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# ***VILLUM FONDEN***

## **Financial Statements for 2019 (48th Financial Statements)**

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CVR No 44 72 05 15

The Financial Statements  
were presented and  
adopted at the Annual  
Meeting of the Foundation  
on 17 March 2020

Christian Gregersen



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## Information about the Foundation

### **The Foundation**

VILLUM FONDEN  
Sekretariatet  
Tobaksvejen 10  
DK-2860 Søborg

Website: [www.veluxfoundations.dk](http://www.veluxfoundations.dk)

CVR No: 44 72 05 15

Founded: 21 December 1971

Financial year: 1 January - 31 December

### **Board of Directors**

Jens V. Kann-Rasmussen, MSc in Engineering, Chair  
Steen Riisgaard, former CEO, Vice-chair  
Eva Zeuthen Bentsen, Partner  
Professor Anja Boisen  
Professor Christian Søndergaard Jensen  
Jørgen Tang-Jensen, former CEO

### **Management**

Lars Hansen, Executive Director

### **Legal adviser**

Christian Gregersen, Attorney  
Horten Advokatpartnerselskab  
Philip Heymans Allé 7  
DK-2900 Hellerup

### **Auditor**

Gert Fisker Tomczyk, State Authorised Public Accountant, and  
René Otto Poulsen, State Authorised Public Accountant  
PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

# Financial Highlights

(amounts in DKK '000)	2019	2018	2017	2016	2015
<b>KEY FIGURES</b>					
Net profit for the year	<u>1,157,664</u>	<u>1,309,258</u>	<u>1,228,731</u>	<u>1,244,348</u>	<u>1,115,963</u>
Total grants	1,283,194	824,512	1,238,629	1,092,032	785,878
Transfer to VELUX FONDEN	<u>200,000</u>	<u>200,000</u>	<u>185,674</u>	<u>190,000</u>	<u>178,177</u>
<b>Other grants for the year *</b>	1,083,194	624,512	1,052,995	902,032	607,701
Cancelled grants for the year	<u>48,572</u>	<u>30,653</u>	<u>5,446</u>	<u>14,630</u>	<u>13,396</u>
<b>Grants after cancellation</b>	<u><u>1,034,622</u></u>	<u><u>594,147</u></u>	<u><u>1,047,509</u></u>	<u><u>887,402</u></u>	<u><u>594,305</u></u>
<b>RATIOS *</b>					
<b>Applications/grants:</b>					
Received	1,043	924	826	835	467
Grants provided, Denmark	151	92	91	64	60
Grants provided, Greenland and abroad	<u>27</u>	<u>9</u>	<u>21</u>	<u>21</u>	<u>22</u>
Total grants provided	<u><u>178</u></u>	<u><u>101</u></u>	<u><u>112</u></u>	<u><u>85</u></u>	<u><u>82</u></u>
Amounts applied for ***	<u>4,844,471</u>	<u>9,294,749</u>	<u>6,233,849</u>	<u>19,047,065</u>	<u>3,282,600</u>
<b>Grants:</b>					
Denmark	1,082,843	516,455	879,844	739,302	460,818
Greenland and abroad	<u>200,351</u>	<u>108,057</u>	<u>173,111</u>	<u>162,730</u>	<u>146,883</u>
Total grants provided	<u><u>1,283,194</u></u>	<u><u>624,512</u></u>	<u><u>1,052,955</u></u>	<u><u>902,032</u></u>	<u><u>607,701</u></u>
Average grant	7,209	6,183	9,401	10,612	7,411
<b>Number of grants:</b>					
between 0-1 million	42	5	10	9	6
between 1-10 million	114	89	79	62	68
above 10 million	22	7	23	14	8
<b>Secretariat expenses</b>					
Indirect grant expenses	22,724	20,920	19,479	19,272	14,041
Administrative expenses	<u>37,071</u>	<u>34,753</u>	<u>34,857</u>	<u>32,873</u>	<u>31,618</u>
Total secretariat expenses	<u><u>59,795</u></u>	<u><u>55,673</u></u>	<u><u>54,336</u></u>	<u><u>52,145</u></u>	<u><u>45,659</u></u>
Indirect grant expenses in relation to grants **	2.1%	3.3%	1.9%	2.2%	2.4%
Administrative expenses in relation to grants **	<u>3.4%</u>	<u>5.6%</u>	<u>3.3%</u>	<u>3.6%</u>	<u>5.1%</u>
Administrative expenses in percentage **	<u><u>5.5%</u></u>	<u><u>8.9%</u></u>	<u><u>5.2%</u></u>	<u><u>5.8%</u></u>	<u><u>7.5%</u></u>
Secretariat expenses per grant	336	551	485	613	557

