



## ADVANTAGE PE 2020 A K/S

Bredgade 40  
1260 Copenhagen  
CVR No. 41758929

## Annual report 2024

The Annual General Meeting adopted the  
annual report on 28.05.2025

---

**Anders Stubkjær Dalhoff**  
Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2024	9
Balance sheet at 31.12.2024	10
Statement of changes in equity for 2024	12
Notes	13
Accounting policies	15

# Entity details

## Entity

ADVANTAGE PE 2020 A K/S

Bredgade 40

1260 Copenhagen

Business Registration No.: 41758929

Date of foundation: 14.10.2020

Registered office: Copenhagen

Financial year: 01.01.2024 - 31.12.2024

## Executive Board

Advantage Club GP ApS, Anders Stubkjær Dalhoff

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Executive Board has today considered and approved the annual report of ADVANTAGE PE 2020 A K/S for the financial year 01.01.2024 - 31.12.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 28.05.2025

## Executive Board

**Advantage Club GP ApS**

Anders Stubkjær Dalhoff

# Independent auditor's report

## To the Limited Partners of ADVANTAGE PE 2020 A K/S

### Opinion

We have audited the financial statements of ADVANTAGE PE 2020 A K/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 28.05.2025

**Deloitte**

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

**Michael Thorø Larsen**

State Authorised Public Accountant

Identification No (MNE) mne35823

**Rasmus Grynderup Kiær Steffensen**

State Authorised Public Accountant

Identification No (MNE) mne44143

# Management commentary

## Primary activities

ADVANTAGE PE 2020 A K/S (ADVANTAGE 2020 A) is a fund-of-funds with a geographical focus on investments in North America. Commitments are made to mid-market buy-out funds only. ADVANTAGE 2020 A is fully committed to five portfolio funds.

## Development in activities and finances

The financial year resulted in a profit of USD 1.95 million, which is higher than management expectations.

The fair value adjustments of portfolio funds's investments were positive by USD 2.44 million net of carried interest. Administrative expenses in the form of management fees and other fund operating expenses amounted to net USD 0.35 million whereafter the fair value adjustments of portfolio funds were positive by USD 2.09 million. Since inception the portfolio funds have in general performed according to plan.

Advantage 2020 A's own net external expenses in the form of management fees, other fund operating expenses and financial items amounted to USD 0.14 million.

In the financial year an aggregate amount of USD 1.1 million was paid in by the limited partners whereafter the accumulated paid in corresponds to 92.3% of the limited partners' committed capital. An aggregate amount of net USD 1.4 million was contributed to the portfolio funds during the financial year whereafter the total contribution corresponds to 83.1% of the commitments to the portfolio funds. The equity amounted to USD 21.4 million as of December 31, 2024.

## Particular risks

### *Financial risk*

The objective of ADVANTAGE 2020 A is to provide capital to portfolio funds, and thereby finance the underlying investments in competitive companies in the North American mid-market. The highest factor of risk is the changes in the valuations of the companies in which ADVANTAGE 2020 A's portfolio funds invest in, which are based on both the development in earnings and the valuations of comparable listed companies. The portfolio valuations are based on an estimate and therefore subject to some degree of uncertainty.

### *Interest rate risk*

ADVANTAGE 2020 A is less sensitive to the changes in interest rate levels.

### *Foreign exchange currency risk*

ADVANTAGE 2020 A's portfolio fund commitments are all made in USD. As the capital in ADVANTAGE 2020 A is also in USD, the currency risk is considered insignificant.

### *Liquidity risk*

ADVANTAGE 2020 A's cash resources as of 31 December 2024, include cash and cash equivalents and outstanding commitments from the limited partners and are deemed sufficient to cover ADVANTAGE 2020 A's current liabilities.

**Periodic disclosure for Article 6 financial products**

The investment underlying this financial product does not take into account the EU criteria for environmentally sustainable economic activities.

**Events after the balance sheet date**

The initial political initiatives by the new US administration have caused turmoil affecting the markets in general and this may continue for an unknown period of time.

The current turmoil can impact the value and performance of the Fund, as the portfolio fund managers' ability to buy and sell investments at attractive valuations - and their ability to achieve the investment objectives - can be affected.

