

# Unaudited semi-annual report as at 30th June 2012

## **Rhenman & Partners Fund** Investment Fund (F.C.P.), Luxembourg



## Notice

The sole legally binding basis for the purchase of units of the Fund described in this report is the latest valid sales prospectus with its terms of contract.

**Rhenman & Partners Fund**

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## Rhenman & Partners Fund

### Organisation

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**Management Company and  
Central Administrator**

SEB Fund Services S.A.\*  
4, Rue Peternelchen  
L-2370 Howald

**Board of Directors of  
the Management Company**

**Chairman**

Niklas NYBERG  
Global Head of GTS Financial Institutions  
SEB Merchant Banking, Sweden

**Vice-Chairman**

William PAUS  
Managing Director  
Skandinaviska Enskilda Banken AB (publ), Oslo Branch, Norway  
(until 31st May 2012)

Peter KUBICKI

Managing Director  
Skandinaviska Enskilda Banken S.A., Luxembourg  
(since 1st June 2012)

**Directors**

Jan HEDMAN  
Global Head of Fund Execution  
SEB Merchant Banking, Sweden

Rudolf KÖMEN

Managing Director  
SEB Asset Management S.A., Luxembourg

Ann-Charlotte LAWYER

Managing Director  
SEB Fund Services S.A., Luxembourg

Jonas LINDGREN

Head of Prime Brokerage  
SEB Enskilda, Securities Finance, Sweden

**Custodian Bank and Paying Agent**

Skandinaviska Enskilda Banken S.A.\*  
4, Rue Peternelchen  
L-2370 Howald

**Sub-Administrator, Registrar  
and Transfer Agent**

European Fund Administration S.A.  
2, Rue d'Alsace  
L-1122 Luxembourg

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\* The registered office of all SEB entities in Luxembourg was transferred from 6a, Circuit de la Foire Internationale, L-1347 Luxembourg to 4, Rue Peternelchen, L-2370 Howald with effect from 1st April 2012.

## Rhenman & Partners Fund

### Organisation (continued)

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|   |   |
|---|---|
| <b>Investment Manager</b>               | Rhenman Partners Asset Management AB<br>Kaptensgatan 6<br>SE-114 57 Stockholm   |
| <b>Placement and Distribution Agent</b> | Rhenman Partners Asset Management AB<br>Kaptensgatan 6<br>SE-114 57 Stockholm   |
| <b>Prime Broker</b>                     | Skandinaviska Enskilda Banken AB (publ)<br>Kungsträdgårdsgatan 8<br>SE-106 40 Stockholm   |
| <b>Paying Agent in Sweden</b>           | Skandinaviska Enskilda Banken AB (publ)<br>Kungsträdgårdsgatan 8<br>SE-106 40 Stockholm   |
| <b>Promoter</b>                         | SEB Fund Services S.A.*<br>4, Rue Peternelchen<br>L-2370 Howald   |
| <b>Auditor</b>                          | PricewaterhouseCoopers, Société coopérative<br>(formerly PricewaterhouseCoopers S.à r.l.)<br>400, Route d'Esch<br>L-1471 Luxembourg |

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## Rhenman & Partners Fund

### General information

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Rhenman & Partners Fund (the "Fund") is an open-ended mutual investment fund incorporated under the laws of the Grand Duchy of Luxembourg as a "*Fonds Commun de Placement*" ("FCP") registered pursuant to Part II of the Law of 17th December 2010 relating to Undertakings for Collective Investment.

The Fund is set up in accordance with Management Regulations signed in Luxembourg on 5th June 2009. A notice of the amended Management Regulations has been published on 28th July 2011 in the "*Mémorial C, Recueil des Sociétés et Associations*" (the "*Mémorial C*").

The registered office of the Management Company is established at 4, Rue Peternelchen, L-2370 Howald.

The Fund is an umbrella fund and as such provides investors with the choice of investment in a range of several separate Sub-Funds each of which relates to a separate portfolio of liquid assets and other securities and assets permitted by Law with specific investment objectives, as described in Part B of the current prospectus.

At present, one Sub-Fund is at the unitholder's disposal:

- Rhenman & Partners Fund - Rhenman Healthcare Equity L/S in EUR.

For the time being only the classes IC1 (EUR), IC2 (EUR), IC3 (EUR), RC1 (SEK), RC1 (EUR), RC2 (SEK) and ID1 (SEK) are available.

The class I units are reserved to institutional investors as defined by article 174 paragraph (2), c) of the Law.

The financial year of the Fund ends on 31st December.

The Net Asset Value per unit of each class, subscription and redemption prices in the Sub-Fund are available at the registered office of the Management Company.

The Fund's currency is euro (EUR).

The Net Asset Value per unit of the Sub-Fund is calculated monthly as of the last Business Day of each month in Luxembourg ("Valuation Day"), under the overall responsibility of the Management Company.

Financial reports of the Fund are published annually and semi-annually. These reports, as well as the sales prospectus and all information concerning the Fund are available at the registered office of the Management Company, the Custodian Bank and Paying Agent.