\* Ratios have been calculated based on "Other grants for the year"

\*\* The ratios are defined in Accounting Policies

\*\*\* In 2016, "Amounts applied for" increased considerably. The reason for this was that VILLUM FONDEN received a few foreign applications containing very high amounts. Moreover, the launch of the VILLUM Investigator programme has resulted in a considerable increase in applications in terms of amounts as from 2016.

# Review

## Background

VILLUM FONDEN is a non-profit foundation established by Villum Kann Rasmussen, MSc in Engineering, in 1971. The Foundation holds the majority of the share capital of VKR Holding A/S without however exercising control. In addition to its non-profit object, the Foundation ensures the financial basis of the continuance of VKR Holding A/S.

The Foundation acts within the framework set out by the Trust Deed, the rules of procedure of the Board of Directors and authorisation to Management as well as applicable law. The Foundation strives to live up to generally accepted foundation practice and foundation governance and addresses the Danish Recommendations on Foundation Governance prepared by the Committee on Foundation Governance.

## Grant areas and focus in 2019

With its broad, non-profit purpose, the Foundation supports research and communication within technical and natural sciences, social, environmental, artistic and cultural projects primarily in Denmark, as well as abroad.

Every year, in cooperation with VELUX FONDEN, the Foundation prepares an annual report that provides insight into the many grants provided by the two foundations. The annual report is available in print as well as on the joint website [www.veluxfoundations.dk](http://www.veluxfoundations.dk). As a further matter, the website includes a database which allows users to search for and gain an overview of the grants broken down on grant areas.

Established procedures ensure that grants from VILLUM FONDEN are provided in accordance with the Trust Deed. This is also ensured by both the legal adviser and the auditor of the Foundation. The procedures include external assessment of all large projects.

## Economy and finances

The grant capacity of the Foundation is to a significant extent dependent on the dividend from VKR Holding A/S. Furthermore, the Foundation has a significant holding of securities.

In 2019, the Foundation received dividend from VKR Holding A/S at an amount of DKK 900,640k and achieved a profit of DKK 1,157,664k. Grants excluding transfer to VELUX FONDEN represented DKK 1,083,194k (2018: DKK 624,512k). The Foundation's provisions for later use were reduced from DKK 705,986k in 2018 to DKK 579,028k in 2019.

## Asset management

The capital of the Foundation is invested in accordance with the Danish executive order on investments and the consent of the Danish Civil Affairs Agency and is managed on a long-term basis with a medium risk profile. The investment policy and asset management of the Foundation are further described on its website, see above.

## Management's Statement

The Board of Directors and Management have today presented the Financial Statements of VILLUM FONDEN for 2019.

The Financial Statements are prepared in accordance with the Danish Act on Foundations and Certain Associations and the financial reporting provisions of the Trust Deed.

In our opinion, the transactions comprised by the Financial Statements are in accordance with generally accepted accounting principles applying to foundations, the Danish legislation on foundations and the provisions of the Trust Deed as well as the current rules of procedure, authority and procedures descriptions.

The account in Management's Review of the matters addressed by Management's Review complies with generally accepted accounting principles applying to foundations.

Søborg, 17 March 2020

### Management

Lars Hansen

### Board of Directors

Jens V. Kann-Rasmussen  
(Chair)

Steen Riisgaard  
(Vice-chair)

Eva Zeuthen Bentsen

Anja Boisen

Christian Søndergaard Jensen

Jørgen Tang-Jensen

# Independent Auditor's Report

**To the Board of Directors of VILLUM FONDEN and the Danish commercial foundations supervisory authority**

## **Opinion**

In our opinion, the Financial Statements for the financial year 1 January - 31 December 2019 have been prepared in accordance with generally accepted accounting principles applying to foundations, the Danish Act on Foundations and Certain Associations and the financial reporting provisions of the Trust Deed.