While the uncertainty created in itself is undesirable, we remain encouraged that the underlying portfolio fund managers will continue to drive value creation from operational and strategic improvement initiatives, ensuring a continued positive long-term outlook for the portfolio.

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2024

	Notes	2024 USD'000	2023 USD '000
Fair value adjustment of financial assets		2,093	989
Other external expenses	2	(183)	(148)
<b>Gross profit/loss</b>		<b>1,910</b>	<b>841</b>
Other financial income		43	46
<b>Profit/loss for the year</b>		<b>1,953</b>	<b>887</b>
<b>Proposed distribution of profit and loss:</b>			
Retained earnings		1,953	887
<b>Proposed distribution of profit and loss</b>		<b>1,953</b>	<b>887</b>

# Balance sheet at 31.12.2024

## Assets

	Notes	2024 USD'000	2023 USD'000
Other investments		20,434	16,970
<b>Financial assets</b>	3	<b>20,434</b>	<b>16,970</b>
<b>Fixed assets</b>		<b>20,434</b>	<b>16,970</b>
<b>Cash</b>		<b>1,009</b>	<b>1,382</b>
<b>Current assets</b>		<b>1,009</b>	<b>1,382</b>
<b>Assets</b>		<b>21,443</b>	<b>18,352</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2024</b> <b>USD'000</b>	<b>2023</b> <b>USD'000</b>
Contributed capital		17,632	16,486
Retained earnings		3,804	1,851
<b>Equity</b>		<b>21,436</b>	<b>18,337</b>
Other payables		7	15
<b>Current liabilities other than provisions</b>		<b>7</b>	<b>15</b>
<b>Liabilities other than provisions</b>		<b>7</b>	<b>15</b>
<b>Equity and liabilities</b>		<b>21,443</b>	<b>18,352</b>
Events after the balance sheet date	1		
Fair value information	4		
Contingent liabilities	5		

# Statement of changes in equity for 2024

	<b>Contributed capital USD'000</b>	<b>Retained earnings USD'000</b>	<b>Total USD'000</b>
Equity beginning of year	16,486	1,851	18,337
Increase of capital	1,146	0	1,146
Profit/loss for the year	0	1,953	1,953
<b>Equity end of year</b>	<b>17,632</b>	<b>3,804</b>	<b>21,436</b>

The investors have agreed upon a total commitment of USD 19.1 million. As of 31.12.2024 the total remaining commitment amount to USD 1.5 million.

There are special dividend rights attached to specific share classes when dividend exceeds a determined minimum return.

# Notes

## 1 Events after the balance sheet date

Refer to events after balance sheet date in the management commentary for a description of the current development in the trade war between USA and the rest of the world.

## 2 Other external expenses

The Company has no employees.

Management has not received remuneration.

According to paragraph 61 section 3 (5 and 6) of the Alternative Investment Fund Managers etc. Act, alternative investment funds must disclose information about the total remuneration of the entire staff of the Fund Manager and the number of beneficiaries. Furthermore, remuneration to material risk-takers must be disclosed.

The Fund Manager must also disclose the information necessary to provide an understanding of the risk profile of the Fund and the measures that the Fund Manager takes to avoid or manage conflicts of interest between the Fund Manager and the Limited Partners. The Executive board has adopted a remuneration policy in order to ensure that the employees and Management are remunerated according to the Danish Executive Order on remuneration policy and disclosure requirements on remuneration for managers of alternative investment funds, etc.

In accordance with paragraph 61 section 3 (5 and 6) of the Alternative Investment Fund Managers etc. Act, information regarding salaries paid to employees of the fund manager is disclosed in the Annual Report for ADVANTAGE Investment Partners A/S, Business Reg. No. 39 57 33 34.

No carried interest was paid out by the Fund during the financial period.

## 3 Financial assets

The Company has through investments in portfolio funds ownership of mainly unquoted investments. The Company has no controlling or significant influence on the portfolio funds in which the Company has invested.

The portfolio funds in which the Company has invested all use common accepted guidelines for measuring the fair value. The measuring of the fair value of the investments in underlying portfolio companies are made by the managers of the portfolio funds.

