluding cash.

Appendix

Regional Direct Origination Footprint

Origination Footprint (as of September 30, 2023)

- Scope of H.I.G. WhiteHorse market coverage results in consistent investment activity levels regardless of market conditions
- Dedicated direct lending team of 67 investment and origination professionals
- Regional footprint with 22 dedicated direct lending originators in 11 North American offices
- Global platform of approximately 565 investment professionals across 18 offices in 9 countries and 3 continents
- Additional 28 generalist business development professionals dedicated to sourcing proprietary opportunities in the lower to middle market



STRS JV Key Terms and Funding Profile

($ in MM)

Key Terms

- WHF and STRS Ohio have committed to provide up to $175 million in subordinated notes and equity to STRS JV, with STRS Ohio providing $60 million and WHF providing $115 million.
- WHF and STRS Ohio share voting control 50%/50%.
- Equity ownership of 65.71% WHF and 34.29% STRS
- An affiliate of H.I.G. provides day-to-day administrative oversight

Current Debt Outstanding (as of September 30, 2023)

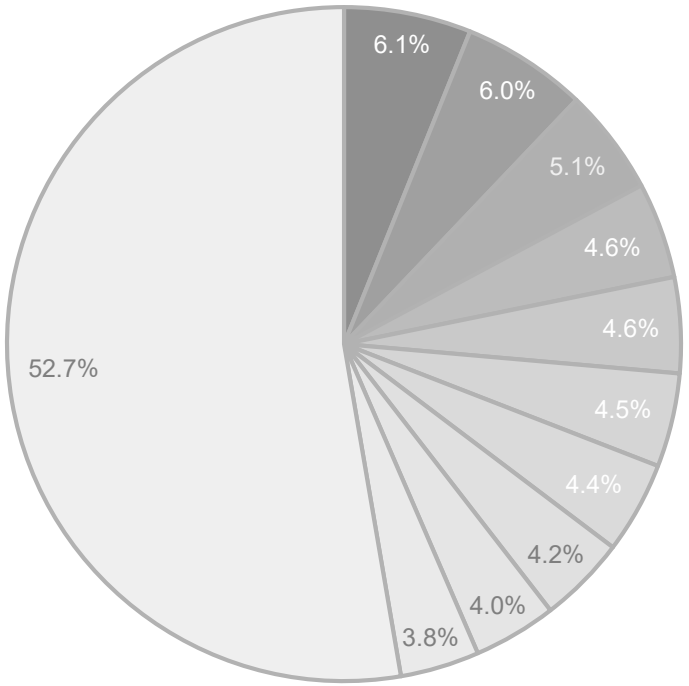
($ in MM)	Commitment	Outstanding[1]	Weighted Average Interest Rate	Maturity
Revolving Credit Facility	$262.5 ($75 Accordion Feature)	$164.0	S+2.72% payable quarterly	2026
Subordinated Note	$140.0	$128.5	S+6.50% payable quarterly	N/A
Total Debt	$402.5	$292.5	9.5% weighted average cost of debt	
Equity	$35.0	$32.1	N/A	N/A

Note: As of end of each quarter presented, unless otherwise noted. Not a guarantee of future performance or investment pace.
As of September 30, 2023 STRS JV had $2.0MM of deferred debt issuance costs.

STRS JV Borrower and Industry Diversity

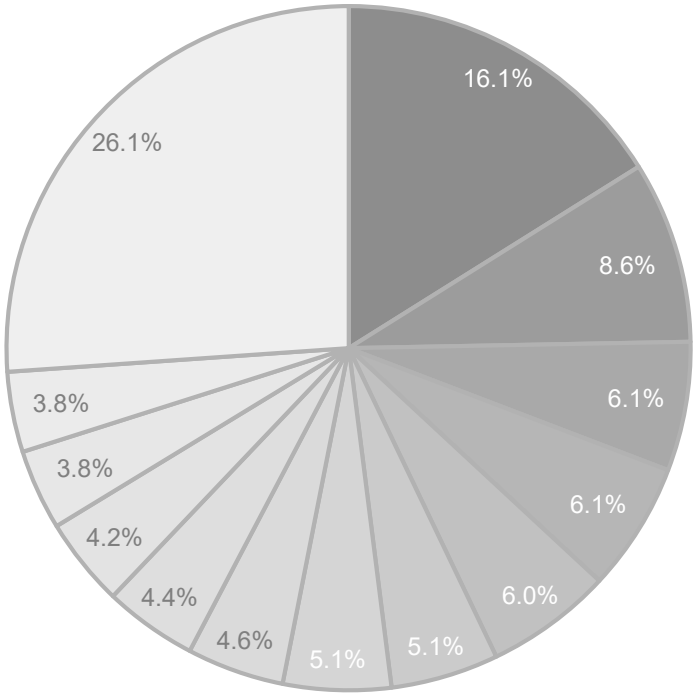
Composition by Borrower *(Based on Fair Value)*

- Marlin DTC-LS Midco 2, LLC
- Meta Buyer LLC
- Geo Logic Systems Ltd.
- Drew Foam Companies Inc
- BLP Buyer, Inc.
- Other
- Source Code Holdings, LLC
- RCKC Acquisitions LLC
- Juniper Landscaping Holdings LLC
- LMG Holdings, Inc.
- Quest Events, LLC



Composition by Industry[1] *(Based on Fair Value)*

- IT Consulting & Other Services
- Broadline Retail
- Technology Hardware, Storage & Peripherals
- Pharmaceuticals
- Building Products
- Advertising
- Other
- Environmental & Facilities Services
- Industrial Machinery & Supplies & Components
- Construction & Engineering
- Data Processing & Outsourced Services
- Electronic Equipment & Instruments
- Diversified Support Services



100% of STRS JV loans are senior secured

Note: As of September 30, 2023, unless otherwise noted; percentages may not add up to 100% due to rounding.
(1) Industry classifications based on GICS.