Moreover, procedures and internal controls have, in our opinion, been established which support the transactions comprised by the Financial Statements, are in accordance with the provisions of the Danish legislation on foundations and the Trust Deed as well as the current rules of procedure, authority and procedures descriptions.

We have audited the Financial Statements of VILLUM FONDEN for the financial year 1 January - 31 December 2019, which comprise summary of significant accounting policies, income statement, balance sheet and notes. The Financial Statements are prepared in accordance with the Danish Act on Foundations and Certain Associations and the financial reporting provisions of the Trust Deed.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether Management's Review includes the disclosures required by generally accepted accounting principles applying to foundations.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the Danish Act on Foundations and Certain Associations and the financial reporting provisions of the Trust Deed. We did not identify any material misstatement in Management's Review.

# Independent Auditor's Report

## Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements which comply with generally accepted accounting principles applying to foundations under the Danish Act on Foundations and Certain Associations and the financial reporting provisions of the Trust Deed 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 Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Management is moreover responsible for the transactions comprised by the Financial Statements being in accordance with the Danish legislation on foundations and the provisions of the Trust Deed as well as the current rules of procedure, authority and procedures descriptions.

## 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 Foundation's internal control.
- Evaluate the appropriateness of accounting policies used by Management and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent Auditor's Report

- 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 Foundation'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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We moreover 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.

Copenhagen, 17 March 2020

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Gert Fisker Tomczyk

State Authorised Public Accountant

René Otto Poulsen

State Authorised Public Accountant

# Accounting Policies

## Basis of preparation

The Financial Statements of VILLUM FONDEN have been prepared in accordance with the Danish Act on Foundations and Certain Associations as well as the financial reporting provisions of the Trust Deed.

The accounting policies remain unchanged compared to last year.

## Recognition and measurement

Revenues are recognised in the income statement as earned, including value adjustments of financial assets and liabilities; however, see below. Moreover, all expenses are recognised in the income statement. Depreciation and impairment of the properties of the Foundation are recognised directly in the restricted capital.

Assets and liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset or liability will flow to or out of the Foundation, and the value of the asset or liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Financial Statements which confirm or invalidate affairs and conditions existing at the balance sheet date.

## Income statement

### *Dividends*

Dividends from shares and investment units are recognised as income when received.

### *Interest*

Interest on bank deposits and bonds in both restricted and unrestricted capital is recognised in the income statement under the accruals concept.

### *Market value adjustments*

Realised and unrealised capital gains and losses on securities and investments in the restricted capital are not recognised in the income statement, but are transferred to the restricted capital of the Foundation. In financial years with positive taxable income originating from such capital gains, it may be decided to transfer these gains, completely or partially, to the unrestricted capital.

Realised capital gains and losses as well as unrealised capital losses on securities in the unrestricted capital are recognised in the income statement.

Unrealised capital gains on securities in the unrestricted capital the value of which exceeds cost are not recognised in the income statement, but are recognised as separate balance sheet items.

### *Administrative and other expenses*

Administrative and other expenses comprise staff expenses, costs of premises, indirect grant expenses including secretariat expenses, etc.

## **Accounting policies**

### ***Fee, asset management***

Asset management fees comprise expenses for management of the investments of the Foundation in unrestricted and restricted capital, respectively, including safe-custody charges, management fees, IT and other consulting services, etc.

### ***Foundation income tax***

The Foundation has no current tax liabilities.

No provisions have been made for deferred tax regarding securities, nor have any provisions for tax purposes been made for later allocations as, based on the Foundation's investment and grant policies, the Foundation seeks to eliminate any tax charge.

### **Balance sheet**

#### ***Land and buildings***

Properties are recognised at cost less accumulated depreciation and impairment losses.

Cost comprises the cost of acquisition with addition of expenses directly related to the acquisition up until the time when the asset is ready for use.

The basis of depreciation is cost with addition of improvements and less residual value at the end of the useful life. The depreciation period and the residual value are determined at the date of acquisition and are reassessed annually; they are 50 years and 25%, respectively.

Depreciation and impairment losses for the year are recognised directly in the restricted capital.