Usually the Company has no or very little information about specific methods and assumptions used by the managers of the portfolio funds when measuring the fair value of the underlying portfolio companies. The manager's valuation committee will assess and if considered necessary adjust the valuation of the underlying portfolio companies. At the assessment of the fair value of the underlying portfolio companies reported by the managers, information about the market conditions, company specific information as well as information received through dialog with the managers of the portfolio funds are used.

The value of a private equity fund is measured as the fair value of each investment in portfolio companies owned by the fund with addition of other net assets in the fund. The valuation of a portfolio company in a private equity fund is based on the industry, market position and earnings capacity, and the (i) the peer group

multiple, i.e. the market value of comparable listed companies, (ii) transaction multiple in recent M&A transactions involving comparable companies, (iii) value indications from potential buyers of the portfolio company, (iv) market value if the portfolio company is publicly traded or (v) future expected proceeds, if there is a concluded agreement on the sale of the portfolio company.

The Company invests in portfolio funds. The investments made by the portfolio funds are classified within the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The three levels of the fair value hierarchy are described below:

Level 1 – Inputs based upon quoted priced for identical assets and liabilities in active markets.

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active.

Level 3 – Unobservable input.

#### Fair market value as of 31 December 2024

USD'000	Level 1: Quoted prices	Level 2: Observable input	Level 3: Unobservable input	Total
Investment in portfolio funds	0	0	20,434	20,434
<b>Total</b>	<b>0</b>	<b>0</b>	<b>20,434</b>	<b>20,434</b>

#### Fair market value as of 31 December 2023

USD'000	Level 1: Quoted prices	Level 2: Observable input	Level 3: Unobservable input	Total
Investment in portfolio funds	0	0	16,970	16,970
<b>Total</b>	<b>0</b>	<b>0</b>	<b>16,970</b>	<b>16,970</b>

#### 4 Fair value information

	Unlisted equity USD'000
Fair value end of year	20,434
Unrealised fair value adjustments recognised in the income statement	2,093

#### 5 Contingent liabilities

There is a remaining investment commitment of a total of USD 3.2 million.

In addition there are no guarantees or other contingent liabilities of the Company.

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Reporting currency is U.S. Dollars (USD). Applied USD / DKK exchange rate at balance sheet date is 7.14 (2023: 6.74).

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses.

## Income statement

### Fair value adjustment of financial assets

Fair value adjustment of financial assets comprise adjustments for the financial year of the Entity's financial assets measured at fair value at the balance sheet date.

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including management fee, general partner fee, audit fee, etc.

**Other financial income**

Other financial income comprise interest and net exchange rate adjustments on transactions in foreign currencies.

**Balance sheet****Other investments**

Other investments under non-current assets comprise unlisted investments in fund-of-funds (portfolio company).

Investments are measured at fair value through the income statement. When measuring the fair value of an underlying portfolio company the valuation is based on the fair value of the assets and liabilities included in the individual portfolio company, which appears in the individual portfolio company's audited financial statement.

The fair value of the investment assets held in the portfolio company is calculated based on recognized valuation methods, including the IPEV valuation guidelines, which essentially correspond to the recognition and measurement provisions under IFRS 13. The estimated fair value on the investments under non-current assets thus corresponds to the Advantage' share of the capital account of the portfolio company.

As a result of the investment is made through another portfolio company, it is not possible to provide further information about the multiples, return requirements etc. applied in valuation. At Q4 the Company receives audited financial statements by an independent auditor from the underlying funds which is the basis for valuation at the balance sheet date.

Since the valuation in the portfolio company is dependent on assumptions about e.g., future earnings in underlying companies owned by the funds and the development in market multiples, the valuation is associated with a natural uncertainty. This uncertainty will naturally be greater in periods of fluctuations in the financial markets, where market multiples, and thus the valuation, will be affected by, among other things, developments in illiquidity premiums and the possibility of selling underlying companies in the funds.

Outstanding investment commitments at the balance sheet date are disclosed as contingent liabilities in the notes. The Company only holds investments in unlisted equity.

Refer to note 3 for further.

**Cash**

Cash comprises cash in bank deposits.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.