## Rhenman & Partners Fund

### Consolidated statement of net assets (in EUR)

as at 30th June 2012

#### Assets

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 65,691,030.24 |
| Cash at banks                        | 21,602.52     |
| Cash collateralized at banks         | 120,000.00    |
| Formation expenses, net              | 13,289.43     |
| Receivable on sales of securities    | 5,232,663.08  |
| Income receivable on portfolio       | 32,564.79     |
| Interest receivable on bank accounts | 267.21        |
| Prepaid expenses                     | 2,527.29      |
|                                      | <hr/>         |
| Total assets                         | 71,113,944.56 |
|                                      | <hr/>         |

#### Liabilities

|   |               |
|---|---------------|
| Bank liabilities                                  | 2,253,529.16  |
| Collateralized debt at banks                      | 10,623,196.66 |
| Other liquid liabilities                          | 0.42          |
| Short sales of securities at market value         | 5,622,928.98  |
| Payable on purchases of securities                | 6,226,472.48  |
| Interest payable on collateralized debt at banks  | 5,060.28      |
| Interest on bank liabilities and expenses payable | 653,080.99    |
|   | <hr/>         |
| Total liabilities                                 | 25,384,268.97 |
|   | <hr/>         |
| Net assets at the end of the period               | 45,729,675.59 |
|   | <hr/> <hr/>   |

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of net assets (in EUR)

as at 30th June 2012

#### Assets

|                                      |               |
|--------------------------------------|---------------|
| Securities portfolio at market value | 65,691,030.24 |
| Cash at banks                        | 21,602.52     |
| Cash collateralized at banks         | 120,000.00    |
| Formation expenses, net              | 13,289.43     |
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| Interest on bank liabilities and expenses payable | 653,080.99    |
| Total liabilities                                 | 25,384,268.97 |
| Net assets at the end of the period               | 45,729,675.59 |

|                                      |             |
|--------------------------------------|-------------|
| "IC1 (EUR)" units outstanding        | 46,065.288  |
| Net asset value per "IC1 (EUR)" unit | 159.07      |
| "IC2 (EUR)" units outstanding        | 50,000.000  |
| Net asset value per "IC2 (EUR)" unit | 123.52      |
| "IC3 (EUR)" units outstanding        | 49,694.486  |
| Net asset value per "IC3 (EUR)" unit | 159.24      |
| "ID1 (SEK)" units outstanding        | 100,000.000 |
| Net asset value per "ID1 (SEK)" unit | SEK 104.51  |
| "RC1 (SEK)" units outstanding        | 755,873.309 |
| Net asset value per "RC1 (SEK)" unit | SEK 130.61  |
| "RC1 (EUR)" units outstanding        | 547.466     |
| Net asset value per "RC1 (EUR)" unit | 147.39      |
| "RC2 (SEK)" units outstanding        | 778,057.528 |
| Net asset value per "RC2 (SEK)" unit | SEK 132.58  |

The accompanying notes are an integral part of these financial statements.



# Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

## Statement of investments and other net assets (in EUR) as at 30th June 2012

| Currency  | Number /<br>nominal value | Description                     | Cost                | Market value        | % of<br>total net<br>assets |
|---|---------------------------|---------------------------------|---------------------|---------------------|-----------------------------|
| <b>Investments in securities</b>  |                           |                                 |                     |                     |                             |
| <b>Transferable securities admitted to an official stock exchange listing</b> |                           |                                 |                     |                     |                             |
| <b>Shares</b>   |                           |                                 |                     |                     |                             |
| CHF   | 35,000                    | Actelion Ltd                    | 1,112,100.02        | 1,133,325.31        | 2.48                        |
| CHF   | 12,500                    | Lonza Group AG Reg              | 375,983.89          | 409,753.50          | 0.90                        |
| CHF   | 5,000                     | Roche Holding AG B de jous Pref | 657,533.49          | 680,910.84          | 1.49                        |
|   |                           |                                 | <u>2,145,617.40</u> | <u>2,223,989.65</u> | <u>4.87</u>                 |
| DKK   | 48,516                    | Bavarian Nordic A/S             | 473,913.23          | 324,314.45          | 0.71                        |
| DKK   | 6,000                     | Novo Nordisk A/S B              | 624,837.57          | 684,743.65          | 1.50                        |
| DKK   | 47,000                    | Zealand Pharma A/S              | 456,124.41          | 505,723.06          | 1.11                        |
|   |                           |                                 | <u>1,554,875.21</u> | <u>1,514,781.16</u> | <u>3.32</u>                 |
| EUR   | 27,000                    | Agennix AG                      | 102,622.09          | 49,410.00           | 0.11                        |
| EUR   | 20,000                    | Bayer AG Reg                    | 1,049,767.09        | 1,135,600.00        | 2.48                        |
| EUR   | 30,000                    | Carl Zeiss Meditec AG           | 549,418.37          | 570,000.00          | 1.25                        |
| EUR   | 6,000                     | Fresenius SE & Co KGaA          | 438,276.31          | 490,680.00          | 1.07                        |
| EUR   | 71,130                    | Galapagos Genomics NV           | 580,111.79          | 882,012.00          | 1.93                        |
| EUR   | 15,000                    | Gerresheimer AG                 | 438,497.06          | 556,350.00          | 1.22                        |
| EUR   | 52,000                    | Medica                          | 686,486.18          | 654,160.00          | 1.43                        |
| EUR   | 20,000                    | Qiagen NV                       | 247,887.37          | 263,700.00          | 0.58                        |
| EUR   | 15,000                    | Sanofi                          | 842,929.27          | 896,100.00          | 1.96                        |
| EUR   | 210,000                   | Sorin SpA                       | 317,166.05          | 360,360.00          | 0.79                        |
|   |                           |                                 | <u>5,253,161.58</u> | <u>5,858,372.00</u> | <u>12.82</u>                |
| GBP   | 25,000                    | Hikma Pharmaceutical Plc        | 197,745.83          | 201,672.23          | 0.44                        |
| GBP   | 27,000                    | Shire Plc                       | 598,069.94          | 611,525.85          | 1.34                        |
|   |                           |                                 | <u>795,815.77</u>   | <u>813,198.08</u>   | <u>1.78</u>                 |
| HKD   | 195,200                   | Sinopharm Group Co Ltd H        | 447,375.00          | 422,485.96          | 0.92                        |
| JPY   | 25,000                    | Astellas Pharma Inc             | 782,448.84          | 855,781.81          | 1.87                        |
| JPY   | 35,000                    | Chugai Pharmaceutical Co Ltd    | 475,154.81          | 521,076.03          | 1.14                        |
| JPY   | 50,000                    | Daiichi Sankyo Co Ltd           | 728,847.92          | 661,409.43          | 1.45                        |
|   |                           |                                 | <u>1,986,451.57</u> | <u>2,038,267.27</u> | <u>4.46</u>                 |
| NOK   | 55,312                    | Algeta ASA                      | 1,083,624.89        | 1,246,603.28        | 2.73                        |
| NOK   | 40,000                    | Clavis Pharma ASA               | 204,267.57          | 275,754.95          | 0.60                        |
| NOK   | 400,000                   | Pronova BioPharma ASA           | 504,492.96          | 530,297.98          | 1.16                        |
|   |                           |                                 | <u>1,792,385.42</u> | <u>2,052,656.21</u> | <u>4.49</u>                 |
| SEK   | 82,500                    | BioInvent Intl AB               | 249,531.99          | 51,312.98           | 0.11                        |
| SEK   | 87,610                    | Boule Diagnostics AB            | 462,208.26          | 389,937.53          | 0.85                        |
| SEK   | 30,000                    | Getinge AB B                    | 593,065.08          | 585,455.81          | 1.28                        |
| SEK   | 50,000                    | Meda AB A                       | 389,712.76          | 375,753.07          | 0.82                        |
| SEK   | 60,000                    | Medivir AB B                    | 658,520.67          | 453,642.66          | 0.99                        |
| SEK   | 85,000                    | Vitrolife AB                    | 261,169.25          | 533,529.42          | 1.16                        |
|   |                           |                                 | <u>2,614,208.01</u> | <u>2,389,631.47</u> | <u>5.21</u>                 |
| USD   | 50,000                    | Abiomed Inc                     | 855,797.93          | 899,345.79          | 1.97                        |
| USD   | 40,000                    | Achillion Pharmaceuticals Inc   | 217,931.99          | 195,475.68          | 0.43                        |
| USD   | 20,000                    | Aetna Inc                       | 632,585.26          | 611,176.80          | 1.33                        |
| USD   | 10,000                    | Agilent Technologies Inc        | 264,015.28          | 309,292.98          | 0.68                        |
| USD   | 2,500                     | Alexion Pharmaceuticals Inc     | 166,288.94          | 195,672.74          | 0.43                        |
| USD   | 60,000                    | Alkermes Plc                    | 689,685.89          | 802,553.80          | 1.75                        |
| USD   | 10,000                    | Allergan Inc                    | 699,764.15          | 729,644.52          | 1.60                        |
| USD   | 60,000                    | Allscripts Healthcare So Inc    | 492,770.13          | 516,907.07          | 1.13                        |
| USD   | 10,000                    | AmerisourceBergen Corp          | 285,906.98          | 310,160.01          | 0.68                        |

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of investments and other net assets (in EUR) (continued)