#### ***Investments in associates***

Investments in associates are recognised at the net asset value at the balance sheet date.

#### ***Securities***

The holding of B shares in VKR Holding A/S is recognised at the nominal value at the balance sheet date.

Listed shares and bonds are recognised at the listed market price at the balance sheet date.

Real assets are recognised at the net asset value at the balance sheet date.

#### ***Operating equipment and fixtures and fittings, etc***

Operating equipment, fixtures and fittings, etc are expensed in the year of acquisition and are not recognised in the balance sheet.

#### ***Derivative financial instruments***

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other assets" and "Payables", respectively.

## Accounting policies

Changes to the fair values of derivative financial instruments relating to assets in the unrestricted capital are recognised in the income statement.

Changes to the fair values of derivative financial instruments relating to assets in the restricted capital are recognised directly in the restricted capital.

### ***Assets in the restricted capital***

Assets – except for securities and equity investments as mentioned above – acquired with funds from the restricted capital are recognised at cost with deduction of accumulated depreciation and impairment losses.

Cost comprises the cost of acquisition and expenses related to the acquisition.

Assets – except for securities as mentioned above – received as gifts to the restricted capital of the Foundation are recognised at sentimental value.

### ***Financial ratios***

The many grant areas of the Foundation deliberately apply different philanthropic approaches and have very different uses of internal and external resources depending on the procedures that we consider contribute the best to the implementation of the strategy of the individual area. The variations in the use of resources are seen, among other things, in connection with our dialogue with applicant environments, assessment of applications, evaluation of projects and programmes, project and strategy development as well as project follow-up. Therefore, several financial ratios are calculated for secretariat expenses.

Besides calculating the administrative expenses in percentage by dividing all secretariat expenses by the other grants of the Foundation, the Foundation has calculated two additional ratios for the Foundation's administrative expenses in percentage to illustrate the difference between expenses related to grant activities and general administrative expenses – ie expenses related to finance, communication, IT, management, etc. Indirect grant expenses comprise expenses for project development, experts, task groups as well as fund advisers.

The ratios "Indirect grant expenses in relation to grants", "Administrative expenses in relation to grants" and "Administrative expenses in percentage" are defined as follows:

#### **Indirect grant expenses in relation to grants**

The ratio is calculated by dividing indirect grant expenses by "Other grants for the year".

#### **Administrative expenses in relation to grants**

The ratio is calculated by dividing administrative expenses by "Other grants for the year".

Administrative expenses are calculated as "Secretariat expenses" with deduction of "Indirect grant expenses". The allocation between administrative expenses and indirect grant expenses is subject to elements of estimation.

#### **Administrative expenses in percentage**

The ratio is calculated by dividing secretariat expenses in total by "Other grants for the year".

# Income Statement

	Note	2019 (DKK '000)	2018 (DKK '000)
Dividend from shares in VKR Holding A/S		900,640	900,640
Other share dividends and income from investment funds		278,605	432,797
Interest on bonds		64,715	67,394
Interest on bank deposits etc		-6,916	-2,318
Capital gains and losses on securities in the unrestricted capital		<u>-19,585</u>	<u>-33,582</u>
<b>Total income</b>		<u>1,217,459</u>	<u>1,364,931</u>
Administrative and other expenses	1,2,3	49,652	45,534
Fee to Board of Directors	1	1,274	1,234
Legal adviser		3,404	3,075
Auditors	3	860	865
Fee, asset management	3	<u>4,605</u>	<u>4,965</u>
<b>Total expenses incurred by secretariat</b>		<u>59,795</u>	<u>55,673</u>
<b>Profit before tax for the year</b>		1,157,664	1,309,258
Tax on profit for the year		<u>-</u>	<u>-</u>
<b>Net profit for the year</b>		<u>1,157,664</u>	<u>1,309,258</u>
<i>Distribution of profit:</i>			
Provisions for later use, beginning of year		705,986	310,587
Transferred taxable capital gains from restricted capital		-	-
Net profit for the year		<u>1,157,664</u>	<u>1,309,258</u>
<b>Available for distribution</b>		<u>1,863,650</u>	<u>1,619,845</u>
<i>Which is distributed as follows:</i>			
Grants for the year (including transfer to VELUX FONDEN)		1,283,194	824,512
Cancelled grants		-48,572	-30,653
Provisions for consolidation		50,000	120,000
Provisions for later use		<u>579,028</u>	<u>705,986</u>
<b>Total distribution</b>		<u>1,863,650</u>	<u>1,619,845</u>