Origination Pipeline Funnel[(1)]

Three tier sourcing platform, generating meaningful investable opportunities for WhiteHorse Finance

Over 60 WhiteHorse deal professionals dedicated to sourcing and underwriting for WHF

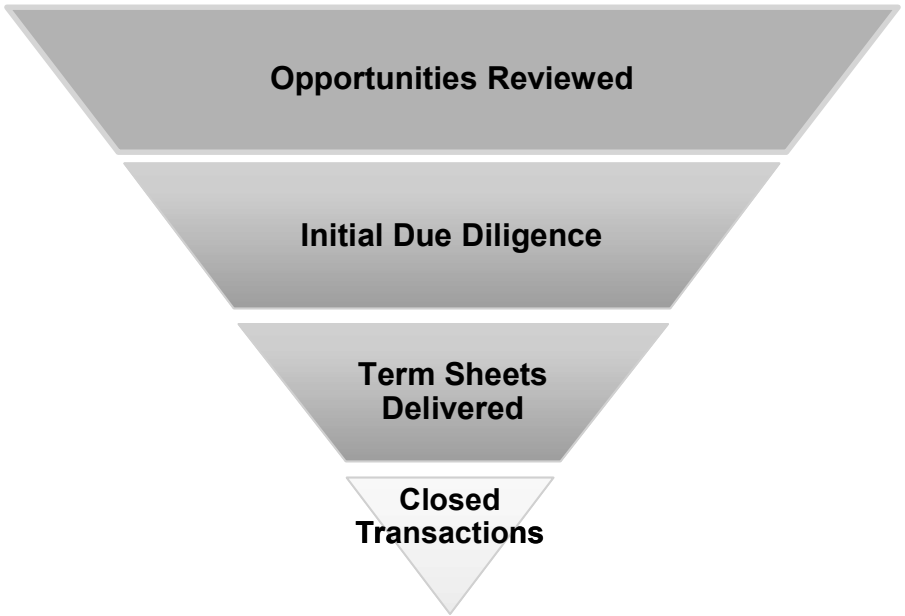
+

20+ person business development team seeks opportunities from H.I.G.'s proprietary database of over 21,000 contacts (telephonic salesforce)

+

Deals being sourced by over 500 Investment Professionals across H.I.G.'s platform

Typical Underwriting Process: 3-6 months



	Total	% of Sourced
Opportunities Reviewed	10,320	*100.0%*
Initial Due Diligence	2,339	*22.7%*
Term Sheets Delivered	624	*6.0%*
Closed Transactions	228	*2.2%*

- With access to H.I.G. Capital's extensive sourcing network, the Company is able to capitalize on attractive self-originated lower middle market transactions as compared to the broadly syndicated market
- Directly originated loans to lower middle market companies typically generate more attractive risk-adjusted returns relative to larger, broadly syndicated credits

(1) Origination Pipeline figures reflect 2014 through September 30, 2023.

Corporate Data

Board of Directors

John Bolduc
Chairman of the Board

Stuart Aronson
Director

Jay Carvell
Director

Kevin F. Burke
Independent Director

Rick P. Frier
Independent Director

Rick D. Puckett
Independent Director

G. Stacy Smith
Independent Director

Investment Committee

Sami Mnaymneh
Co-Founder and Co-CEO of H.I.G. Capital

Anthony Tamer
Co-Founder and Co-CEO of H.I.G. Capital

Stuart Aronson
Chief Executive Officer and Director

Mark Bernier
Managing Director of WhiteHorse Capital

John Bolduc
Chairman of the Board, Executive Managing Director of H.I.G. Capital

Javier Casillas
Global Chief Credit Officer and Managing Director of WhiteHorse Capital

Pankaj Gupta
Global Head of Originations and Managing Director of WhiteHorse Capital

David Indelicato
Managing Director of WhiteHorse Capital

Brian Schwartz
Co-President of H.I.G. Capital

John Yeager
Managing Director of WhiteHorse Capital

Corporate Officers

Stuart Aronson
Chief Executive Officer

Marco Collazos
Chief Compliance Officer

Joyson Thomas
Chief Financial Officer

Research Coverage

Bryce Rowe
B. Riley FBR

Erik Zwick
Hovde Group

Melissa Wedel
J.P. Morgan

Mickey Schleien
Ladenburg Thalmann & Co. Inc.

Mitchel Penn
Oppenheimer & Co.

Robert Dodd
Raymond James

Corporate Counsel

Dechert LLP
New York, NY

Corporate Headquarters

1450 Brickell Avenue
31st Floor
Miami, FL 33131

Transfer Agent

Equiniti Trust Company, LLC
(f/k/a American Stock Transfer & Trust Company, LLC)
New York, NY

Investor Relations Contact

1450 Brickell Avenue
31st Floor
Attention: Investor Relations
Miami, FL 33131
(305) 381-6999

Independent Registered Public Accounting Firm

Crowe LLP
Chicago, IL

Securities Listing

NASDAQ: WHF

Please visit our website at:
www.whitehorsefinance.com