as at 30th June 2012

| Currency | Number /<br>nominal value | Description                    | Cost         | Market value | % of<br>total net<br>assets |
|----------|---------------------------|--------------------------------|--------------|--------------|-----------------------------|
| USD      | 10,000                    | Amylin Pharmaceuticals Inc     | 218,922.05   | 222,511.23   | 0.49                        |
| USD      | 40,000                    | Anthera Pharmaceuticals Inc    | 87,627.40    | 21,322.61    | 0.05                        |
| USD      | 70,000                    | Ariad Pharmaceuticals Inc      | 547,901.58   | 949,554.66   | 2.08                        |
| USD      | 15,000                    | Auxilium Pharmaceuticals Inc   | 228,838.24   | 317,923.86   | 0.69                        |
| USD      | 65,000                    | Aveo Pharmaceuticals Inc       | 646,841.14   | 622,999.92   | 1.36                        |
| USD      | 10,000                    | Biogen IDEC Inc                | 1,050,090.17 | 1,138,015.30 | 2.48                        |
| USD      | 25,000                    | BioMarin Pharmaceutical Inc    | 611,188.78   | 779,932.21   | 1.71                        |
| USD      | 25,000                    | Boston Scientific Corp         | 113,290.95   | 111,728.54   | 0.24                        |
| USD      | 35,000                    | Bristol Myers Squibb Co        | 907,729.51   | 991,763.22   | 2.17                        |
| USD      | 20,000                    | Cardinal Health Inc            | 639,449.48   | 662,095.06   | 1.45                        |
| USD      | 35,000                    | Celgene Corp                   | 1,767,346.49 | 1,770,000.79 | 3.87                        |
| USD      | 20,000                    | Centene Corp                   | 488,543.51   | 475,447.31   | 1.04                        |
| USD      | 10,000                    | Cepheid Inc                    | 288,219.73   | 352,723.26   | 0.77                        |
| USD      | 20,000                    | Cigna Corp                     | 709,682.22   | 693,028.40   | 1.52                        |
| USD      | 10,000                    | Covidien Plc                   | 332,957.46   | 421,691.50   | 0.92                        |
| USD      | 15,000                    | Cubist Pharmaceuticals Inc     | 396,988.80   | 448,214.71   | 0.98                        |
| USD      | 10,000                    | CVS Caremark Corp              | 324,004.50   | 368,329.79   | 0.80                        |
| USD      | 20,000                    | Cyberonics Inc                 | 487,718.10   | 708,441.71   | 1.55                        |
| USD      | 10,000                    | Danaher Corp                   | 411,704.19   | 410,498.94   | 0.90                        |
| USD      | 5,000                     | Davita Inc                     | 310,444.89   | 387,049.74   | 0.85                        |
| USD      | 174,389                   | Dyax Corp                      | 212,480.01   | 292,778.88   | 0.64                        |
| USD      | 217,000                   | Dynavax Technologies Corp      | 389,882.65   | 738,898.08   | 1.62                        |
| USD      | 50,000                    | Endocyte Inc                   | 300,702.15   | 323,953.65   | 0.71                        |
| USD      | 20,000                    | Endologix Inc                  | 62,808.55    | 243,398.75   | 0.53                        |
| USD      | 210,000                   | Exelixis Inc                   | 834,963.82   | 915,346.42   | 2.00                        |
| USD      | 5,000                     | Express Scripts Hg Co          | 215,038.99   | 220,028.38   | 0.48                        |
| USD      | 10,000                    | Forest Laboratories Inc        | 232,143.01   | 275,794.12   | 0.60                        |
| USD      | 25,000                    | Gilead Sciences Inc            | 881,890.72   | 1,010,483.17 | 2.21                        |
| USD      | 50,000                    | HCA Holdings Inc               | 1,050,161.16 | 1,199,259.08 | 2.62                        |
| USD      | 10,000                    | Hill-Rom Hgs Inc               | 244,604.18   | 243,162.29   | 0.53                        |
| USD      | 25,000                    | Hologic Inc                    | 354,835.45   | 355,481.99   | 0.78                        |
| USD      | 5,000                     | Humana Inc                     | 309,891.26   | 305,194.29   | 0.67                        |
| USD      | 15,000                    | Illumina Inc                   | 497,046.28   | 477,536.06   | 1.04                        |
| USD      | 55,000                    | Incyte Corp                    | 801,011.83   | 984,078.19   | 2.15                        |
| USD      | 15,000                    | Insulet Corp                   | 240,731.31   | 252,660.20   | 0.55                        |
| USD      | 45,000                    | Ironwood Pharmaceuticals Inc A | 451,973.61   | 488,768.03   | 1.07                        |
| USD      | 10,000                    | Johnson & Johnson              | 533,756.21   | 532,513.60   | 1.16                        |
| USD      | 12,000                    | Laboratory Corp of America Hgs | 769,842.12   | 875,951.76   | 1.92                        |
| USD      | 100,000                   | Lexicon Pharmaceuticals Inc    | 117,273.19   | 177,346.89   | 0.39                        |
| USD      | 10,000                    | Life Technologies Corp         | 328,760.32   | 354,614.96   | 0.77                        |
| USD      | 40,000                    | Ligand Pharmaceuticals Inc B   | 441,534.33   | 534,090.01   | 1.17                        |
| USD      | 50,000                    | MAKO Surgical Corp             | 1,066,071.29 | 1,009,300.86 | 2.21                        |
| USD      | 40,900                    | MAP Pharmaceuticals Inc        | 439,919.52   | 482,921.10   | 1.06                        |
| USD      | 25,000                    | Masimo Corp                    | 442,995.72   | 441,002.60   | 0.96                        |
| USD      | 7,000                     | McKesson Corp                  | 394,864.37   | 517,261.76   | 1.13                        |
| USD      | 15,000                    | Medivation Inc                 | 1,019,783.01 | 1,080,633.72 | 2.36                        |
| USD      | 14,500                    | Mednax Inc                     | 756,244.09   | 783,345.16   | 1.71                        |
| USD      | 25,000                    | Medtronic Inc                  | 699,287.72   | 763,182.79   | 1.67                        |
| USD      | 25,000                    | Merck Co Inc                   | 788,755.60   | 822,692.52   | 1.80                        |
| USD      | 100,000                   | Nektar Therapeutics            | 655,495.10   | 636,084.18   | 1.39                        |
| USD      | 50,000                    | NPS Pharmaceuticals Inc        | 317,492.52   | 339,323.72   | 0.74                        |
| USD      | 25,000                    | NuVasive Inc                   | 374,172.82   | 499,724.13   | 1.09                        |
| USD      | 62,000                    | OncoGenex Pharmaceuticals Inc  | 649,356.58   | 656,798.30   | 1.44                        |
| USD      | 30,000                    | Onyx Pharmaceuticals Inc       | 1,310,378.58 | 1,571,293.45 | 3.44                        |
| USD      | 10,000                    | Pfizer Inc                     | 180,495.53   | 181,287.93   | 0.40                        |
| USD      | 10,000                    | Questcor Pharma Inc            | 364,633.02   | 419,642.15   | 0.92                        |
| USD      | 60,000                    | Raptor Pharmaceutical Corp     | 212,145.15   | 264,365.10   | 0.58                        |
| USD      | 5,000                     | Regeneron Pharmaceuticals Inc  | 452,436.92   | 450,145.82   | 0.98                        |
| USD      | 10,000                    | Salix Pharmaceutical Ltd       | 324,043.26   | 429,100.65   | 0.94                        |