## Balance Sheet at 31 December

	Note	Restricted capital (DKK '000)	Unrestricted capital (DKK '000)	2019 total (DKK '000)	2018 total (DKK '000)
<b>Assets</b>					
B shares in VKR Holding A/S	4	90,000		90,000	90,000
The VELUX Window Collection	5	1		1	1
Properties	6	33,414		33,414	26,800
Associates etc	7	570,326		570,326	436,173
Investments in real assets	8	847,339		847,339	713,074
Shares etc		2,835,488	379,599	3,215,087	2,578,658
Bonds etc		2,924,391	2,959,230	5,883,621	5,969,302
Bank deposits		4,155	27,125	31,280	27,891
Accrued interest			18,282	18,282	22,739
Account		99,685	-99,685	0	0
Other assets	9	<u>3,700</u>	<u>150,849</u>	<u>154,549</u>	<u>86,841</u>
		<u>7,408,499</u>	<u>3,435,400</u>	<u>10,843,899</u>	<u>9,951,479</u>
<b>Liabilities and equity</b>					
Amounts granted, not paid			2,726,118	2,726,118	2,380,921
Payables			8,985	8,985	14,543
Provisions for later use			579,028	579,028	705,986
Capital gains, not realised			121,269	121,269	0
Equity	10	<u>7,408,499</u>	<u>                    </u>	<u>7,408,499</u>	<u>6,850,029</u>
		<u>7,408,499</u>	<u>3,435,400</u>	<u>10,843,899</u>	<u>9,951,479</u>

## Notes

### Note 1 - Remuneration to the Board of Directors

In addition to a regular board fee, the board members receive fee for participating in task group and committee work. For 2019, the board fee, exclusive of task group and committee work fee, amounted to DKK 1,274k (2018: DKK 1,234k). The total fee is specified as follows:

	Board fee	Task group and committee work fee	Total	2018
	(DKK '000)	(DKK '000)		
Jens V. Kann-Rasmussen (Chair)*	-	-	-	-
Steen Riisgaard (Vice-chair)	334	60	394	334
Anja Boisen	200	95	295	295
Jørgen Tang-Jensen	200	37.5	237.5	-
Christian Søndergaard Jensen	200	89	289	260
Eva Zeuthen Bentsen	200	125	325	315
Bjarne Gråbæk Thomsen (resigned member)	40	223.5	263.5	445
Kristian H. Kann Rasmussen (observer)	100	0	100	100
<b>Total</b>	<u>1,274</u>	<u>630</u>	<u>1,904</u>	<u>1,749</u>

\* Mr Jens V. Kann-Rasmussen, Chair, has waived board, task group and committee work fee.

### Note 2 - Remuneration to Management

Total remuneration to Management amounted to DKK 3,934k in 2019 (2018: DKK 3,492k) which is equivalent to 1.3 full-time positions (2018: 1.3), including share of remuneration to chief investment officer. Remuneration is recognised in "Administrative and other expenses".

	2019 (DKK '000)	2018 (DKK '000)
<b>Note 3 - Fee to auditors</b>		
Audit	334	277
Non-audit services	<u>526</u>	<u>588</u>
	<u>860</u>	<u>865</u>
Non-audit services included in "Fee, asset management" and "Administrative and other expenses"	169	189
Audit and other services included in supervision of grants	<u>672</u>	<u>761</u>
	<u>841</u>	<u>950</u>

### Note 4 - VKR Holding A/S

The Foundation holds B shares in VKR Holding A/S corresponding to some 82% of the total share capital. The Foundation's share of equity of VKR Holding A/S amounts to DKK 15,752 million according to the latest Financial Statements at 31 December 2019 (2018: DKK 13,855 million).

### Note 5 - The VELUX Window Collection

The VELUX Window Collection which comprises windows, fittings, etc from the models and designs used over the years was gifted by VKR Holding A/S to the restricted capital of the Foundation on 16 April 1985. The Collection is recognised at sentimental value.