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Statement of investments and other net assets (in EUR) (continued) as at 30th June 2012

| Currency   | Number /<br>nominal value | Description  | Cost                 | Market value                | % of<br>total net<br>assets |
|--|---------------------------|--|----------------------|-----------------------------|-----------------------------|
| USD  | 15,000                    | Seattle Genetics Inc                                 | 198,407.78           | 300,189.17                  | 0.66                        |
| USD  | 25,000                    | Simcere Pharmaceutical Group spons ADR repr 2 Shares | 198,238.75           | 176,952.79                  | 0.39                        |
| USD  | 30,000                    | St Jude Medical Inc                                  | 905,616.98           | 943,721.92                  | 2.06                        |
| USD  | 5,000                     | Stryker Corp   | 198,573.46           | 217,151.41                  | 0.47                        |
| USD  | 10,000                    | Teva Pharma Ind Ltd ADR repr 1 Share                 | 321,962.75           | 310,869.39                  | 0.68                        |
| USD  | 45,000                    | Theravance Inc                                       | 653,718.99           | 788,129.58                  | 1.72                        |
| USD  | 10,000                    | Thermo Fisher Scientific Inc                         | 400,360.43           | 409,158.98                  | 0.89                        |
| USD  | 35,000                    | Thoratec Corp  | 850,128.91           | 926,381.33                  | 2.03                        |
| USD  | 125,000                   | Threshold Pharmaceuticals                            | 536,703.01           | 729,092.77                  | 1.59                        |
| USD  | 20,000                    | United Health Group Inc                              | 837,467.44           | 922,203.83                  | 2.01                        |
| USD  | 40,000                    | Universal Health Services Inc B                      | 1,303,542.17         | 1,360,762.99                | 2.98                        |
| USD  | 51,000                    | Vanguard Health Syst Inc                             | 435,520.79           | 357,365.81                  | 0.78                        |
| USD  | 5,000                     | Varian Medical Systems Inc                           | 238,242.37           | 239,497.12                  | 0.52                        |
| USD  | 6,500                     | Vertex Pharmaceuticals Inc                           | 298,874.86           | 286,497.99                  | 0.63                        |
| USD  | 40,000                    | Vivus Inc  | 856,983.27           | 899,818.71                  | 1.97                        |
| USD  | 25,000                    | Warner Chilcott Plc                                  | 335,279.36           | 353,117.36                  | 0.77                        |
| USD  | 10,000                    | Watson Pharmaceuticals Inc                           | 574,647.19           | 583,195.40                  | 1.28                        |
|  |                           |  | <u>43,738,406.20</u> | <u>48,377,648.44</u>        | <u>105.78</u>               |
| Total investments in securities  |                           |  | 60,328,296.16        | 65,691,030.24               | 143.65                      |
| <b><u>Short positions in securities</u></b>  |                           |  |                      |                             |                             |
| <b><u>Transferable securities admitted to an official stock exchange listing</u></b> |                           |  |                      |                             |                             |
| <b>Shares</b>  |                           |  |                      |                             |                             |
| USD  | -1,000                    | Dentsply Intl Inc                                    | -22,540.99           | -29,802.16                  | -0.07                       |
| USD  | -1,500                    | Edwards Lifesciences Corp                            | -39,645.70           | -122,132.89                 | -0.27                       |
| <b>Total shares</b>  |                           |  | <u>-62,186.69</u>    | <u>-151,935.05</u>          | <u>-0.34</u>                |
| <b><u>Open-ended investment funds</u></b>  |                           |  |                      |                             |                             |
| <b>Tracker funds (UCI)</b>   |                           |  |                      |                             |                             |
| USD  | -30,000                   | iShares Trust Nasdaq Biotechnology Idx Fd            | -1,892,964.12        | -3,072,948.69               | -6.72                       |
| USD  | -80,000                   | Select Sector SPDR (The) Trust Hlth Select Sector Fd | -1,810,043.73        | -2,398,045.24               | -5.24                       |
| <b>Total tracker funds (UCI)</b>   |                           |  | <u>-3,703,007.85</u> | <u>-5,470,993.93</u>        | <u>-11.96</u>               |
| Total short positions in securities  |                           |  | -3,765,194.54        | -5,622,928.98               | -12.30                      |
| Cash at banks and cash collateralized at banks                                       |                           |  |                      | 141,602.52                  | 0.31                        |
| Bank liabilities and collateralized debt at banks                                    |                           |  |                      | -12,876,725.82              | -28.16                      |
| Other net assets/(liabilities)   |                           |  |                      | -1,603,302.37               | -3.50                       |
| <b>Total</b>   |                           |  |                      | <u><u>45,729,675.59</u></u> | <u><u>100.00</u></u>        |

The accompanying notes are an integral part of these financial statements.

## Rhenman & Partners Fund - Rhenman Healthcare Equity L/S

### Industrial and geographical classification of investments as at 30th June 2012

#### Industrial classification

(in percentage of net assets)

|   |                 |
|---|-----------------|
| Pharmaceuticals and biotechnology         | 87.65 %         |
| Health care equipment and services        | 44.81 %         |
| Materials                                 | 4.60 %          |
| Insurance                                 | 2.00 %          |
| Commercial services and supplies          | 1.13 %          |
| Capital goods                             | 0.90 %          |
| Food retailing, drugstores and pharmacies | 0.80 %          |
| Technology hardware and equipment         | 0.68 %          |
| Investment funds                          | 0.55 %          |
| Diversified financial services            | 0.53 %          |
| Total                                     | <u>143.65 %</u> |

#### Geographical classification

(by domicile of the issuer)  
(in percentage of net assets)

|                          |                 |
|--------------------------|-----------------|
| United States of America | 102.19 %        |
| Germany                  | 6.13 %          |
| Sweden                   | 5.21 %          |
| Switzerland              | 4.87 %          |
| Norway                   | 4.49 %          |
| Japan                    | 4.46 %          |
| France                   | 3.39 %          |
| Denmark                  | 3.32 %          |
| Ireland                  | 2.52 %          |
| Belgium                  | 1.93 %          |
| Jersey                   | 1.34 %          |
| China                    | 0.92 %          |
| Italy                    | 0.79 %          |
| Israel                   | 0.68 %          |
| The Netherlands          | 0.58 %          |
| United Kingdom           | 0.44 %          |
| Cayman Islands           | 0.39 %          |
| Total                    | <u>143.65 %</u> |

The accompanying notes are an integral part of these financial statements.

**Notes to the financial statements**

as at 30th June 2012

**Note 1 - Significant accounting policies**

a) Presentation of the financial statements

The financial statements of the Fund are established in accordance with the Luxembourg legal and regulatory requirements concerning undertakings for collective investment.

The financial statements were drawn up on basis of the net asset value of 29th June 2012 using the last available prices on 29th June 2012.

b) Valuation

- 1) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- 2) The value of assets, which are listed or dealt in on any stock exchange, is based on the last available price of the preceding business day on the stock exchange, which is normally the principal market for such assets.
- 3) The value of assets dealt in on any other regulated market which is recognised, operating regularly and open to the public (a "Regulated Market") is based on the last available price.
- 4) In the event that any assets are not listed or dealt in on any stock exchange or on any other Regulated Market, or if, with respect to assets listed or dealt in on any stock exchange, or other Regulated Market as aforesaid, the price as determined pursuant to sub-paragraph (2) or (3) is not representative of the fair market value of the relevant assets, the value of such assets will be based on the reasonably foreseeable sales price determined prudently and in good faith.
- 5) The liquidating value of options contracts not traded on exchanges or on other Regulated Markets is their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on exchanges or on other Regulated Markets are based upon the settlement or closing prices of these contracts on the preceding business day on exchanges and Regulated Markets on which the particular futures, forward or options contracts are traded by the Fund; provided that if a futures, forward or options contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors of the Management Company may deem fair and reasonable.
- 6) Units or shares of open-ended underlying funds are valued at their last determined and available Net Asset Value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Board of Directors of the Management Company on a fair and equitable basis and in good faith.
- 7) All other securities and other assets are valued at fair market value as determined in good faith pursuant to the procedures established by the Management Company.

## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 30th June 2012

#### c) Net realised gain/(loss) on sales of securities

The net realised gain/(loss) on sales of securities is determined on the basis of the average cost of securities sold.

#### d) Cost of securities

The acquisition cost of a security denominated in a currency other than that of the Sub-Fund is converted to the Sub-Fund's currency at the exchange rate prevailing on the date of purchase.

#### e) Exchange translation

Bank balances, other assets and liabilities and the value of securities held that are denominated in other currencies than the Sub-Fund's currency are converted at the prevailing exchange rate of the closing day. Income and expenses incurred in currencies other than the Sub-Fund's currency are converted at the prevailing exchange rate of the day of each transaction.

At the date of the report, the prevailing exchange rates on the closing day were as follows:

|   |     |   |             |     |                       |
|---|-----|---|-------------|-----|-----------------------|
| 1 | EUR | = | 1.2013320   | CHF | Swiss Franc           |
|   |     |   | 8.0608757   | CNY | Chinese Yuan Renminbi |
|   |     |   | 7.4348992   | DKK | Danish Krona          |
|   |     |   | 0.8088620   | GBP | Pound Sterling        |
|   |     |   | 9.8411790   | HKD | Hong Kong Dollar      |
|   |     |   | 101.2232317 | JPY | Japanese Yen          |
|   |     |   | 7.5429290   | NOK | Norwegian Krona       |
|   |     |   | 8.7624034   | SEK | Swedish Krona         |
|   |     |   | 1.2687000   | USD | US Dollar             |

#### f) Consolidation

The financial statements of the Fund are expressed in EUR and are equal to the sum of the corresponding captions in the financial statements of the only open Sub-fund.