## Notes

	2019 (DKK '000)	2018 (DKK '000)
<b>Note 6 – Properties</b>		
<b>Owner-occupied property, Tobaksvejen 10</b>		
Cost at 1 January	29,908	29,908
Additions for the year	<u>0</u>	<u>0</u>
Cost at 31 December	<u>29,908</u>	<u>29,908</u>
Depreciation and impairment losses at 1 January	-3,108	-2,827
Depreciation for the year	<u>-281</u>	<u>-281</u>
Depreciation and impairment losses at 31 December	<u>-3,389</u>	<u>-3,108</u>
Carrying amount at 31 December	<u><u>26,519</u></u>	<u><u>26,800</u></u>
<b>Museum building, Maskinvej 4</b>		
Cost at 1 January	0	0
Additions for the year	7,000	0
Cost at 31 December	<u>7,000</u>	<u>0</u>
Depreciation and impairment losses at 1 January	0	0
Depreciation for the year	<u>-105</u>	<u>0</u>
Depreciation and impairment losses at 31 December	<u>-105</u>	<u>0</u>
Carrying amount at 31 December	<u><u>6,895</u></u>	<u><u>0</u></u>
<b>Total carrying amount at 31 December</b>	<u><u><b>33,414</b></u></u>	<u><u><b>26,800</b></u></u>

The properties are owned in equal joint ownership with VELUX FONDEN.

### Note 7 - Associates

The Foundation holds 50% of the A shares with voting rights (VELUX FONDEN holds the remaining 50%) and 70% of the B shares (without voting rights) in VV Private Equity Holding ApS (VELUX FONDEN holds the remaining 30%). The registered office of the company is situated at Tobaksvejen 10, DK-2860 Søborg. The company's total nominal share capital amounts to DKK 40.9 million. The net profit amounts to DKK 75.2 million for 2019 (2018: DKK 57.8 million), and equity amounts to DKK 662.9 million at 31 December 2019 (2018: DKK 487.6 million) of which the share of VILLUM FONDEN amounts to DKK 53 million and DKK 467.5 million, respectively, in 2019 (2018: DKK 40.3 million and DKK 340.0 million, respectively).

### Note 8 - Investments in real assets

As part of its asset management, the Foundation invests in real assets (properties, infrastructure, etc) typically through limited partnerships and similar structures. The Foundation has promised to invest in unlisted equity shares at an additional amount of DKK 831,9 million. The payment of the amount will be made under a cash-call principle. Moreover, the Foundation has provided a guarantee against security of DKK 15.8 million. No claim has been made under the guarantee.

### Note 9 – Other assets

This item comprises the principal of forward exchange contracts totalling USD 77.4 million (DKK 516.3 million) with a fair value of DKK 5.1 million at 31 December 2019 (2018: USD 68.1 million (DKK 443.3 million), DKK 1.0 million). The forward exchange contracts are effective until 7 January 2020 and 21 January 2020.

## Notes

	<b>2019</b> (DKK '000)	<b>2018</b> (DKK '000)
<b>Note 10 - Equity</b>		
<i>Restricted capital</i>		
Balance at 1 January	6,723,163	6,600,431
Realised capital gains and losses on bonds, net	10,612	2,547
Realised capital gains and losses on shares, net	-2,957	5,059
Realised capital gains and losses on real assets, net	1,713	3,138
Realised gains and losses on forward exchange contracts	-20,312	-7,731
Transferred taxable capital gains to unrestricted capital	0	0
Depreciation and impairment losses	-386	-281
Consolidation	<u>50,000</u>	<u>120,000</u>
Balance at 31 December before unrealised capital gains and losses	<u>6,761,833</u>	<u>6,723,163</u>
Unrealised capital gains and losses on bonds, net	6,357	-16,776
Unrealised capital gains and losses on shares, net	563,193	82,868
Unrealised capital gains and losses on real assets, net	52,888	59,411
Unrealised gains and losses on forward exchange contracts	3,700	1,363
Unrealised other capital gains and losses	<u>20,528</u>	<u>0</u>
Unrealised capital gains and losses, restricted foundation funds	<u>646,666</u>	<u>126,866</u>
Total balance at 31 December	<u><u>7,408,499</u></u>	<u><u>6,850,029</u></u>