#### g) Formation expenses

Expenses incurred in connection with the establishment of the Fund and the creation of the Sub-Funds are amortised over a period of five years.

#### h) Other liquid liabilities

The caption "Other liquid liabilities" is mainly composed of cash accounts held at brokers.

#### i) Accounting principles relating to options

Premiums received on the sale of options are recorded as liabilities and premiums paid on the purchase of options are carried separately as assets. Unrealised appreciations and depreciations are posted in the statement of net assets.

**Notes to the financial statements (continued)**

as at 30th June 2012

j) Short sales

When the Fund engages in a short sale, an amount equal to the proceeds received by the Fund is reflected as an asset and equivalent liability. The amount of the liability is subsequently marked to market to reflect the market value of the short sale. The Fund is exposed to the risk of depreciation to the extent that the market value of the security sold short exceeds the proceeds of the short sales. Securities sold short are borrowed from the prime broker.

**Note 2 - Subscription, Redemption and Conversion fees**

The Offer price per unit as well as the Redemption price per unit is equivalent to the Net Asset Value per unit of the relevant class (or Gross Net Asset Value with respect to the subscription of class I2 units) increased by the subscription fee of the respective unit class for subscriptions and decreased by the redemption fee of the respective unit class for redemptions as indicated hereafter:

|              | Subscription fee | Redemption fee | Conversion fee |
|--------------|------------------|----------------|----------------|
| Unit class R | max 3%           | max 3%         | max 3%         |
| Unit class I | max 3%           | max 3%         | max 3%         |

The subscription, redemption and conversion fee will revert to the Placement and Distribution Agent, i.e. Rhenman Partners Asset Management AB.

**Note 3 - Management fees**

The Management Company is entitled to receive out of the Sub-Fund's assets a management fee payable monthly in arrears based on the Sub-Fund's net assets calculated monthly, of:

- maximum 2.075% p.a. for the class RC1 (SEK) and RC1 (EUR),
- maximum 1.575% p.a. for the classes RC2 (SEK), IC1 (EUR), ID1 (SEK) and IC3 (EUR),
- maximum 1.075% p.a. for the class IC2 (EUR).

For its services, the Investment Manager, Rhenman Partners Asset Management AB., receives out of the Management fee, an investment management fee calculated for each Valuation Day, paid out monthly in arrears.

At the date of the report, the applicable annual fees are as follows:

- 2.075% p.a. for the class RC1 (SEK) and RC1 (EUR),
- 1.575% p.a. for the classes RC2 (SEK), IC1 (EUR), ID1 (SEK) and IC3 (EUR),
- 1.075% p.a. for the class IC2 (EUR).

## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 30th June 2012

#### Note 4 - Performance fee

The Investment Manager is also entitled to receive a performance fee, payable out of the Sub-Fund's assets.

The performance fee is calculated and accrued monthly in the respective unit classes as described below and is paid out quarterly in arrears. The first period ended on 30th June 2009 and being followed by each successive quarter thereafter (the "Calculation Period").

For each Calculation Period, the performance fee in respect of each unit is equal to 20% (10% for the class IC3 (EUR)) of the appreciation in the Gross Asset Value per each unit of that class during the Calculation Period above the Base Net Asset Value per each unit of that class.

The GNAV is calculated after deduction of the management fee and administration fee but prior to the calculation of any performance fee on the relevant Valuation Day.

The Base Net Asset Value per each unit is the greater of the Net Asset Value of that unit at the time of issue of that unit multiplied by the 3 months EURO Interbank Offered Rate on the last bank business day of the previous calculation period adjusted for monthly return and the highest GNAV of that unit achieved as of the end of any previous Calculation Period (if any) during which such unit was in issue multiplied by the 3 months EURO Interbank Offered Rate for the relevant calculation period adjusted for monthly return.

For the class IC2 (EUR), certain adjustments will be made to reduce inequities that would occur for investors subscribing in Units at a time when the Net Asset Value per Unit is other than the Base Net Asset Value per Unit (Equalisation). Equalisation adjustments are no more applicable to the class IC3 (EUR).

At the date of the report, a performance fee was recorded for the following sub-fund and amounted to:

|   |                  |
|---|------------------|
| Rhenman & Partners Fund - Rhenman Healthcare Equity L/S | 1,197,042.51 EUR |
|---|------------------|

#### Note 5 - Central administration costs

Out of the Sub-Fund's assets an administration fee of maximum 0.135% p.a. is payable to the Management Company monthly in arrears based on the Sub-Fund's average net assets calculated monthly. This fee includes the fee due to the Custodian. However the Management Company is entitled to a minimum monthly administration fee of EUR 3,333 payable monthly in arrears to the Management Company.

#### Note 6 - Subscription duty ("*taxe d'abonnement*")

The Fund is governed by Luxembourg law.

Pursuant to the legislation and regulations which are prevailing, the Fund is subject to an annual subscription duty ("*taxe d'abonnement*") of 0.05% which is payable quarterly and calculated on the basis of the net assets of each Sub-Fund on the last day of each quarter.



## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 30th June 2012

Pursuant to Article 175 (a) of the law of 17th December 2010 the net assets invested in undertakings for collective investment already subject to the "*taxe d'abonnement*" are exempt from this tax.

The rate of this tax may be reduced to 0.01% of the value of the net assets for Sub-Funds or classes of units reserved to institutional investors.

#### Note 7 - Short options

As at 30th June 2012, the Fund is not committed in any short options.

#### Note 8 - Securities lending

The Fund may lend portions of its securities portfolio to third parties. In general, lendings may only be effected via recognised clearing houses or through the mediation of prime financial institutions that specialise in such activities and in the modus specified by them.

At the date of the report, the Fund is not engaged in securities lending operations.

#### Note 9 - Pledged assets

At the date of the report, the following securities serve as pledged assets in relation to collateralized debt at banks, short sales and security lending/borrowing operations. The counterpart of the following positions is Skandinaviska Enskilda Banken AB (publ), Stockholm.

| Description                      | Currency | Quantity | Market value<br>(in EUR) |
|----------------------------------|----------|----------|--------------------------|
| Actelion Ltd                     | CHF      | 35,000   | 1,133,325.31             |
| Roche Holding AG B de jouis Pref | CHF      | 5,000    | 680,910.84               |
| Novo Nordisk A/S B               | DKK      | 6,000    | 684,743.65               |
| Bavarian Nordic A/S              | DKK      | 35,616   | 238,081.94               |
| Bayer AG Reg                     | EUR      | 15,000   | 851,700.00               |
| Fresenius SE & Co KGaA           | EUR      | 6,000    | 490,680.00               |
| Sanofi                           | EUR      | 15,000   | 896,100.00               |
| Algeta ASA                       | NOK      | 55,312   | 1,246,603.28             |
| Vitrolife AB                     | SEK      | 27,051   | 169,794.17               |
| Meda AB A                        | SEK      | 50,000   | 375,753.07               |
| Abiomed Inc                      | USD      | 50,000   | 899,345.79               |
| Varian Medical Systems Inc       | USD      | 5,000    | 239,497.12               |
| Theravance Inc                   | USD      | 45,000   | 788,129.58               |
| Medivation Inc                   | USD      | 15,000   | 1,080,633.72             |
| Achillion Pharmaceuticals Inc    | USD      | 40,000   | 195,475.68               |
| Exelixis Inc                     | USD      | 210,000  | 915,346.42               |

## Rhenman & Partners Fund

### Notes to the financial statements (continued)

as at 30th June 2012

| Description                    | Currency | Quantity | Market value<br>(in EUR)  |
|--------------------------------|----------|----------|---------------------------|
| Laboratory Corp of America Hgs | USD      | 12,000   | 875,951.76                |
| Warner Chilcott Plc            | USD      | 25,000   | 353,117.36                |
| Aveo Pharmaceuticals Inc       | USD      | 50,000   | 479,230.71                |
| Covidien Plc                   | USD      | 10,000   | 421,691.50                |
| Alkermes Plc                   | USD      | 60,000   | 802,553.80                |
| Aetna Inc                      | USD      | 15,000   | 458,382.60                |
| Dynavax Technologies Corp      | USD      | 217,000  | 738,898.08                |
| Allscripts Healthcare So Inc   | USD      | 60,000   | 516,907.07                |
| AmerisourceBergen Corp         | USD      | 10,000   | 310,160.01                |
| Biogen IDEC Inc                | USD      | 5,000    | 569,007.65                |
| Ariad Pharmaceuticals Inc      | USD      | 70,000   | 949,554.66                |
| Alexion Pharmaceuticals Inc    | USD      | 2,500    | 195,672.74                |
| Thoratec Corp                  | USD      | 25,000   | 661,700.95                |
| CVS Caremark Corp              | USD      | 10,000   | 368,329.79                |
| BioMarin Pharmaceutical Inc    | USD      | 25,000   | 779,932.21                |
| Davita Inc                     | USD      | 5,000    | 387,049.74                |
| Watson Pharmaceuticals Inc     | USD      | 7,500    | 437,396.55                |
| Agilent Technologies Inc       | USD      | 10,000   | 309,292.98                |
| Allergan Inc                   | USD      | 10,000   | 729,644.52                |
| Bristol Myers Squibb Co        | USD      | 35,000   | 991,763.22                |
| Celgene Corp                   | USD      | 30,000   | 1,517,143.53              |
| Cigna Corp                     | USD      | 15,000   | 520,217.55                |
| Forest Laboratories Inc        | USD      | 10,000   | 275,794.12                |
| Gilead Sciences Inc            | USD      | 25,000   | 1,010,483.17              |
| Medtronic Inc                  | USD      | 25,000   | 763,182.79                |
| United Health Group Inc        | USD      | 15,000   | 691,652.87                |
| Vertex Pharmaceuticals Inc     | USD      | 6,500    | 286,497.99                |
| McKesson Corp                  | USD      | 7,000    | 517,261.76                |
| Auxilium Pharmaceuticals Inc   | USD      | 15,000   | 317,923.86                |
|                                |          |          | <hr/> <hr/> 28,122,516.11 |

#### Note 10 - Changes in the investment portfolio

The statement of changes in the investment portfolio for the period covered by the report is available free of charge upon request from the registered office of the Management Company.

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